



Oregon

John A. Kitzhaber, MD, Governor

Department of Environmental Quality

Northwest Region

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Via E-mail

August 8, 2011

Matt Stern (mstern@wm.com)
Area Director of Recycling Operations
Waste Management
7227 NE 55th Avenue
Portland, OR 97218

Re: Solid Waste Permit Requirements

Dear Mr. Stern:

Thank you for your May 9, 2011, response to DEQ's April 22, 2011 letter that laid out DEQ's solid waste requirements for your proposed plastic pyrolysis operations. In DEQ's letter to you, DEQ stated that if Waste Management will be purchasing feedstock at fair market value for use in its plastic pyrolysis operation, then no solid waste permit is required. In your May 9, 2011, letter you provided information about how Waste Management will be paying fair market value for the waste plastic that will be leaving your Tualatin Valley Waste Recovery facility and be sent to your Wastech facility for use as a feedstock in the plastic pyrolysis unit.

After careful review, DEQ believes that it is necessary to take into account other considerations, in addition to fair market value, to determine the appropriate regulatory status of the proposed pyrolysis facility. As you know, the issue of whether certain materials are solid wastes is coming up more frequently as companies seek ways to convert wastes into viable products. The issue has broad implications beyond this plastic pyrolysis project. DEQ recognizes the need to provide clear guidance on the issue and will be developing guidance with stakeholder input. With clear guidance, DEQ will be better able to consistently evaluate the appropriate status of the proposed plastic pyrolysis and other facilities. DEQ will decide whether the Wastech plastic pyrolysis facility needs a solid waste permit after developing guidance.

If upon completion of this guidance, the Wastech plastic pyrolysis facility is determined to need a solid waste permit, DEQ will work closely with Waste Management to sort out timing, submittals and other issues. If Waste Management needs regulatory certainty sooner, DEQ suggests that Waste Management apply for a solid waste treatment permit.

We apologize for the length of time our evaluation has taken. DEQ supports your efforts to divert waste from disposal for energy recovery and other uses and will solicit input from Waste Management and others as DEQ proceeds with this guidance. We remain committed to working with you on this new and exciting technology while at the same time ensuring that any impacts to the environment and the

citizens of Oregon are minimized. DEQ is also initiating rulemaking to address conversion technologies including pyrolysis.

If you would like to discuss this matter further, DEQ would be happy to meet with you. If you have questions about this letter, please contact me at (503)229-5072 or obrien.audrey@deq.state.or.us, or contact Stephanie Rawson at (503)229-5562 or rawson.stephanie@deq.state.or.us.

Sincerely,



Audrey O'Brien
Manager, Environmental Partnerships Section

cc: Rita Hansen, Agilyx (rhansen@agilyx.com)
Jeff Altman, Waste Management (jaltman2@wm.com)
Greg Grunow, DEQ NWR Air Quality Program (grunow.greg@deq.state.or.us)
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