Update on Colorado’s Waste Tire Program

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Waste Tire Program Staff

- David Snapp – Materials Management Unit Leader
- Shana Baker – Waste Tires Work Leader
- Brian Gaboriau – Waste Tire Grants Administrator
- Anna Maylett – Waste Tire Inspector
- Cindy Smith – Waste Tire Inspector
- Lisa Jeffrey – Waste Tire Fee Analyst
Waste Tire Program Responsibilities

- Regulatory authority over waste tires
  - From generation to disposal/re-use/recycling
- Waste tire fee - $1.50/new replacement tire sold
  - ~$7.2 million/year collected each state fiscal year
- How are the funds allocated?
  - CDPHE program costs
  - Illegal Waste Tire Cleanups: 30% (~$2.2 million)
  - Inspection Grants to Counties
  - End Users Fund Rebate Program: 65% (~$4.7 million)
  - Market Development Fund: 5% (~$0.4 million)
The Market Development Team

- Brian Gaboriau – Project Manager for CDPHE
- Tetra Tech team - 
  - Mary Sikora – Recycling Research Institute / Scrap Tire News
  - Terry Gray – T.A.G. Resource Recovery
  - Dana Humphrey, Ph.D. – University of Maine
  - Bob Farnes – Tetra Tech Project Manager
- Funds used for the conference, technical assistance, site visits, presentations, trainings, and grants.
Market Development Highlights: past year

- Market development conference, our fourth year!
- Presented at several conferences
  - Colorado Environmental Health Association Annual Education Conference
  - Colorado Rocky Mountain Chapter of the Solid Waste Association of North America Annual Conference
Market Development Highlights: past year

- Technical assistance - outreach and discussion with 40 entities in 2016, including:
  - Grants
  - Site Visits
  - Meetings
  - Document Reviews
  - Phone Conversations

- Awarded funding for two Innovative Grant Projects (Rubberosion and Energy Environmental Corporation)
Market Development: Regional Regulator Partnerships

- Mountain Region Regulator Conference Calls (quarterly)
- Regulators Meeting – June 20, 2017
- States participating:

  Colorado   Kansas   Nebraska   Illinois
  New Mexico   North Dakota   South Dakota   Oklahoma
  Wyoming   Utah   Texas   Michigan
How is Colorado doing?*

- Recycling rate increase from 104% for 2015 to 159% for 2016 (+12,000,000 waste tires).
- Overall state waste tire inventory dropped by 4,700,000+ tires in 2016.
- Biggest recycling/end-uses:
  1. Alternative daily cover = ~52% of all waste tires end used in the state in 2016 (~600% inc over 2015)
  2. Tire-derived fuel of waste tires = ~22%,
  3. Salvage tires (reuse/retread)= ~13%.

Waste tire end uses in 2016

ADC used 1.1 million tires in 2015 and was the 3rd biggest use that year.
End Users Fund Update

- Provides rebates for the processing, retail sale, and end use of tire-derived products.

For calendar year 2016:

- $8,470,280 was rebated for a total of 105,878 approved tons of tire-derived product.
- Eight new applicants participated in the rebate program with a total end use of 33,164 tons of tire-derived products.
- Dramatic increase in tons approved and recycling rate due to rebates at $80 per ton in 2016.
Coming Dilemma

• Jan 1, 2018:
  • End-Users Program and Market Development Program go away
    • Fee is reduced from $1.50 per new tire to $0.55
    • Only allowable expenses are for CDPHE staff/Admin, County enforcement grants, illegal tire clean-ups
  • Markets will be chaotic as they adjust
  • Monofills prohibited from taking any new waste tires for disposal/storage (statute allows waiver of this provision)
• CDPHE researching our alternatives
What is next for the Waste Tire Program?

- Short Term (calendar year 2017)
  - End Users Fund - rebates will continue for end use of tire-derived products until December 31, 2017.
  - Market Development Fund - Tetra Tech contract will continue until December 31, 2017.
    - Provide technical outreach on transition from subsidy-based to free market system.
    - Training for county DOTs on uses of tire-derived aggregates.
  - Waste Tire Innovative Grant Program will end December 31, 2017 (application cycle will end August 31, 2017).
  - Educate tire retailers of Waste Tire Fee change.
What is next for the Waste Tire Program?

- **Long Term (2018 and beyond)**
  - Waste Tire Program will remain at current staffing level.
  - Program will transition to enforcement driven program.
  - Illegal Waste Tire Cleanup Grants and the Waste Tire Inspection Grant Program will continue.
  - Staff will still be available for questions on permitting and registrations for current and potential waste tire facilities.
What are challenges moving forward?

- Main industry challenge – replacing end user reimbursement income to allow continuation of a functional industry and markets.
- Potential stumbling blocks during transition include:
  - Increase in illegal dumping
  - Reduction of end uses and markets
  - Increase in waste tire inventories
  - Recognition of competitive product and market economics
  - Open-minded, innovative recognition of what has changed and what hasn’t changed
- Still tires, still markets, but revenue sources must change.
What is next for Waste Tire Program

- CDPHE will:
  - Maintain a level playing field for all industry participants.
  - Step up inspections of waste tire generators, haulers, processors and dumping sites.
  - Enforce regulations to remove economic benefit of illegal practices.
  - Review current regulations and policies to help minimize storage and illegal dumping issues.
  - Increase public awareness of waste tire issues and proper management of waste tires.
The future depends upon our collective ability to responsibly manage transition to an un-subsidized system.

Forty-five other states achieve comparable results without direct market subsidies.
Thank you!

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