

September 4, 2020

To: Washington State Department of Ecology

On behalf of the Clorox Company, we appreciate the opportunity to provide comments on the draft *Recommendations for Managing Plastic Packaging Waste in Washington*. The Clorox Company is recognized as a leader in sustainability and is proud to be a signatory of the Ellen MacArthur Foundation's New Plastics Economy Global Commitment, a vision of a circular economy for plastic in which it never becomes waste or pollution. The foundation's vision is in line with the company's new plastics-related ESG goals announced as part of its new integrated corporate strategy called IGNITE. These new ESG goals include: 1) 50% combined reduction in virgin plastic and fiber packaging by 2030; 2) 100% recyclable, reusable or compostable packaging by 2025; 3) Double post-consumer recycled plastic in packaging by 2030 (+50% by 2025). Clorox has also pledged to continue the following initiatives as part of its signatory status in the New Plastics Economy Global Commitment: 1) No polyvinyl chloride (PVC) in packaging; 2) Pilot new business models and solutions which enable consumers to refill and reuse primary packaging, such as participation in TerraCycle's Loop pilot program. In short, Clorox takes the challenge of working with others to collectively reduce our environmental footprint, takes reducing plastic waste seriously and is actively implementing plans against these pledges.

While we look forward to providing input on the broader recommendations around packaging through our respective industry associations, on behalf of our Glad® brand we would like to convey our comments on the draft Complementary Recommendation on Recycled Content Requirements for Trash Bags.

Over the last 10 years, Glad® has reduced its overall environmental footprint through reduction in plastic usage, resulting in an overall lower carbon footprint (30% reduction in GHG emissions) and by implementing zero waste to landfill manufacturing practices. We are a technology leader enabling product improvements for consumers and sustainability enhancements. In the trash category, we introduced and led innovations in drawstring closure, flexible strength, odor neutralization, and two-layer technology with less plastic. We've also been active in our communities developing municipality-based programs, focused on supporting curbside organics and recycling behaviors. We are committed to developing innovative product solutions that will not only inspire consumers to divert more but also function in the complex US diversion system. As the branded market leader in trash bag innovation, we hope we can provide valuable input into the policy making process.

Before we get to our recommendation, we'd like to correct some misunderstandings that are reflected in the Recommendations for Managing Plastic Packaging Waste in Washington.

The premise that Trash Bag Recycled Content requirements help create a market for Recycled PE film from mixed retail and consumer-return sources is misplaced:

The stated purpose of the proposed legislation is to create demand for recycled PE film from mixed retail and consumer-return sources. Unfortunately, this premise is flawed as trash bags are not an appropriate application for PCR PE film from mixed retail and consumer-return sources. Consumer trash bags are primarily made from a specific type of plastic called LLDPE.

The large scale and high efficiency equipment used to make trash bags is not tolerant of contamination from other polymers. Contamination of other polymers in the trash bag manufacturing process results in poor and inconsistent product quality and significant efficiency losses which lead to an increase in waste generated during the film extrusion and bag making processes. For this reason, Glad® does not tolerate contamination from other polymers in its manufacturing process.

The primary composition of collected film in mixed retail and consumer-return sources is a mix of LLDPE, HDPE, LDPE with smaller amounts of PVC, PVOH, PET, and Nylon. During reclaimers' sorting, cleaning and mechanical recycling, this mix of polymers is not separable today on a commercial scale. Even within the polyethylene (PE) family, contamination of LDPE or HDPE into a LLDPE trash bag will significantly degrade its quality. There is also a lot of non-polymer contamination in this stream such as cash register receipts, and organic waste. A mixed and contaminated recycling stream such as this is best suited for outlets such as plastic lumber or molded parts which might better tolerate the contaminated mixed polymers. LLDPE consumer trash bags cannot use this mixed material waste stream.

The Recommendations Misrepresent CA Recycled Content Requirements:

The recommendations state that California requires 30% recycled content for bags above 0.7 mil thickness and suggests this should serve as the minimum threshold for Washington state requirements. In fact, Cal Recycle 14CCR Section 17979 requires manufacturers of regulated trash bags (at or above 0.70 mil thickness) to certify one of the following: 1) that the manufacturer met the annual aggregate use requirements that plastic trash bags intended for sale in California contained Actual Postconsumer Material (APCM) equal to at least <u>10 percent</u> by weight of the regulated trash bags; 2) that the manufacturer met the annual aggregate use requirement that 30 percent of the weight of the material used in <u>all of your plastic products</u> intended for sale in California is APCM; 3) Were exempt from meeting the requirements because all of the regulated trash bags you sold in California during the previous reporting period were either: below the minimum gauge standard, or were hazardous or medical waste bags, or were non-plastic trash bags. Unfortunately, Cascadia has confused the annual aggregate use requirement and the recycled content requirement and, as a result, is proposing a baseline requirement far above the regulations in California.

Now that we have addressed this confusion, we'd like to provide some further input.

Legislation should encourage REDUCE, REUSE and RECYCLE:

Glad® is fully supportive of and actively working on efforts to minimize the environmental impacts of our trash bags. Based on the waste management hierarchy, our first approach is always to use technology to minimize the amount of plastic used in the product while maintaining the performance our consumers rely on. While we are committed to including greater recycled content, this is a secondary goal. Why? The best way to evaluate the environmental impact of a trash bag product is by conducting a full Life Cycle Analysis (LCA) on the product, including measuring the amount of greenhouse gasses (GHG) that are generated. This is commonly reported as the product's global warming potential (GWP). The greatest environmental impact of a trash bag in a cradle-to-grave assessment occurs in the manufacturing of the plastic resin pellets purchased to make trash bags. As a result, the biggest driver of GWP and the biggest opportunity to reduce the environmental impact is by reducing the amount of

virgin plastic used in the bag, while still delivering the product performance that consumers trust and expect trash bag manufacturers to deliver.

Indeed, the best place to start when trying to minimize plastic waste and GWP is always "Reduce". To illustrate with an example: consider the GWP impact for virgin LLDPE and recycled LLDPE. Based on independent third party estimates performed for GLAD®, virgin LLDPE resin emits 1.93 kg-CO2e/kg and PCR emits 0.54 kg-CO2e/kg. Replacing the virgin resin with PCR is a good thing (~3.5x lower impact), however removing virgin resin without replacing it with PCR is even better.

That is why Glad® has made significant investments in this area and has been a leader in the industry in reducing the amount of plastic needed to make strong consumer-preferred trash bags. Over the years, as new and improved plastic technology has become available, we have evolved our formulations and equipment and reduced our trash bag weights. Glad® Drawstring Kitchen bags, by far the largest category that we sell, use approximately 20% less plastic than other leading competitors because of years of dedicated R&D work, technology advances and resulting capital investment.

While we have a primary focus on reducing the amount of plastic we use we also are committed to the use of recycled materials including post-consumer reclaim (PCR). A current barrier to widespread high level PCR use is quite simply the scalable supply of LLDPE-rich PCR of sufficient quality. If low quality PCR is used, the bag weight has to be increased to the point that it nullifies the environmental benefits of using PCR at all from an environmental perspective. As illustrated above, reducing the gauge of bags is not done in the interest of exploiting "loopholes" but it is the right thing to do for the environment. We believe that any recycled content requirement should incentivize this reduction first and then encourage the increased usage of recycled material in a manner that is commercially viable. Our investments in technology to reduce plastic waste and environmental impact should be taken into account when creating legislation. Including an exemption in the law similar to CA for lower thickness bags and/or a threshold of bag thickness, over which recycled material would be required, should be considered.

We look forward to working with WA to develop Sources of PCR/PIR That Work for Our Trash Bags

Recycling streams that are better suited for use in trash bag applications are rich in LLDPE and can be processed to remove limited amounts of non-polymer contamination. Examples of good sources include plastic wrap used to protect products transported on pallets or plastic wrap used for autoparts. The biggest issue currently is getting sufficient quantities of this material to support large scale national distribution of trash bags. Glad® is committed to developing sources of LLDPE-rich material so we can increase our use of it but we are not yet able to do this on a national scale. We welcome a dialogue with the state of Washington focused on developing a sustainable and scalable source of this material. As we gain access to more of the right high-quality material we look forward to increasing the amount of recyclable material in our trash bags accordingly.

Any Future Recycled Content Requirements Should be Phased-In Slowly and Allow for Adjustments for Supply Constraints:

A current barrier to widespread high level PCR use is quite simply the scalable supply of LLDPE-rich PCR or PIR of sufficient quality. If low quality recycled material is used, the bag weight has to be increased to the point that it nullifies the environmental benefits of using PCR at all from an environmental perspective. Imposing requirements that don't take into consideration availability of material may result in our inability to provide our market-leading products in the Washington market to consumers that depend on them every day. As such, recycled content requirements should be phased-in slowly to allow for investments and adjustments to be made by manufacturers and suppliers that will allow for compliance. We look forward to working with Washington State authorities to discuss the current state of markets, our projections for their evolution and what the realm of possibility is. Flexibility for markets' failure to develop as expected should be built into the law so manufacturers and consumers aren't penalized for supply issues beyond their control.

We thank you for the opportunity to comment on the draft recommendations and would be pleased to further clarify or discuss our comments as needed. We look forward to being engaged as the discussion evolves.

Sincerely,

Mark Smith Director, Government Affairs