

# EPP Task Force PCRC Paper Forum Agenda

9:00 AM – 4:00 PM Wednesday, June 24, 2009

DGS Headquarters - 707 3<sup>rd</sup> Street, West Sacramento, CA 95605

The Ziggurat, 1<sup>st</sup> Floor Executive Dining Room

**Attendees: EPP Staff, Task Force Members and Guests**

## **Minutes of the Meeting:**

EPP Program Manager Bob Tetz opened the meeting at 9 AM by welcoming those present and those who had joined by conference line.

Bob briefly stated the purpose of the day-long presentations and discussions as being an initial step in determining the best methodology for selecting the appropriate percentage of Post Consumer Recycled Content (PCRC) in the paper products that California purchases. To do this we invited representatives from the pulp and paper industry, environmental organizations, standards and certification organizations, various levels of State government, peers, stakeholders and DGS customers to help us better understand and address a number of basic issues:

- There is ongoing controversy regarding the environmental preferability of Post Consumer Recycled Content (PCRC) in paper products.
- We don't understand the supply chain or the recycling process well enough.
- There is and no metric based, data supported methodology for determining the appropriate PCRC for California.

Bob also shared expectations. California wants to reconnect with the industry to better understand their issues and to ensure that we have the accurate and pertinent data we need to establish an industry supported baseline specific to California so that we can take a Life Cycle Impact Analysis (LCIA) approach to evaluating alternatives with Peer and Stakeholder Review. We are expecting diverse opinions particularly as regards establishing a framework and defining basic assumptions.

Bob announced that all presentations from today's forum would be posted on the EPP Web Site.

Bob then introduced the first presenter, Dr. Stan Rhodes, President and CEO of Scientific Certification Systems, to speak on a "Framework for Establishing State and Industry Baselines".

**Stan Rhodes:** Stan discussed the key features of the SCS 002 LCIA standard currently in development as well as a few examples of Impact Category Indicators that demonstrate the importance of including all Green House Gas (GHG) pollutants, particularly Black Carbon and Tropospheric Ozone. Stan discussed the importance of understanding the Supply Chain, Usage, and Disposal systems and the related assumptions in developing an accurate California baseline and the particular importance of ensuring that site specific data was used. Stan noted that 30% recycled paper can accurately described as 70% virgin paper. He also pointed out that a detailed LCIA would include an EPP Procurement Annual

Impact report that would provide full accountability with specific impact reduction reported in common equivalencies such as “Barrels of Oil Saved” and “Tons of GHG Eliminated”. Stan suggested that it would be necessary to assess the protocols and assumptions used in the Environmental Defense Fund (EDF) calculator to determine if it would be accurate enough to serve as the State of California baseline.

Bob then introduced, Doug Pryke, Executive Director of the Alliance for Environmental Technology (AET), who provided “Perspectives on the Pulp and Paper Industry”.

**Doug Pryke:** Although Doug technically represents the chemical industry, he has been in most pulp and paper factories throughout the world. Annual North America Pulp & Paper Industry bleached pulp production is 35 million tons including uncoated (white paper), coated sheet paper (magazines) and uncoated ground wood paper (newspaper) but it is the only global market where manufacturing is shrinking with a continuing trend of mills closing. Doug provided a fascinating overview of the Eco-Industrial Park approach to Minimum Impact Manufacturing including a detailed discussion of Pulping, Bleaching, Waste treatment, and Environmental Protection processes currently in use.

Pulp and paper is made into batches and shipped to paper mills. Minimum Impact Manufacturing minimizes the number of trees used, maximizes net energy production, minimizes water consumption, minimizes solid waste and air emissions, and makes a high quality paper that is easily recyclable. Doug stated that the industry’s environment progress over the last 30 years while maintaining economic viability bodes well for the next 30 years.

We were then joined on conference line by Reid Minor, Vice President of Sustainable Manufacturing for the National Council for Air & Stream Improvement (NCASI), who presented a US Carbon Profile, “Understanding the carbon foot print of wood and paper products”.

**Reid Minor:** NCASI is a non-profit environmental research institute that is funded primarily by the forest products industry and their “Greenhouse Gas and Carbon Profile of the U.S. Forest Products Sector” is a collaborative effort with the US Forest Service. Reid discussed each of the CEPI (Confederation of European Paper Industries) Ten Footprint Elements and concluded that carbon storage in US forests is stable or increasing and that storage offsets a significant portion of emissions. Reid pointed out that only about 50% of paper is recycled and an even smaller amount is recovered for reuse which raises an interesting question as to whose recycled fiber we would be “stealing” if we expect to be able to purchase higher PCRC paper. Reid noted that estimating the effects of increasing use of recovered fiber involves large uncertainties but those uncertainties are reduced when the analysis involves a specific situation rather than a general condition.

**Scott Harvey,** DGS Chief Deputy Director, joined the meeting briefly and commented on the importance of the topic of discussion and expressed strong support for our efforts from our Director all the way to the Governor’s Office.

Because we were ahead of schedule at this time, Bob then opened the floor for general discussion on the morning’s presentations.

After a one hour break for lunch, Chris O’Brien, Senior Director of the Responsible Purchasing Network (RPN) shared the RPN joined us by conference line to provide a perspective on “Responsible Purchasing Trends: Recycled Paper”.

**Chris O'Brien:** Chris reviewed the results of a recently completed member survey that demonstrated the importance of recycled content in purchasing decisions and mentioned a number of “green” standards that are commonly referenced. Chris shared some “Lifecycle Environmental Impact” information for virgin, 30% PCRC and 100% PCRC paper but noted that the information shown was based on hypothetical numbers using the EDF calculator and was not site specific to California.

Bob next introduced Yalmaz Siddiqui, the Director of Environmental Strategy for Office Depot, who discussed PCR Paper from “A Traditional View, with a Twist”.

**Yalmaz Siddiqui:** Yalmaz suggested we take a macro view of PCRC levels in paper products and that we take care to not confuse the end user. The Office Depot rating system says 100% PCRC is greenest, 30% is green, 0% is less green. He also stated that FSC certified virgin content is generally greener than SFI which is generally greener than no certification and that TCF bleaching is generally greener than ECF which is greener than chlorine-bleaching. The Office Depot approach is to tag all products, including copy paper in a simple hierarchy of “Light Green”, Green, Greener, or

“Dark Green”. Yalmaz suggested that we could leverage the strengths of LCA to reduce actual paper impacts regionally and nationally, for virgin and recycled paper but expressed a concern that we may send a confusing message to the marketplace. He suggested that we stick with a message that is “roughly right”, even if LCA shows the hierarchy is not always fully correct, and that we use LCA to identify and mitigate the key issues.

Bob then introduced Susan Kinsella, the Executive Director of Conservatree, who concluded the program with a presentation on “Sustainable Paper”.

**Susan Kinsella:** Susan stressed the importance of appropriately comparing virgin pulp and recycled pulp mills, particularly integrated vs. non-integrated mills. Many mills have closed and so few deinking mills are left that make pulp for printing/writing paper that only 6% of fiber in printing/writing is now recycled content and only 3% is post consumer. Susan stated that paper production is not carbon neutral and that paper in landfills creates methane, another GHG. Susan also noted that FSC-certified pulp is great but it is still virgin pulp and that there is an increasingly greater demand for forests. Susan called for specifications that are clear, straightforward and consistent with policy decisions that are open to discussion and vetting.

The rest of the afternoon was spent in an open format question-and-answer discussion. The general consensus of those present was that we would need site specific data related to both the supply chain for California paper and the recycle process for that paper in order to develop an accurate California baseline from which to make an informed decision regarding the appropriate PCRC and that any assumptions should be vetted with both peers and stakeholders prior to initiating a Life Cycle Impact Analysis.

Bob noted that California would certainly continue to support the 30% PCRC as per SABRC unless and until we had definitive scientific data to support another position.

The meeting was formally adjourned at 4 PM.