



January 19, 2023

New York Senate Standing Committees on Finance, Energy & Telecommunications,
and Environmental Conservation
172 State Street
Albany, NY 12210

Re: Climate Leadership and Community Protection Act (CLCPA)'s Climate Final Scoping Plan

Dear Chairs Krueger, Parker, Harckham, and Committee Members:

On behalf of the Glass Packaging Institute (GPI), I am pleased to offer the following comments and perspective on the Climate Leadership and Community Protection Act's Final Scoping Plan ("Plan"). Elements of the Plan cover aspects of glass bottle and jar manufacturing, recycling, and recovery.

GPI is the North American trade association for the glass food and beverage manufacturing companies, glass recycling, and other partners and suppliers to the industry. The industry works closely with local and state governments throughout the country on issues surrounding sustainability, recycling, energy, and greenhouse gas emissions goals and mandates. Glass is a long-standing package of choice for food and beverage, and is sustainable, reusable, refillable, non-toxic, and infinitely recyclable.

While several elements of the Plan are likely to be included in Governor Hochul's FY2024 budget proposal, we strongly encourage key elements that cover packaging, recycling, and emissions to be formally considered as part of any introduced legislation. These complex issues will require considerable regulatory oversight, careful construction, and stakeholder engagement to achieve their goals.

Glass Container Recycling Background

The glass container manufacturing industry has a significant stake in the effectiveness of glass recycling programs. Recycled glass is a key component of the glass container manufacturing process. For every 10% of recycled glass included in the manufacturing process, energy costs can be reduced 2-3%. A corresponding reduction of plant greenhouse gas emissions also occurs when increasing levels of recycled glass are used to produce new containers.

The average glass bottle or jar produced in the US is made with over 25% recycled glass. GPI is seeking to further increase that impressive rate, with a nationwide effort to increase the overall glass recycling rate to 50% by 2030.

Glass Container Manufacturing & Glass Recycling in New York

New York is home to two glass container manufacturing plants, O-I Glass in Auburn and Anchor Glass in Elmira. Collectively, these plants produce several million bottles every day, many destined for local and regional customer end markets.

Supporting the production of these glass bottles are glass recycling facilities in Farmington and Jamaica, Queens. This is in addition to hundreds of bottle redemption machines and facilities throughout the state, where consumers redeem covered containers for their eventual use in the production of new bottles and jars.

Final Scoping Plan Overview

Cap and Invest Program

Glass container manufacturing companies have considerable experience with the cap and invest/trade program in California, and one being developed now for Washington state. These programs were carefully constructed over time to ensure that purchases of emissions-reducing equipment, emissions reductions requirements, and compliance protocols could be met.

We were pleased to see that the Scoping Plan acknowledges that Energy-Intensive-Trade-Exposed Industries (EITE), like glass container manufacturing, deserve special recognition within the program's parameters. Both California and Washington state have recognized EITEs as well, providing compliance credits, additional time, and other support so facilities may remain in state.

Glass container manufacturers in these states regularly compete with under-regulated container imports coming from across the globe. The ability to fully support EITEs at the onset of a cap and invest program and beyond, is absolutely critical for the future of New York's glass container manufacturing facilities and their workforce.

Extended Producer Responsibility (EPR)

The Plan also recommends EPR as one strategy to reduce waste, increase recycling, and reduce air emissions. GPI and our member companies have been active across the states with EPR programs now signed into law (California, Colorado, Oregon, and Maine), working in a cooperative and constructive manner with legislators and stakeholders.

With respect to EPR, it is important to know that packaging-based industries in New York and across the country regularly compete within material types (glass, aluminum, plastic, aseptic, multi-material, etc.) and among each other for food and beverage customer business. This is because our collective customers typically have many options for how they protect and package their respective products.

EPR fee structures based primarily on weight, for example, may skew current glass customers to other packaging options, if consideration of recyclability, recycling rates, and other base metrics are ignored. This could have the unintended consequence of increasing the use of plastic containers.

A tight circular economy of materials like glass -- made, filled, consumed, recycled, and remanufactured in New York and nearby states -- has tremendous potential to provide sustainable packaging options, with lesser mileage and lower environmental impacts, regardless of weight.

GPI also closely monitors post-consumer recycled (PCR) content requirements and understands the desire to see recycled content percentages increase in packaging. The glass industry wants as much recycled content as can economically be recovered. However, any rates and schedules of PCR requirements, as well as which material types should be covered by them, need to be carefully considered because the recycled commodity market dynamics and usage requirements vary by material.

GPI and its member companies look forward to additional opportunities to engage with the legislature on all issues related to the recovery, reuse, and recycling of glass made in the state.

Sincerely,

A handwritten signature in black ink that reads "Scott DeFife". The signature is written in a cursive, slightly slanted style.

Scott DeFife
President