

December 6, 2024

Washington State Department of Ecology  
PO Box 47600  
Olympia, WA 98504

**Re: Battery Stewardship Program Rulemaking**

To Chris Fredley:

Thank you for the opportunity to provide input on the Battery Stewardship Program rulemaking process and for including us in the Rule Advisory Committee.

As we pursue national electrification and decarbonization goals, implementing effective recycling policies is vital. These policies play a key role not only in reducing waste and improving safety, but also in supplying essential feedstock for the development of new clean energy technologies.

At Redwood Materials, we are committed to advancing these objectives by offering free, convenient, and widely accessible collection pathways for lithium-ion batteries at end-of-life. As we expand our efforts nationwide, it is crucial that Washington's regulations, as one of the first in the country to be implemented, support and enhance these initiatives, rather than create barriers that could impede progress.

**Clarification on Battery Stewardship Organization Coordination and Responsibilities**

Thank you for the opportunity to clarify the complexities and challenges around the coordination between Battery Stewardship Organizations (BSOs) and individual producers who choose to partner directly with a battery recycler, like Redwood Materials, to create their own programs. As you work to create efficient, sustainable, and equitable battery stewardship programs, it is critical that we address these issues in a way that supports both large and small producers while ensuring not just broad access to collection programs across Washington, but also that those batteries make it to a recovery facility that can directly influence the supply chain. Batteries are not a nuisance waste stream that simply needs to be accounted for through a mandated stewardship program; they are an essential feedstock for an industry that is important for national security and energy independence.

**1. Definition and Role of a Battery Stewardship Organization (BSO)**

As defined in the legislation, a BSO can be a producer directly implementing a stewardship plan or a nonprofit organization designated by one or more producers to manage the plan. The policy suggests that producers can designate contractors to act on their behalf. In this way, the statute leaves room for multiple BSOs. However, it can be interpreted that the current policy pressures all producers to join a single stewardship organization, due to performance standards and the need for coordination between collection programs. This raises concerns for smaller



producers, such as a local e-bike manufacturer, who have already implemented robust collection programs but may be forced to comply with stringent requirements of a single BSO.

## **2. Addressing the Burden of Collecting Non-Produced Batteries**

A concern raised is the requirement for collection of all chemistries and formats, as stated in RCW 70A.555.040(j). For example, an e-bike company or outdoor landscaping equipment company, which manufactures medium-format rechargeable batteries for e-bikes, may not distribute all types of batteries but could still be required to collect and manage batteries outside their direct product responsibility. If these producers already demonstrate extended responsibility with their own battery collection and recycling programs, the policy should consider how it can support them without overburdening their operations.

In particular, the question raised regarding whether collection goals should apply only to the batteries a producer manufactures (if they choose to submit their own stewardship plan), or if they must also meet goals for batteries from other producers, need to be clarified. This would allow smaller producers to focus on their product chemistry and reduce the burden of managing batteries they did not distribute. This issue is of particular concern for the new applications of medium format, lithium-ion batteries. New producers are coming into this space and looking to create recycling partnerships but are unclear on the policy requirements that they must comply with.

## **3. Coordination Between Battery Stewardship Organizations**

There is significant ambiguity regarding the policy's emphasis on coordinating collection programs between BSOs, particularly in areas that do not have current collection programs. As specified in RCW 70A.555.070, BSOs must coordinate with other program operators to avoid unnecessary duplication of effort and expenses, but the specifics of how this coordination will work for underfunded recycling programs, especially in counties with smaller populations or geographic isolation, needs further clarification. Given the competitive recycling market surrounding the critical metals in batteries, state-mandated coordinated competitiveness seems unclear.

For example, how will producers that submit their own stewardship programs manage to meet the state-wide collection requirements in regions where they don't have significant customer bases? Will retail locations be able to opt into the battery collection program of their choice? Will there be flexibility for e-mobility producers and others to leverage existing collection sites (such as retail locations) operated by other stewardship organizations without duplicating efforts or assuming responsibility for a broader range of battery chemistries? Our grassroots collection events have proven to be successful in rural areas, but it is unclear how those efforts can be coordinated to make sure convenience standards are met.

## **4. Retail Collection Locations and Coordination**

We work with a local e-bike manufacturer who currently offers battery collection at their retail locations because their staff is already trained to handle medium format bike batteries and because they have already established a direct partnership with a specialty battery recycler, Redwood Materials. Additionally, because of that partnership, they can also accept small-



format lithium batteries and rechargeable devices since we can process those batteries as well. However, we are concerned that they will be required to join a larger BSO, potentially undermining their ability to maintain our partnership and their direct connection to their products' end-of-life management, which gives them and their customers pride in the brand and helps inform future product design.

We request clarification on whether a producer, with a limited market share and currently few end-of-life batteries, can continue to operate independently. Specifically, we seek confirmation that they may use their existing retail locations for battery collection and collaborate with other organizations to minimize redundant collection sites. Will producers be able to partner with BSOs operating under different frameworks to meet the requirements, or will they be forced into single stewardship organizations with additional burdens?

### **5. The Role of Smaller Producers and New Battery Applications**

As new applications of battery technology emerge, particularly from smaller producers, it is essential that the policy allows for flexibility. Smaller producers should have the ability to coordinate with larger Battery Stewardship Organizations (BSOs) to meet collection standards without compromising their ability to manage their brand, customer relationships, and sustainability goals.

For instance, many smaller producers sell their products through large retail chains, and these distribution sites may choose to serve as collection sites or may already be collecting on behalf of another stewardship organization. In this case, the smaller producer could benefit from leveraging existing infrastructure to meet collection requirements rather than being required to establish independent collection sites, which would add unnecessary cost and complexity. To ensure the success of the program for both large and small producers, it is important to clarify whether smaller producers can rely on these existing collection sites to meet the BSO's requirements or if they must create their own standalone collection infrastructure. Allowing for this flexibility would help reduce operational burdens, support effective recycling practices, and align with sustainability goals without imposing excessive costs on emerging or smaller battery producers. Will retailers be able to choose which battery collection program they want to partner with, including the option to choose to partner directly with Redwood Material for a collection program outside of a stewardship organization?

### **Conclusion and Recommendations**

To ensure the success of the Battery Stewardship Program, we recommend the following clarifications and adjustments:

1. **Allow for Flexible Coordination:** Ensure that smaller producers and those offering niche products, like e-mobility and outdoor power tool producers, can work within the framework of existing collection programs with direct relationships with battery recyclers, that can include retail locations and community events, without having to meet unnecessary or duplicative collection requirements for batteries they did not distribute.

2. **Clarify Collection Goals for Different Chemistries:** Clearly define whether collection goals for producer's independent stewardship plan should apply solely to the chemistry of the producer's own products or if they must also include other chemistries, especially for newer producers with a single product focus.
3. **Support Existing Collection Programs:** Explicitly describe how smaller producers can represent themselves while using the existing collection infrastructure, such as retail sites and community events; allowing smaller producers to collaborate with other BSOs to meet statewide collection goals without redundant or costly efforts.
4. **Clarify Requirements for Coordination in Rural and Isolated Areas:** Provide more specific guidance on how BSOs must coordinate in less populated areas and regions with lower recycling rates.

A single, monopolistic stewardship organization lacks the incentive to drive innovation or continuous program improvement beyond meeting the minimal statutory requirements. Redwood Materials supports fostering direct relationships between recycling and manufacturing and believes that the requirements for stewardship organizations should allow flexibility, enabling producers to determine how they meet their end-of-life obligations. This flexibility would encourage innovation through competition. While the statute provides many guidelines for battery stewardship organizations under the state program, we believe the Department of Ecology should further clarify how coordination between organizations can work, particularly for smaller producers of new medium-format lithium-ion batteries.

We thank you for the opportunity to submit these comments and look forward to continuing our collaboration to help develop effective and practical public policy that drives higher collection rates and improved recycling standards. As Washington leads the way in establishing a comprehensive consumer and medium-format battery stewardship program, it is crucial to carefully consider all perspectives and ensure a well-rounded approach.

Should you have any questions or require further details on our programs and their impacts, please do not hesitate to contact me at [daniel.zotos@redwoodmaterials.com](mailto:daniel.zotos@redwoodmaterials.com).



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