

Oregon Recycling System Advisory Council

Special Meeting: Oct. 22, 2024, 10 a.m. to 12:30 p.m.

[Attend via Zoom meeting](#)



Agenda

10 a.m.	Welcome and meeting opening
10:05 a.m.	Meeting agenda review, process review
10:10 a.m.	Discussion: Equity <ul style="list-style-type: none">Supporting document: Review framework
10:40 a.m.	Discussion: Statewide plastics recycling goal and on-ramp proposal(s) <ul style="list-style-type: none">Supporting document: Review framework
11:10 a.m.	Discussion: REM verification standards and variance proposal(s) <ul style="list-style-type: none">Supporting document: Review framework
11:40 a.m.	Discussion: Ecomodulation of fees <ul style="list-style-type: none">Supporting document: Review framework
12:10 p.m.	“Temperature check”: Initial draft recommendations for Council review
12:20 p.m.	Meeting close and next steps
12:30 p.m.	Adjourn

Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age, sex, religion, sexual orientation, gender identity, or marital status in the administration of its programs and activities. Visit DEQ’s [Civil Rights and Environmental Justice page](#).

Translations or other formats

[Español](#) | [한국어](#) | [繁體中文](#) | [Русский](#) | [Tiếng Việt](#) | [العربية](#)

Contact: 800-452-4011 | TTY: 711 | deqinfo@deq.state.or.us

Updated: Oct. 15, 2024

Consejo Asesor del Sistema de Reciclaje de Oregon



Reunión extraordinaria: 22 de octubre de 2024, de 10 a 12.30 horas.
[Asistir a la reunión a través de Zoom](#)

Orden del día

10 h.	Bienvenida y apertura de la reunión
10.05 h.	Revisión del orden del día de las reuniones, revisión del proceso
10.10 h.	Debate: Equidad
10.40 h.	Debate: Objetivo estatal de reciclado de plásticos y propuesta(s) de rampa de acceso
11.10 h.	Debate: Normas de verificación REM y propuesta(s) de varianza(s)
11.40 h.	Debate: Ecomodulación de las tasas
12.10 h.	«Comprobación de la temperatura»: Proyecto inicial de recomendaciones para su examen por el Consejo
12.20 h.	Clausura de la reunión y próximos pasos
12.30 h.	Se levanta la sesión

Translations or other formats

[Español](#) | [한국어](#) | [繁體中文](#) | [Русский](#) | [Tiếng Việt](#) | [العربية](#)
Contact: 800-452-4011 | TTY: 711 | deqinfo@deq.state.or.us

Updated: Oct. 15, 2024



Oregon Department of Environmental Quality

Oregon Recycling System Advisory Council

PRO Plan Review (Draft 2): Equity

Last updated: Oct. 15, 2024

Purpose

This document is intended to assist the Recycling Council to frame its Oct. 22, 2024, Special Meeting discussion regarding equity, and the degree to, and quality with which equity is addressed in Circular Action Alliance's second draft program plan.

Discussion questions

1. Which changes to the second draft do you support as presented? Which do you think could be strengthened?
2. Does CAA's vision in its goals section of the plan adequately allow for measurement of success in achieving equity in long term?
3. What changes, including metrics or measures, would have substantial positive impacts for Draft 3?

Requirements overview

One main equity provision in the Act is a requirement that commingled recycling processing facilities pay their workers a living wage and supportive benefits. However, this is not an obligation that requires considerable elaboration in the program plan—the PRO will simply pay invoices remitted by the processors through the processor commodity risk fee funding.

The PRO must describe in the plan how it will meet the following other equity-related requirements:

- Tribal depots and collection points operated by a community organization at the direction of a local government must be contracted with where possible for collection of materials on the PRO Recycling Acceptance list.
- Underserved populations must receive enhanced convenience for collection of materials on the PRO Recycling Acceptance list.
- Any alternative compliance with the convenience standard must provide equitable access to, and provision of, recycling across regions and diverse populations (pending approval of relevant rule language in the ongoing rulemaking).
- Educational materials and campaigns must be culturally responsive to diverse audiences across the state, including through translation of materials into multiple languages.

DEQ and the Council have also introduced additional suggested elements, or guidance elements, related to equity that the PRO could choose to include in the plan voluntarily, including payment of a living wage to collection point staff, establishment of a “whistleblower channel” for communities adjacent to end markets to provide input on verifications, and institution of internal requirements around engagement of COBID-Certified firms in contracting.

Translation or other formats

Español | 한국어 | 繁體中文 | Русский | Tiếng Việt | العربية

800-452-4011 | TTY: 711 | deqinfo@deq.oregon.gov



Second draft plan status – key changes

CAA made the following key changes to Draft 2 of the plan related to equity:

- Addition of an outcome to the Goals Section targeting engagement of diverse businesses and collection point partners, including COBID-certified firms.
- Addition of a whistleblower channel for community feedback on end market verifications.
- Elaboration on how collection point partners will be compensated, including a commitment to pay a living wage at CBO-managed sites.
- Indication of two Tribal depots that CAA intends to collaborate with.
- Addition of three languages to the translation list for education materials.
- Addition of three CBOs to the Stakeholder Engagement list in Appendix D.

Second draft – relevant sections for review

Section	Page Number(s) in Public-Facing Version of Plan	Page Number(s) in Tracked Changes Version of Plan
Goals of the Program	pg 15-16 (Goal 3)	pg 11-12 (Goal 3)
Equity	pg 159-162	pg 146-149
Appendix D: Stakeholder Engagement	pg D33-35	pg D39-D42

As equity requirements and guidance elements are embedded within several of the PRO obligations, some information related to equity may also be found in the sections of the plan dedicated to the following themes:

1. Establishing a network of collection points to collect PRO Recycling Acceptance List materials,
2. Sending materials collected in Oregon to Responsible End Markets, and
3. Developing education and outreach materials and campaigns.

Please refer to the table in the Appendix for page numbers for relevant content.

Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age, sex, religion, sexual orientation, gender identity, or marital status in the administration of its programs and activities. Visit DEQ's [Civil Rights and Environmental Justice page](#).

Appendix: DEQ preliminary feedback on relevant requirements and guidance elements

A checklist of relevant statutory requirements for the equity section is provided below. Additional guidance elements from the Internal Management Directive on program plan review are also included for the Council's reference, below, but do not have a statutory reference or requirement. Page numbers listed are for the public-facing version of the plan.

Required or Guidance Plan Component	Statute or Rule Citation	Plan Section(s)	DEQ Preliminary Feedback (<i>pending</i>)
Overarching goals for the program plan that are as objective and measurable as possible.	ORS 459A.875(2)	<ul style="list-style-type: none"> Goals of the Program, pg 13-17 	
Inclusion of Tribal depots among the list of “existing depots” and pursuit of efforts to contract with those depots (for collection of the PRO Recycling Acceptance List).	ORS 459A.875(2)(a) (B) and OAR 340-090-0640(1)(a)(C)	<ul style="list-style-type: none"> Equity in the Establishment of a PRO Depot Network, pg 160 Appendix F: PRO Depot Lists and Coverage, pg F40-49 (was not updated in Draft 2) 	
Identification of key collaborators that the prospective PRO plans to contract with for PRO Recycling Acceptance List collection, including community-based organizations and minority-owned/operated businesses.	n/a	<ul style="list-style-type: none"> CAA’s Proposed Approach to Equity, pg 159-160 Equity in the Establishment of a PRO Depot Network, pg 160 Appendix D, Stakeholder Engagement, pg D33-34 	
Plans for providing enhanced convenience (for collection of the PRO Recycling Acceptance List) to underserved populations.	OAR 340-090-0640(2)(h)	<ul style="list-style-type: none"> Underserved Populations, pg 51 (was not updated in Draft 2) 	
A description of how the prospective PRO will engage with local community-based organizations and women and minority-owned businesses to	n/a	<ul style="list-style-type: none"> Equity in the Establishment of a PRO Depot Network, pg 160 Unnamed section, pg 50-51 (was not updated in Draft 2) 	

Translation or other formats

Español | 한국어 | 繁體中文 | Русский | Tiếng Việt | العربية
 800-452-4011 | TTY: 711 | deqinfo@deq.oregon.gov

Required or Guidance Plan Component	Statute or Rule Citation	Plan Section(s)	DEQ Preliminary Feedback (<i>pending</i>)
develop collection points (for collection of the PRO Recycling Acceptance List).			
Descriptions of any alternative collection programs being proposed to substitute for convenience standards, including an assessment of the impact on equitable access to and provision of recycling across regions and diverse populations.	OAR 340-090-0640(6)(c)(B)	<ul style="list-style-type: none"> • Equity in the Establishment of a PRO Depot Network, pg 160 • Proposed Approach to Meeting Convenience Standards, pg 43-54 (was not updated in Draft 2) 	
Principles and methods for compensation of collection point staff.	n/a	<ul style="list-style-type: none"> • Equity in the Establishment of a PRO Depot Network, pg 160 • Establishment of Depot Sites and Contracts, pg 52-53 (was not updated in Draft 2) 	
Plans to incorporate community feedback into verifications of end markets and other downstream entities.	n/a	<ul style="list-style-type: none"> • Whistleblower Process, pg 94 	
Any equity approaches pertaining to practicable actions such as development of new markets.	n/a	<ul style="list-style-type: none"> • Equity in Responsible End Markets, pg 161 	
A description of how the prospective PRO will ensure that educational materials and campaigns are culturally responsive to diverse audiences across this state, including people who speak languages other than English and people with disabilities; are printed or produced in languages other than	ORS 459A.875(2)(a)(J)(i) and ORS 459A.893(3)	<ul style="list-style-type: none"> • Equity in Education and Outreach, pg 162 • A Culturally-Responsive Approach, pg 128-130 (section is already approved) 	

Required or Guidance Plan Component	Statute or Rule Citation	Plan Section(s)	DEQ Preliminary Feedback (<i>pending</i>)
English; and are accessed easily and at no cost to local governments and users of the recycling system.			
Any internal requirements around engagement of “Certified Firms” when contracting work out to third parties (“Certified Firm” means a small business certified under ORS 200.055 by the Oregon Certification Office for Business Inclusion and Diversity (COBID) as a minority-owned business, woman-owned business, business that service-disabled veterans own, or emerging small business).	n/a	<ul style="list-style-type: none"> • Equity in PRO Administration, pg 162 	



Oregon Department of Environmental Quality

Oregon Recycling System Advisory Council

PRO Plan Review (Draft 2): Statewide Plastic Recycling Goal and On-Ramp Proposals

Last updated: Oct. 15, 2024

Purpose

This document is intended to assist the Recycling Council in framing its Oct. 22, 2024, Special Meeting discussion regarding Circular Action Alliance's materials strategy as articulated in its second draft program plan. There is a particular focus on the following elements:

- Use of the program plan on-ramp to add materials to the Uniform Statewide Collection List,
- PRO Recycling list material-specific challenges, and
- Likelihood of the achievement of the statewide plastics recycling goal when it first applies in 2028.

Discussion questions

1. Do you agree with the vision for materials, and pace for the evolution of the Uniform Statewide Collection List through program plan "on-ramping"?
2. What feedback do you have for CAA regarding the practicability and cost challenges pertaining to certain PRO list materials that are described in this plan draft?
3. Is CAA on track to meet the statewide plastics recycling goal of 25% in 2028?

Requirements overview

Following are the relevant statutory and rule requirements with respect to on-ramping, material-specific performance standards, and the plastic recycling goal:

- The PRO can propose the "on-ramping" of materials onto the Uniform Statewide Collection List in its program plan. In order to do so, the PRO must analyze how the material performs against the statutory criteria at ORS 459A.914(3) and must describe planned activities and investments that address any issues highlighted by the analysis.
- The PRO must collect PRO Recycling Acceptance list materials in a manner that achieves collection targets, convenience standards, and performance standards for the materials. Alternative compliance to convenience standards may be proposed as long as collection targets will be achieved, equity in terms of access to and provision of recycling services will be provided, local government support is secured, and the proposal will not engender adverse environmental impacts.
- Expanded polystyrene must be densified for transportation within 75 miles of a collection point. The PRO may propose in the program plan an alternative distance threshold.
- Aerosol containers and pressurized cylinders must be managed, both at collection points and downstream of collection points, as hazardous waste.
- The PRO must meet a statutory statewide plastics recycling target of 25% in 2028 (which steps up to 50% in 2040), with the current recycling rate estimated at 16.8-18.4%.
- A PRO can make a case to the department that it is not "practicable" to ensure that materials are recycled at responsible end markets through a cost analysis demonstrating that implementation of a practicable action to comply with the REM requirement will cost more than \$2,017 per ton (expressed in 2021 dollars and adjusted annually for inflation). If the PRO's

Translation or other formats

Español | 한국어 | 繁體中文 | Русский | Tiếng Việt | العربية

800-452-4011 | TTY: 711 | deqinfo@deq.oregon.gov



analysis is accepted, the PRO is released from the obligation to ensure that the materials flow to responsible end markets and delisting of the material is explored in a subsequent rulemaking.

Second draft plan status – key changes

CAA made the following key changes in Draft 2 of the plan:

- 1. On-ramping:** CAA envisions the on-ramping of materials onto the USCL in three groupings:
 1. Materials proposed to be on-ramped in this program plan review process (green and blue transparent PET),
 2. Materials CAA intends to on-ramp in this program plan period by plan amendment (PET thermoforms, non-hazardous aerosol containers, aluminum foil and pressed foil products, PE and PP lids and caps, and HDPE can carriers), and
 3. Materials for which CAA is exploring on-ramping in subsequent plan periods (spiral wound containers).

- 2. Challenges still to be addressed:** CAA has signaled practicability and other cost challenges related to:
 - Processing pressurized cylinders and hazardous aerosol containers, which must be managed as hazardous waste according to the performance standards, and
 - Required densification of expanded polystyrene no more than 75 miles from collection points.

Specific proposals (practicability analyses, an alternative compliance proposal for EPS) related to these challenges may follow in the third draft.

3. Achieving plastic recycling rates: CAA integrated the latest plastics recycling data from the DEQ waste composition and material recovery surveys into Draft 2 of the plan, which indicates that the current statewide plastics recycling rate stands at 16.8-18.4%. In Table 12 on page 86 of the public-facing version of the plan, CAA highlights strategic opportunities for meeting the 25% plastics recycling target by 2028, which requires collecting an additional 14.5-19 thousand tons of plastic.

Second draft – relevant sections for review

Section/Subsection	Page Number(s) in Public-Facing Version of Plan	Page Number(s) in Tracked Changes Version of Plan
Materials Strategy, with particular focus on the below-listed subsections:	pg 66-85	pg 61-80
Proposed Additions to the USCL	pg 67-68	pg 62-63
Proposed Future Additions to the USCL through Forthcoming Program Plan Amendments	pg 69-73	pg 63-67
SIMs on the PRO Recycling Acceptance List	pg 76-79	pg 70-73
Variance Requests	pg 80	pg 73-74
Initial Plastics Recycling Rate Projections	pg 83-86	pg 77-80

Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age, sex, religion, sexual orientation, gender identity, or marital status in the administration of its programs and activities. Visit DEQ's [Civil Rights and Environmental Justice page](#).



Oregon Department of Environmental Quality

Oregon Recycling System Advisory Council

PRO Plan Review (Draft 2): Responsible End Market

Verification Standard, Auditing, and Variance Proposal(s)

Last updated: Oct. 15, 2024

Purpose

This document is intended to assist the Recycling Council in framing its Oct 22, 2024, Special Meeting review of the PRO program plan related to the responsible end market obligation. There is particular focus on the following elements of the plan:

- Proposed criteria and performance indicators that comprise the verification standard that will be used to verify that end markets and other downstream entities that manage Oregon’s waste collected for recycling are “responsible,” including:
 - Classification within the verification standard of non-conformances by degree of severity and proposal for how different classes of non-conformance will be addressed going forward.
- Proposal for how the PRO will fulfill the requirement to audit across the results of the various facility-specific verifications, including through the use of random bale tracking.
- Any requested variances with respect to the entities that will be verified and how the verification standard will be applied (i.e., partial application of only certain criteria vs. full application).

Discussion question

1. Does the plan Draft 2 fulfill the relevant requirements listed in the Appendix Table of this document?

Overview of requirements

The PRO must ensure, to the extent practicable, that four classes of materials pursuant to ORS 459A.869(7) collected for recovery in Oregon go to responsible end markets. “Responsible end market” is defined in statute as a “materials market in which the recycling or recovery of materials or the disposal of contaminants is conducted in a way that benefits the environment and minimizes risks to public health and worker health and safety.” In rule at OAR 340-090-0670, more detailed requirements for the fulfillment of this obligation are laid out, including material-specific definitions of “end market” and a four-element definition of “responsible” (compliant, transparent, environmentally-sound, achieving adequate yields) that facilities must be either PRO-verified or third-party certified against.

The full listing of requirements relevant to the chosen scope of the Recycling Council’s review of this topic (see bullets in “Purpose” section above) appears in the Appendix of this document.

Second draft plan status – key changes

In its second draft plan, Circular Action Alliance has added new content pertaining to each of the three sub-elements that the Recycling Council will be focusing on in its review.

Translation or other formats

Español | 한국어 | 繁體中文 | Русский | Tiếng Việt | العربية
800-452-4011 | TTY: 711 | deqinfo@deq.oregon.gov



- CAA has partnered with Recycled Material Standard to develop a set of 21 criteria for the verification of responsibility. Non-conformance with each criterion will be classified as disqualifying, major, and/or minor. The timeframes to address major and minor non-conformances are indicated as 30 days and one year, respectively.
- CAA proposes to not use battery-powered bale trackers out of concern for worker safety, but rather to conduct paper-based chain-of-custody auditing.
- CAA has added two additional variance requests to existing list of three from the first draft:
 - Variance from the requirement to verify plastic converters producing products for food and beverage and children’s product applications, and
 - Variance from the requirement to estimate yield at domestic paper mills. Instead, CAA proposes to visually verify that no minority bale components are being diverted to landfill.

Second draft – relevant sections for review

Section	Page Number(s) in Public-Facing Version of Plan	Page Number(s) in Tracked Changes Version of Plan
Goals of the Program	pg 13-14 (Goal 1)	pg 9-10 (Goal 3)
Ensuring Responsible End Markets	pg 86-114	pg 80-103

Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age, sex, religion, sexual orientation, gender identity, or marital status in the administration of its programs and activities. Visit DEQ’s [Civil Rights and Environmental Justice page](#).

Appendix: DEQ preliminary feedback on relevant requirements and guidance elements

The checklist of relevant requirements and guidance elements is provided below. Guidance elements from the Internal Management Directive are also included for Council reference but do not have an accompanying statute or rule citation. Page numbers listed are for the public-facing version of the plan.

Required or Guidance Plan Component	Statute or Rule Citation	Plan Section(s)	DEQ Draft 2 Preliminary Feedback (<i>pending</i>)	
Overarching goals for the program plan that are as objective and measurable as possible.	ORS 459A.875(2)	Goals of the Program, pg 13-17		
Ensure that four classes of covered products, identified in ORS 459A.869(7), and contaminants collected with those covered products, are managed and disposed of consistent with the goals, standards and practices required by ORS 459A.860 to 459A.975 and transferred to responsible end markets.	ORS 459a.875(2)(a)(G)-(I) and OAR 340-090-0670	Ensuring Responsible End Markets, pg 86-114		
Describe how the prospective PRO will verify that the recycling supply chains up through and including the end markets are meeting the “responsible” standard, including through	ORS 459A.875(2)(A)(H) and OAR 340-090-0670(2)-(3)	<ul style="list-style-type: none"> • Verification of REMs, pg 88-103 • Tracking Material Flows, pg 108-110 		
The approach for verifying that downstream entities meet the “responsible” standard, including			<ul style="list-style-type: none"> • Verification Sampling Plan, pg 93 • REM Verification Criteria (Preliminary), pg 93-102 • Verification of Chain of Custody, pg 102-103 	
1. How compliance with applicable laws and treaties will be verified (element #1 of the “responsible” standard).				

Translation or other formats

Español | 한국어 | 繁體中文 | Русский | Tiếng Việt | العربية
 800-452-4011 | TTY: 711 | deqinfo@deq.oregon.gov

2. How chain of custody transparency will be verified (element #2 of the “responsible” standard)		<ul style="list-style-type: none"> • Verification of Recycling Yield for Materials Mixed Together in a Bale, pg 103 • Tracking Material Flows, pg 108-110 	
3. How environmental soundness will be verified (element #3 of the “responsible” standard)			
4. How adequate yield will be verified (element #4 of the “responsible” standard).			
Protocols to be applied when reporting disposition for and calculating yield in recycling supply chains in which obligated Oregon materials mix with non-obligated materials, such as material from another state.	OAR 340-090-0670(2)(d)	Accounting for Disposition and Yield, pg 109-110	
Plans to incorporate community feedback into verifications of markets and other downstream entities.*	n/a	Whistleblower Process, pg 94	
Requests for temporary variance from the required components of a verification accompanied by justification, if such requests are being made. Justification could consist of criteria for identifying facilities that would receive more limited verifications on the basis of characteristics such as location and role in the supply chain,	OAR 340-090-0670(3)(h)	Requests for Temporary Variance in Verification, pg 106-108	
Actions and timeline to investigate if the prospective PRO learns of potential non-compliance through the	ORS 459A.875(2)(A)(H) and	<ul style="list-style-type: none"> • Investigating Non-Compliance, pg 103 	

verification/certification process or otherwise;	OAR 340-090-0670(5)	<ul style="list-style-type: none"> • Actions to Address Non-Compliance, pg 103-106 	
Steps the PRO will take and timelines for action when verification, certification, or auditing indicates that the “responsible” standard is not being met; and		Actions to Address Non-Compliance, pg 103-106	
Description of how the PRO will audit results across all facility verifications. This section could include:	ORS 459A.875(2)(A)(H) and OAR 340-090-0670(4)	<ul style="list-style-type: none"> • Auditing the Verification Program, pg 110 • Random Bale Auding, pg 110-112 	
The sampling methodology to be used for random bale auditing including	ORS 459A.875(2)(A)(H) and OAR 340-090-0670(4)	Random Bale Auding, pg 110-112	
Quantity of trackers to be deployed.			
Where and how they will be placed (in bales and/or in consumer bins, what type of materials, etc.			
The approach to securing the trackers to the targeted materials and preventing their early destruction or loss.			
Safety considerations.			



Oregon Department of Environmental Quality

Oregon Recycling System Advisory Council

PRO Plan Review (Draft 2): Ecomodulation

Last updated: Oct. 15, 2024

Purpose

This document is intended to assist the Recycling Council to frame its Oct. 22, 2024, Special Meeting review of the PRO program plan Draft 2 related to the PRO obligation to ecomodulate producer fees.¹

Discussion question

1. Does the plan Draft 2 fulfill the relevant requirements listed in the Appendix Table of this document?

Overview of requirements

The PRO must propose in its program plan an approach to ecomodulation (adjustment) of individual producers' fees that will continually incentivize reduction of environmental and human health impacts of covered products. The approach must include lower fees for lower impacts and higher fees for higher impacts. In its program plan, the PRO must:

- Explain how the ecomodulation approach will be implemented (including details such as the proposed criteria for ecomodulating and magnitude of the fee adjustments),
- Indicate how it has considered five factors named in statute in the development of the approach, and
- Identify how the ecomodulation approach is part of an overall fee schedule that is sufficient to cover all program costs and minimizes cross-subsidization between materials (i.e., paper doesn't pay for plastic and vice-versa).

The full listing of requirements relevant to this topic appears in the Appendix of this document.

Second draft plan status – key changes

In Draft 2, CAA replaced a request to delay implementation of ecomodulated fees until 2027 with a proposal for how CAA would implement two bonuses for voluntary evaluation and disclosure of life cycle impacts that are proposed as mandatory (for PROs to make available to their member producers) in the current rulemaking.

¹ Because there are no updates to the program cost estimates in Draft 2 of the plan, DEQ is recommending a focus on ecomodulation during the Council's Draft 2 review rather than a broader review of the entire Financing section of the plan. The Council could choose to broaden its review focus with respect to Financing in its Draft 3 review (which will contain updated program cost estimates and an updated, 60-category fee schedule intended to generate sufficient revenues to cover those costs).

Translation or other formats

Español | 한국어 | 繁體中文 | Русский | Tiếng Việt | العربية
800-452-4011 | TTY: 711 | deqinfo@deq.oregon.gov

Key elements of CAA’s proposal are as follows:

- For Bonus A (simple bonus for voluntary evaluation and disclosure of life cycle impacts of covered products included in a given Stock Keeping Unit or batch of SKUs):
 - CAA will solicit impact evaluations from the start date and apply bonuses for those received in 2025 to 2026 fees (i.e., the bonus will be applied from the 2026 program year onward).
 - Producer bonuses will amount to a 10% reduction of the base fee paid for each primary packaging material in a given SKU (i.e., secondary and tertiary packaging in a SKU would generally be excluded from the bonus, although CAA may introduce exceptions to this norm), with the fee reduction applied across all materials in the SKU capped at \$20,000.

- For Bonus B (bonus for producer impact evaluation and disclosure that proves that a producer action has resulted in substantial impact reduction):
 - CAA will solicit producer evaluations beginning in 2027, with the bonus first applied to producer fees in the 2028 program year.
 - The bonus will be structured into three tiers of impact reduction (1. 10-25%, 2. 25-40%, and 3. >40%), with higher bonus magnitudes and caps for each progressively greater level of impact reduction.
 - The magnitudes and caps for the three tiers of bonuses will be proposed in the third draft plan, but the Bonus B amount will always be larger than what would have been awarded had the producer rather gone for Bonus A.
 - Bonuses will be applied to the main primary packaging material in the SKU only, and not to secondary and tertiary packaging.

- With respect to the overall proposed ecomodulation approach:
 - The program will start with only bonuses, and no penalties, offered to member producers.
 - Up until the time that CAA will propose to add penalties to the ecomodulation approach, bonuses given to a subset of producers will be paid by all producers through an ecomodulation reserve fund, into which producers will pay in proportion to their supply weights, and which will be paid out from on a material-specific basis.

Second draft – relevant sections for review

Section	Page Number(s) in Public-Facing Version of Plan	Page Number(s) in Tracked Changes Version of Plan
Goals of the Program	pg 13-14 (Goal 1)	pg 9-10 (Goal 3)
Graduated Fee Algorithm and Methods	pg 147-155	pg 134-142

Non-discrimination statement

DEQ does not discriminate on the basis of race, color, national origin, disability, age, sex, religion, sexual orientation, gender identity, or marital status in the administration of its programs and activities. Visit DEQ’s [Civil Rights and Environmental Justice page](#).

Appendix: DEQ preliminary feedback on relevant requirements

The checklist of relevant requirements is provided below. Page numbers listed are for the public-facing version of the plan.

Required or Guidance Plan Component	Statute or Rule Citation	Plan Section(s)	DEQ Draft 2 Preliminary Feedback (<i>pending</i>)
Overarching goals for the program plan that are as objective and measurable as possible.	ORS 459A.875(2)	Goals of the Program, pg 13-17	
Description of how the prospective PRO will establish, calculate and charge membership fees to member producers that includes a graduated fee algorithm and methods, including	ORS 459A.875(2)(a) (E)-(F) and ORS 459A.884(4)	Graduated Fee Algorithm and Methods, pg 147-155	
the algorithm for the graduated fee approach, indicating the criteria and magnitude of modulation;	ORS 459A.884(4) and ORS 459A.875(2)(a) (E)	The Algorithm and Accompanying Descriptive Text for the Proposed Graduated Fee Structure, pg 147-152	
Inclusion of both penalties and rewards in the approach to graduated fees	ORS 459A.884(4)		
accompanying descriptive text explaining how the algorithm will deliver continual reductions in the environmental and human health impacts of covered products	ORS 459A.884(4) and ORS 459A.875(2)(a) (F)		
a description of how the PRO will maintain financial solvency (specifically, how loss of revenue due to	ORS 459A.875(2)(a) (E)	Funding the Bonuses, pg 152-153	

Translation or other formats

Español | 한국어 | 繁體中文 | Русский | Tiếng Việt | العربية
 800-452-4011 | TTY: 711 | deqinfo@deq.oregon.gov

ecomodulation rewards will be paid for)			
a description of the factors taken into consideration in development of the approach, and how their incorporation contributes to continual incentivization and disincentivizing of producer choices that actually correlate to meaningful environmental benefit. The following five factors must have been considered according to statute:	ORS 459A.875(2)(a) (F) and ORS 459A.884(4)(a) -(e)	Consideration of Other Eco-Modulation Factors, pg 153	
The post-consumer content of the material, if the use of post-consumer content in the covered product is not prohibited by federal law		Post-Consumer Recycled Content, pg 153,154	
The product-to-package ratio		Product-to-Package Ratio, pg 154	
The producer's choice of material;		Producer's Choice of Material, pg 154	
Life cycle environmental impacts, as demonstrated by an evaluation performed in accordance with ORS 459A.944; and		Life Cycle Environmental Impacts, pg 154	
The recycling rate of the material relative to the recycling rate of other covered products.		The Recycling Rate of the Material Relative to the Recycling Rate of Other Covered Materials, pg 155	