

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 17-4837 FOR THE PURPOSE OF AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A NEW NON-SYSTEM LICENSE TO THE BOEING COMPANY FOR TRANSPORT AND DISPOSAL OF NON-RECOVERABLE SOLID WASTE, INCLUDING PUTRESCIBLE WASTE AT THE COVANTA WASTE-TO-ENERGY FACILITY LOCATED IN BROOKS, OREGON

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Approval of Resolution No. 17-4837 will authorize the Chief Operating Officer (COO) to issue a new non-system license (NSL) to The Boeing Company (Boeing) to annually deliver up to 1,000 tons of non-recoverable solid waste and putrescible solid waste from its facility within the Metro region to the Covanta Waste-to-Energy Facility (Covanta) in Marion County, Oregon. The proposed NSL replaces an existing NSL¹ that currently authorizes 500 tons per calendar year and is set to expire on December 31, 2017. The proposed NSL includes an increased tonnage authorization.

BACKGROUND

Boeing seeks to replace its NSL to transport non-recoverable solid waste and putrescible waste generated within the Metro region to Covanta with an NSL with an increased tonnage amount. Covanta is a non-system waste-to-energy facility located outside of the region. Metro Code Section 5.05.040 prohibits any person from transporting solid waste to a non-system facility without an appropriate license from Metro. The proposed NSL is subject to Metro Council approval because it involves putrescible waste.²

The Applicant

The applicant, Boeing, operates an airplane parts manufacturing and assembly facility located at 19000 NE Sandy Blvd. in Gresham, Oregon (Metro Council District 1). Boeing routinely generates miscellaneous non-recoverable wastes at its facility which includes office, restroom, and lunchroom waste and special waste consisting of oily solids, absorbent material, shop cleanup debris, non-hazardous shot-blasting residue, and floor sweepings including mixed metal chips. The company makes efforts to reduce, reuse, and recycle waste and has implemented an internal diversion program in which it tracks its recovery efforts for a variety of materials generated at the site including metals, paper, cardboard, glass, wood, food waste, and landscape waste. As part of these sustainability efforts, Boeing prefers to send its non-recoverable wastes to a waste-to-energy facility instead of landfills for disposal.

Boeing has been transporting miscellaneous non-recoverable waste including putrescible waste to Covanta under authority of an NSL since October 2013.³ The current license will expire on December 31, 2017. The licensee transported approximately 360 tons to Covanta in calendar year 2016, and about 335 tons through September of calendar year 2017.

Boeing seeks to increase its tonnage authorization because overall production at the plant has increased. On September 13, 2017, Boeing submitted a complete application requesting that Metro

¹ N-140-16

² Metro Code Section 5.05.110

³ NSL No. N-140-13

replace its existing NSL with a tonnage authorization of 1,000 tons per calendar year – an increase in 500 tons per calendar year.

ANALYSIS & INFORMATION

1. Known Opposition

There is no known opposition to the proposed NSL.

2. Legal Antecedents

Metro Code Section 5.05.040 prohibits any person from utilizing a non-system facility without an appropriate license from Metro. Additionally, Metro Code Section 5.05.140 provides that, when determining whether or not to approve an NSL application, the Metro Council will consider the following factors to the extent relevant to such determination.

- (1) *The degree to which prior users of the non-system facility and waste types accepted at the non-system facility are known and the degree to which such wastes pose a future risk of environmental contamination;*

The proposed disposal site is a waste-to-energy facility rather than a landfill and thus does not pose the same potential environmental risk from waste delivered from prior users. Air emissions from the facility are controlled through the use of high efficiency combustion within the furnace/boiler as well as by selective non-catalytic reduction, spray dryer absorbers, fabric filter baghouses and an activated carbon injection system. The ash generated at the facility is then disposed, or used beneficially, in accordance with Oregon Department of Environmental Quality (DEQ) requirements.

- (2) *The non-system facility owner's and operator's regulatory compliance record with federal, state and local requirements, including but not limited to public health, safety and environmental regulations;*

Covanta holds a DEQ Solid Waste Energy Recovery Permit.⁴ No formal enforcement actions have been taken at Covanta by DEQ in the last five years and Covanta is in compliance with federal, state, and local requirements. Staff has also received confirmation that Covanta has a good compliance record with respect to public health, safety and environmental regulations.

- (3) *The adequacy of the non-system facility's operational practices and management controls;*

Covanta screens incoming waste for hazardous, radioactive, and other unacceptable materials and has a state-of-the-art emissions control system to minimize the risk of future environmental contamination. In addition, Covanta uses operational practices and management controls that are considered by DEQ to be appropriate for the protection of health, safety, and the environment.

- (4) *The expected impact on the region's recycling and waste reduction efforts;*

⁴ Oregon DEQ permit #364

Boeing has an aggressive internal recycling program and it seeks to deliver only its non-recyclable waste, including putrescible solid waste, to Covanta.

The Metro-area waste that is delivered to Covanta is not included in Metro's recovery rate calculation because state statute⁵ stipulates that only those wastesheds that burn mixed solid waste for energy recovery within their wasteshed boundaries may count a portion of it towards their DEQ recovery rate calculation. Marion County is the only wasteshed within Oregon that hosts a waste-to-energy facility within its boundaries; therefore, it is the only wasteshed that is currently allowed to include a portion of the in-County waste that is delivered to Covanta in its recovery rate. Approval of the proposed license renewal is not expected to impact the Metro region's recycling and waste reduction efforts.

(5) *The proposed non-system license's effect with Metro's existing contractual arrangements;*

Through 2019, Metro has a contractual agreement to deliver a minimum of 90 percent of the region's putrescible waste that is delivered to general purpose landfills during the calendar year, to landfills owned by Waste Management. The waste subject to the proposed license will be transported to a waste to energy facility rather than disposal. Therefore, approval of the proposed license will not conflict with Metro's disposal contract.

(6) *The applicant's record regarding compliance with Metro ordinances and agreements or assistance to Metro in Metro ordinance enforcement and with federal, state and local requirements including, but not limited to public health, safety and environmental regulations; and*

The applicant has a good record of compliance with regard to Metro regulations.

(7) *Any other factor the Chief Operating Officer considers appropriate.*

Covanta is the primary disposal site for solid waste generated within Marion County. Marion County generally supports the Metro-authorized flow of solid waste to Covanta.

3. Anticipated Effects

The effect of Resolution No. 17-4837 will be to issue a replacement NSL authorizing Boeing to transport up to 1,000 tons per calendar year of non-recoverable solid waste and putrescible solid waste to Covanta. The proposed NSL commences on November 30, 2017 and expires on December 31, 2019.

4. Budget/Rate Impacts

The waste covered under the proposed NSL will be delivered to Covanta. Covanta is not a general-purpose landfill and this NSL will not impact Metro's obligations under its disposal contract. Notwithstanding that this proposed NSL will authorize 500 additional tons to Covanta, the regional system fee and excise tax will continue to be collected on Metro-area waste delivered to Covanta under the authority of the proposed NSL. The application under consideration is the replacement of an existing NSL.⁶

⁵ ORS 465A.010(4)(f)(B)

⁶ NSL No. N-140-16

RECOMMENDED ACTION

The COO recommends approval of Resolution No. 17-4837, finding that the license application satisfies the requirements of Metro Code Section 5.05.140, and issuance of a new NSL substantially similar to the NSL attached to the resolution as Exhibit A.

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