

# In Response to Implementing AB 341

Response to February 2013 Article by Dominic Meo III, PE

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It was with a great deal of interest that I read the paper last week titled "[Providing a Road Map to Implementing AB 341](#)" by Dominic Meo III, PE. I agree with Mr. Meo in that a productive role of CalRecycle could be to help develop local markets for diverted commodities. Development of local innovative business to utilize locally produced, waste derived, feedstock will certainly assist in development of a sustainable society. However for true economic sustainability, we need much more than local markets for diverted commodities.

In the vast majority of studies I have been associated with or read, the true cost of a diverted ton is between \$200 and \$400. Even with development of local markets, the value of diverted materials will not exceed the cost of extraction from the waste stream. With very rare exception, markets exist today for every commodity segregated from the waste stream through conventional diversion programs. Economically, the system is working because the shortfall between the value of a diverted ton and the cost to extract it is made up in a processing fee to the Materials Recovery Facility (MRF) operator and the hauler.

The true path to economic sustainability is to have the value of the diverted ton exceed the cost of extraction. Under the current collection and processing systems, this will not occur with increased local demand for feedstock. We are in a global economy and commodity prices are largely based on global, not local demand. The path to economic sustainability is to lower the cost of collection and processing to produce a diverted ton.

The commodity value in a ton of mixed waste is about \$100. If you can collect waste and process waste into segregated commodity streams, for under \$100 per ton with a profit, only then will you have economic sustainability. The only chance to get even close to this possibility is with single can collection and a state-of-the-art processing facility.

In modeling economics of almost any business, the path to profit is through lowering the cost of production. In almost all cases, you have no control over the value of a global commodity. If demand is created locally, it will be filled globally.

Single stream collection (one bin for recyclables and a bin for trash) is going to be extremely problematic for commercial and multi-family waste collection. Often these businesses and residences are in congested urban areas. The cost to expand a trash enclosure to accommodate two bins from one can place an extreme economic hardship on businesses. Costs are often in the tens of thousands of dollars. In addition, a trash enclosure expansion often comes at the price of lost parking spaces. The only practical/sustainable option is to maintain single can collection in an effort to meet requirements of AB 341.

At the AB 341 meeting CalRecycle conducted in Sacramento, there was discussion that the only way to get to 75% diversion may well have to include processing for recyclables contained in the trash portion of single stream collection. Currently there is tremendous commodity value in the single stream garbage being directly hauled to the landfill. One recent study showed the commodity value in a ton of curbside recyclables to be \$110. In that same city the commodity value in a ton of trash going directly to the landfill was \$94. Why have two bins, two trucks, and double the collection cost to collect almost the same material? Put it all in one bin and process it all.

If material never sees a diversion processing plant, there is no chance for it to be diverted. Relying on 38,000,000 Californians to put the right material in the right bin to achieve economic and environmental sustainability is absurd. Put everything in one bin and rely on technology to mine it. Contamination will not be an issue. Those who derive income from multi-can collection drive the myth of commodity contamination of mixed waste processing. The answer to economic and environmental sustainability in solid waste is productivity of collection and processing. The answer for AB 341 and for municipal solid waste in general is single can collection combined with advanced processing systems. Such technology exists today.

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