

STAFF REPORT

IN CONSIDERATION OF RESOLUTION NO. 18-4929 AUTHORIZING THE CHIEF OPERATING OFFICER TO ISSUE A RENEWED NON-SYSTEM LICENSE TO FUJIFILM NORTH AMERICA CORPORATION FOR THE TRANSPORT AND DISPOSAL OF PUTRESCIBLE WASTE AT THE COVANTA WASTE-TO-ENERGY FACILITY IN BROOKS, OREGON

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Prepared by: Will Ennis
(503) 797-1667

Approval of Resolution No. 18-4929 will authorize the Chief Operating Officer (COO) to issue a renewed non-system license (NSL) to Fujifilm North America Corporation (Fujifilm). The proposed NSL will authorize Fujifilm to transport up to 95 tons per calendar year of non-recoverable solid waste and putrescible solid waste from its facility within the Metro region to the Covanta Waste-to-Energy facility (Covanta) located in Brooks, Oregon. The proposed NSL is a renewal of an existing NSL that is set to expire on December 31, 2018.¹

BACKGROUND

The applicant, Fujifilm, operates a photographic processing facility located at 4152 NE 185th Avenue in Portland, Oregon (Metro District 1). Fujifilm routinely generates miscellaneous non-recoverable wastes which consist primarily of non-recyclable photographic paper, misprinted gift items including mugs and mouse pads, contaminated film plastic and office, restroom, and lunchroom wastes. The facility also generates other non-hazardous wastes from its facility including empty photographic chemical containers and floor sweepings.

As part of Fujifilm's company-wide sustainability program, the facility makes efforts to reduce, reuse, and recycle waste whenever possible. As part of these sustainability efforts, Fujifilm prefers to send its non-recoverable wastes to waste-to-energy facilities instead of landfills for disposal.

In December 2016, Fujifilm was issued a new NSL authorizing the transport of up to 85 tons per calendar year of miscellaneous non-recoverable waste, including putrescible solid waste, generated at its facility to Covanta. The NSL is set to expire on December 31, 2018. In 2017, Fujifilm transported approximately 75 tons of waste to Covanta under the NSL in and transported 53 tons between January 1 and September 30, 2018.

On July 18, 2018, Fujifilm filed a complete application seeking a renewed NSL authorizing the transport of up to 95 tons per calendar year of miscellaneous non-recoverable waste, including putrescible solid waste, generated at its facility to Covanta. This is an increase of 10 tons annually of its current tonnage authorization of 85 tons. The proposed license is subject to approval or denial by the Metro Council because, in addition to the non-recoverable waste, it also authorizes the delivery of putrescible waste to a non-system facility.²

¹ Metro Solid Waste Facility Non-System License No. N-163-17

² Metro Code Section 5.05.110(c)

ANALYSIS/INFORMATION

1. Known Opposition

There is no known opposition to the proposed NSL.

2. Legal Antecedents

Metro Code Section 5.05.110 prohibits any person from utilizing non-system facilities 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, Metro Council will consider the following factors to the extent relevant to determine whether to issue a non-system license:

- (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 delivered to a disposal facility permitted by the Oregon Department of Environmental Quality (DEQ).

- (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 is permitted by the DEQ. Metro staff received verbal confirmation from the DEQ and Marion County that 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 rules and 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 the 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;*

Fujifilm has an aggressive sustainability program and it seeks to deliver only its non-recyclable waste, including putrescible solid waste, to Covanta instead of a landfill. The Metro-area waste that is delivered to Covanta is not included in Metro's recovery rate calculation because state statute³ stipulates that only those wastesheds that burn mixed solid waste for energy recovery within their

³ ORS 465A.010(4)(f)(B)

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 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;*

Until the end of 2019 Metro has a contractual obligation 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 this proposed license will not be disposed at a general-purpose landfill. Thus, 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 factors as the Chief Operating Officer deems 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 but has expressed concerns about capacity to accept new customers.

3. Anticipated Effects

The effect of Resolution No. 18-4929 will be to issue a renewed NSL authorizing Fujifilm to transport up to 95 tons per calendar year of non-recoverable waste, including putrescible waste, to Covanta. The proposed NSL would commence on January 1, 2019 and expire on December 31, 2020.

4. Budget/Rate Impacts

The waste covered under the proposed NSL will be transported to Covanta. Covanta is not a general-purpose landfill and the proposed tonnage will not impact Metro's obligations under its current disposal contract. The regional system fee and excise tax will continue to be collected on the waste covered by this license. The proposed NSL is a renewal of an existing authorization and the financial impact of this NSL has already been factored into the budget.

RECOMMENDED ACTION

The COO recommends approval of Resolution No. 18-4929, finding that the proposed license satisfies the requirements of Metro Code Chapter 5.05, and issuance of an NSL substantially similar to the NSL attached to the resolution as Exhibit A.

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