

**Maine Beverage Redemption Group  
254 Commercial Street  
Portland, ME 04101**

March 14, 2025

Brian Beneski  
Elena Bertocci  
Maine Department of Environment Protection  
17 State House Station  
Augusta, Me 04333-0017

Re: Operation Plan for the Maine Beverage Redemption Group

Mr. Beneski and Ms. Bertucci,

Attached please find the operation plan ("the plan") from the Maine Beverage Redemption Group ("the co-op") as required by M.R.S. 3107 § 3-B. This document is intended to provide a framework and timeline to the Maine Department of Environment Protection (DEP) addressing the objectives of P.L. c. 482 (2023). Appendix A is the Operation Plan and Appendix B is a summarized listing of the statutory required components and proposed resolution of each component.

All commingling groups that are members of the co-op, including individual initiators of deposit in and administrators of those commingling groups, have had the opportunity to review and provide input regarding this plan. At the most recent meeting of the co-op, the 11 members of the Board of Directors - representing all six of the commingling groups approved by your office - unanimously approved this document.

We appreciate the DEP's courtesy in allowing us to submit this plan prior to March 15, 2025. We look forward to working with you as you review and approve the plan and would be happy meet with you or provide additional information for that purpose.

Sincerely,

The Maine Beverage Redemption Group

## **APPENDIX A**

### **Operational Plan**

#### **Phase 0 (Planning)**

1. Start Date January 15, 2025 till July 15, 2025 (Pre-Phase 1)
2. COOPERATIVE develops template for reporting ANNUAL sales and redemption data for each COMMINGLING group for years ended 2023 and 2024
  - a. by 02/01/25 notice sent to all COMMINGLING groups and IODS of ANNUAL reporting requirement by 03/31/25
3. COOPERATIVE develops reporting forms and methods for registering product data
  - a. by 03/01/25 notice sent to all IODS of registration requirements by 05/31/25
  - b. Each COMMINGLING group responsible for collecting registration product data for all IODs within each group and reporting to COOPERATIVE
  - c. Should an IOD be unresponsive to product registration requests, the IOD may be subject to enforcement
4. COOPERATIVE develops reporting forms and methods for collecting sales and redemption data (units by deposit type and volume by material type)
  - a. by 04/01/25 notice sent to all IODS of monthly reporting requirements beginning 07/01/25
5. COOPERATIVE issues RFP for 3<sup>rd</sup> Party Administration by 05/01/25
6. COOPERATIVE develops standards for audit procedures/expectations by 06/01/25
7. COOPERATIVE determines standard bag reimbursement cost by 6/30/25
8. COOPERATIVE develops budget by 7/15/2025

#### **Phase 1 (Reporting)**

1. Start Date July 15, 2025, until January 1, 2028
2. All sorting remains the same under the current commingling programs
3. Each commingling group will be responsible for their own
  - a. Pickups
  - b. Payments to redemption centers (to include bag reimbursement)
  - c. Processing
  - d. Scrap allocations
4. Each commingling program reports sales and redemption units to the COOPERATIVE quarterly
  - a. Individual IODs will report sales and redemption numbers monthly to their respective commingling group
5. COOPERATIVE evaluates collected sales and redemption data to determine...
  - i. allocation of costs associated with formation and expenses of COOPERATIVE
  - ii. allocation of costs associated with DEP and TECHNOLOGY funding
  - iii. adequacy to support NEXT LEVEL of commingling beginning in 2028
6. COOPERATIVE develops UNIFORM REDEMPTION PICKUP ITEMS (SORTS) by 09/30/25
7. COOPERATIVE initiates establishment of the ADVISORY GROUP by 08/31/25
  - a. ADVISORY GROUP meeting by 12/31/25
8. The COOPERATIVE reports combined numbers to the State DEP ANNUALLY to include:

- a. Sales units by commingle group
  - b. Redemption units by comingle group
  - c. Overall redemption rate for the State
- 9. A third party will be engaged to perform agreed upon audit procedures on
  - a. Proper sales data reporting by IODs
  - b. Identification of unregistered / unpaid producers and UPCs
  - c. Identified unregistered items (to be reported to the State for enforcement)
- 10. COOPERATIVE develops method for accounting for unclaimed deposits
- 11. The COOPERATIVE will set up and maintain a website by 12/31/25
  - a. COOPERATIVE Mission and programs
  - b. REDEMPTION center guidelines and programs
  - c. Product and label registration and other related information
  - d. Allows for searching for a particular label / UPC to determine appropriate COMMINGLING group and pickup agent
    - i. REDEMPTION CENTER and obligated dealer locations (search function by zip code)
- 12. COOPERATIVE will engage with 3<sup>rd</sup> party advisor by 07/15/26 to develop methods to support refillable beverage container program
- 13. COOPERATIVE develops plan for efficient pickup schedules by 12/31/26
- 14. COOPERATIVE develops standards for determining base rates for pickup / processing by 12/31/26
- 15. During 2027 the COOPERATIVE Board will formulate a detailed plan to start phase 2
  - a. To include RFPs for service providers and
  - b. Hiring of additional staff if necessary
  - c. Revised budget

## **Phase 2 (Next Level)**

- 1. Start Date of January 1, 2028, until January 1, 2030
- 2. All approved COMMINGLING GROUPS with adequate sales data with items of like size and like material may be co-mingled into one sort
  - a. Any COMMINGLING GROUPS with unapproved sales data will receive communication on necessary corrections needed
  - b. The COOPERATIVE may adopt methods of validating sales and/or redemption data reported
  - c. The COOPERATIVE may adopt methods of estimating sales and/or redemption data when reported sales data does not appear to be accurate or complete
  - d. The COOPERATIVE may adopt methods of dealing with inaccurate/incomplete sales/redemption data which may include but not limited to statistical sampling, return data, and data provided by RVM and ABBP programs
- 3. Sales data continue to be provided QUARTERLY to the COOPERATIVE
- 4. Allocation of pickups and scrap will be determined quarterly by commodity, based on sales and/or redemption data and weights
  - a. The COOPERATIVE may adopt methods of dealing with inaccurate/incomplete sales/redemption data which may include but not limited to statistical sampling, return data, and data provided by RVM and ABBP programs

5. Using the allocation % above each COMMINGLING GROUP will still make private arrangements for pick and processing (with third party contractors, etc.)
6. During 2029 the Co-op Board will formulate a detailed plan to start phase 3

### **Phase 3 (Full Commingling)**

1. Start date January 1, 2030
2. Begin FULL COMMINGLING by size and material type, assuming remaining IODs have corrected sales and redemption reporting to adequately support commingling with larger group
  - a. The COOPERATIVE may adopt methods of dealing with inaccurate/incomplete sales/redemption data which may include but not limited to statistical sampling, return data, and data provided by RVM and ABBP programs

## Appendix B

### Required Components and Resolution

#### **MRSA 3107 3-B, (B) Commingling Cooperative Requirements for Operations Plan**

	<b>MRSA point summarized from statute</b>	<b><i>Addressed in Outline?</i></b>
1	How the commingling cooperative plans to transition redemption sorting by brand to sorting by material type and size?	<i>YES, based on PHASE 0, PHASE 1, PHASE 2, PHASE 3, etc.</i>
2	Plans to provide for fair apportionment of cost among the commingling groups and IODs, which may be based on: 1. beverage container sales, 2. unit or brand counts by RVMs or account based bulk processing, 3. rates of redemption from the temporary waiver process.	<i>YES, based on 1. beverage container sales</i>
3	A verifiable method to determine the rate of redemption.	<i>YES, based on beverage container sales and beverage containers redeemed subject to audit/review for verification.</i>
4	A budget of the program which includes startup costs (study requirements, payment collections, etc.).	<i>YES, PHASE 0 by 7/15/25, subject to sales and redemption data collected for 2023, 2024, and 2025</i>
5	A method the commingling cooperative intends to segregate, maintain, calculate and expend unclaimed deposits.	<i>YES, inserted into PHASE 1, subject to sales and redemption data collected for 2023, 2024, and 2025.</i>
6	A description of pick-up schedules which should reduce transportation distances and minimize costs while allowing commingling groups to pick up their material or equivalent product.	<i>YES, inserted into PHASE 1, subject to sales and redemption data collected for 2023, 2024, and 2025.</i>
7	A plan to ensure payment to redemption centers within 10 days and how the commingling cooperative plans to reimburse or pay for plastic bags.	<i>No plan should be needed to continue the standard of 10-day redemption payments.</i>  <i>Reimbursement of bags to be reimbursed starting no later than 07/15/25.</i>  <i>Evaluation of method and standard bag cost inserted into PHASE 0.</i>

8	A plan for equitable ownership of product material for IODs and commingling groups.	<i>YES, based on sales and/or redemption data and weights including "case equivalent volume by material type"</i>
9	How the commingling cooperative will calculate the base rates of containers by account based bulk processing programs.	<i>inserted into PHASE 1 as sales and redemption data is collected and evaluated.</i>
10	A certification that the commingling cooperative will not share proprietary information from IODs or commingling groups.	<i>will be addressed in PHASE 0 with determining method for reporting sales and redemption data (and audit procedures/expectations).</i>
11	Information on how the commingling cooperative will maintain a public website which should include: 1. A searchable list of IODs and labels. 2. A search function for nearby redemption centers or dealers; and 3. Base rates for the processing of beverage containers.	<i>YES, included in PHASE 1 and developed by 12/31/25</i>  <i>YesYes</i> <i>Yes</i>
12	How the commingling cooperative's plan will be implemented before July 15th, 2025, including how information will be disseminated.	<i>YES, PHASE 0</i>
13	How the commingling cooperative will support implementation and creation of infrastructure for refillable containers and for the return and collection of said product.	<i>to be addressed during planning stages of PHASE 1 / 2, including identification of the brands who utilize refillable containers to be invited to participate on convened ADVISORY GROUP</i>  <i>will engage 3<sup>rd</sup> party to advise on feasibility of achieving 5% and 10% use of refillable containers</i>
14	How the commingling cooperative plans to run and develop the governing board.	<i>not addressed in the PLAN per se, but rather addressed in the BYLAWS OF THE MAINE BEVERAGE REDEMPTION GROUP ("Coop")</i>
15	How the commingling cooperative plans to meet the statewide recycling redemption rate (i.e., 75% by January 1, 2027; of 80% by January 1, 2032, and of 85% by January 1, 2037).	<i>to be inserted into PHASE 1, but it should be noted that an accurate and meaningful return rate is not possible without the participation of all IODs in submitting accurate and timely sales and redemption date. The ability to have a meaningful and accurate STATEWIDE redemption rate is dependent on the data received in PHASE 1</i>