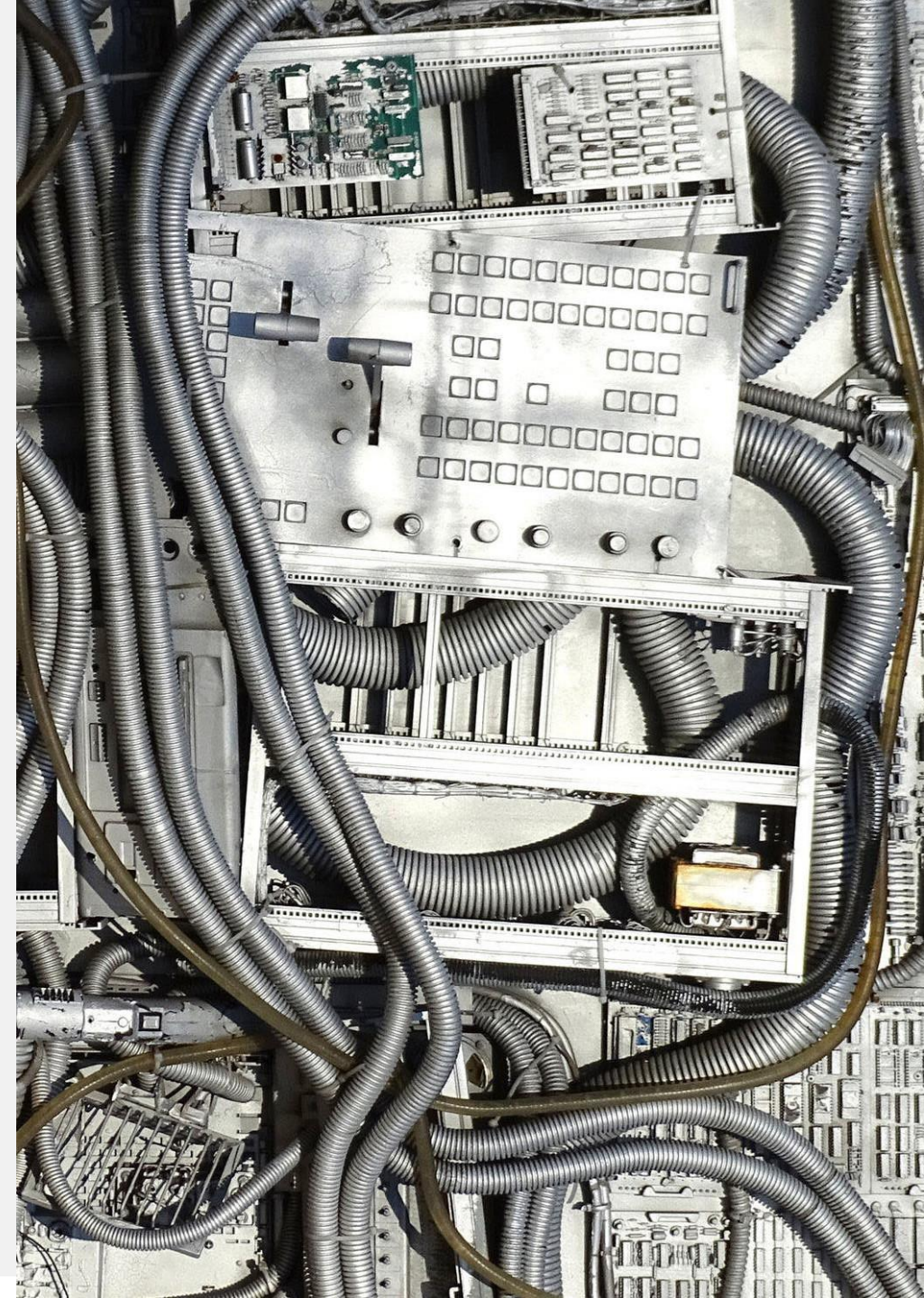
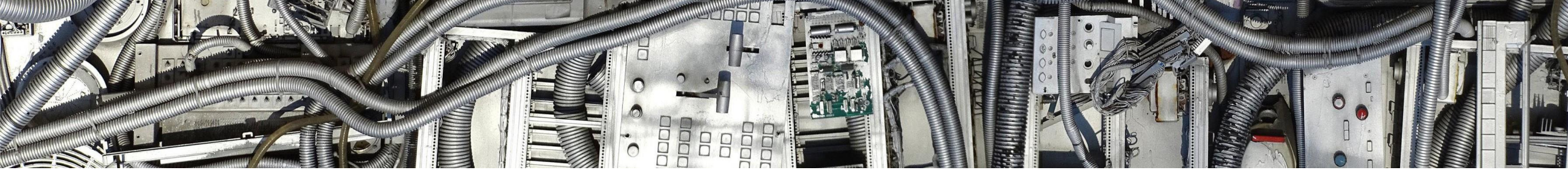


ERRO Manufacturer Clearinghouse Program

May 2024

Jason Linnell, National Center for
Electronics Recycling

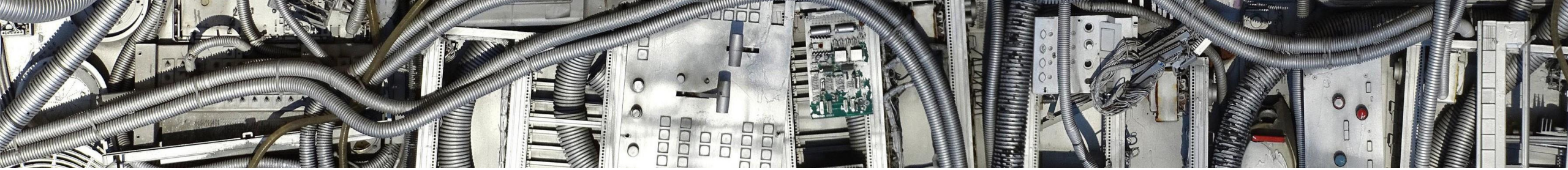




National Center for Electronics Recycling:

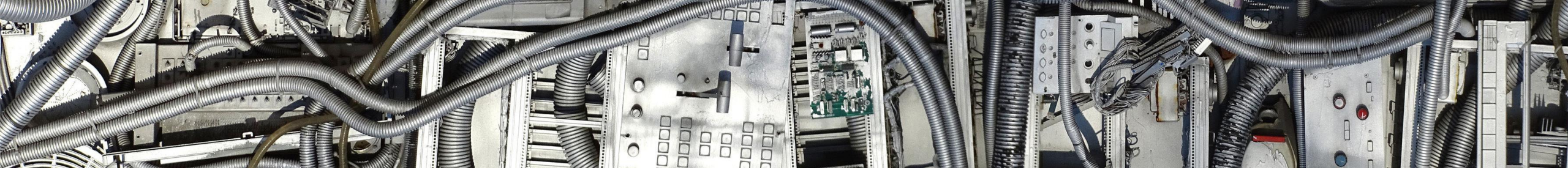
- Non-profit 501c3, est. 2005, in Vienna, WV
- Involved in Federal, State & Association Projects
- Conduct Research, Run Collection Programs
- Partner with NERC on Electronics Recycling Coordination Clearinghouse (ERCC)
- Manage Oregon State Contractor Program, Vermont State Standard Plan, administer ERRO Illinois and South Carolina Manufacturer Clearinghouse
- Our Mission: Dedicated to the development and enhancement of a national infrastructure for the recycling of used electronics in the U.S.





Electronics Recycling Representative Organization

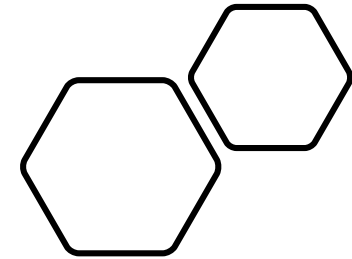
- ERRO
 - Non-profit with manufacturer board formed in 2014
 - Promotes responsible electronic waste recycling, researches electronic waste recycling legislative policy options, and where appropriate provides electronics manufacturers and electronic waste recycling programs the opportunity to operate or participate in electronic waste recycling programs under specific state laws.
- In response to IL law changes, ERRO formed CERA Clearinghouse in 2018, issued RFP, selected administrator (NCER), 1st year 2019
- Now operates 2nd Clearinghouse program in South Carolina due to law changes passed in 2022 (NCER also administers), 1st year 2023
 - Functions almost identical, but differing product scope



Clearinghouse Model Overview (IL/SC)

- Manufacturer responsibility, but instead of pounds targets, “convenience” standard
 - Minimum number of collection sites on population/density basis
 - Year-round service, with no minimum or maximum lbs
- Counties and certain municipalities “opt in” to the manufacturer program
- Each manufacturer must provide an “e-waste program” to transport/recycle residential CEDs for the ENTIRE ROSTER of counties (at least minimum number of sites) who opted in independently.....**OR**
Through a “manufacturer clearinghouse” – collection of manufacturers representing 50% or more of the total collection obligations
- All manufacturers in both states comply through a single Clearinghouse

Evolution of IL Electronics Legislation



EPPRA

Enacted in 2008
and
implemented in
2009

Based on a
weight goal
model



2012

CERA

Enacted in 2018 and
implemented in 2019

Modernized elements of the
electronics recycling program

Based on a convenience
standard model

EPPRA expires

2008/2009



DISPOSAL BAN

Covered
Electronics
Devices (CEDs)
are prohibited
from entering
Illinois landfills

2018/2019



2020



CERA Overview

Legislation that governs Electronics Recycling in Illinois.

Covers 17 electronic devices.

No longer goal weight orientation, instead focuses on access.

Collection locations may be used by residents of that county.

First programtic year under CERA = 2019



Manufacturer Responsibilities

Manufacturers must support CED collection locations in counties that elect to participate in the program.

What does support look like?

- Packaging materials
- Transportation
- Recycling



Actors under CERA

Multiple entities involved under CERA.

Requires multiple actors to work together.

- Manufactures
- Opt-In Counties
- Group Plans
- Collectors
- Recyclers



Other Info

Program limited to residential CEDs.

Collectors/Recyclers not in program can still operate outside of program.

Counties that do not opt-in are not covered.

Actors and Roles under Clearinghouse

- **Manufacturers:** entity with obligations to provide bulk transport and packaging, and recycle residential CEDs for opt-in counties, meeting convenience requirements
 - Can do this individually OR through Clearinghouse
- **Group Plan (“PRO”):** entity contracting with one or more manufacturers to carry out obligations under Clearinghouse. Manufacturers annually select and inform Clearinghouse of group plan designation. Can be mgmt. groups, recyclers
- **Counties:** local government jurisdictions who “opt-in” to the manufacturer program
- **Service Providers:** collectors and recyclers selected by manufacturers/group plans to operate under the program for counties

Manufacturer Clearinghouse

- Under ERRO, all manufacturers sign an agreement with ERRO, and choose a Group Plan
- Clearinghouse has specified Rules for:
 - Methodology for setting manufacturer percentage obligations
 - Market share by return share category
 - How to allocate sites, and to whom (individual manufacturers or groups)
 - Groups and manufacturers over 1% obligation eligible
 - Reporting
 - Private programs and eligibility
 - True-up process for measuring actual collections vs estimates

What the Clearinghouse Does

- **DOES** help manufacturers collectively meet the requirements to implement a statewide “manufacturer e-waste program” in Illinois and SC through a joint Plan
- **DOES** administer manufacturer obligation percentages within the Program Plan, request existing relationship preferences, and then allocate opt-in counties to individual manufacturers or groups
- **DOES** set rules for manufacturer or designated group participation
- **DOES** establish an auditing program for verifying reported pound totals and collector practices
- **DOES** compile information required and submit Program Plan to State

What the Clearinghouse Doesn't Do

- **DOES NOT** contract with recyclers, collectors or other service providers (handled by group plans)
- **DOES NOT** decide which collection site/s or events will be included in the final Program Plan
- **DOES NOT** decide which entities (collectors, transporters, recyclers) are used in meeting the required minimum sites for convenience standard (all entities must meet requirements in law and by contract)
- **DOES NOT** mandate whether assigned groups/manufacturers agree to include all proposed sites/events from opt-in forms, including those beyond minimum required under convenience standard

Allocation of Opt-In Counties

- Clearinghouse assigns opt-in counties to group plans based on manufacturer obligation percentage formula (sum of manufacturers in group)
- Counties provide annual estimate of volume to be collected, Clearinghouses historic actual data as well
- NOT all the same size – depends on number and size of obligation % of manufacturers in group.
 - Larger group plans generally have more and larger counties, but depends on size of private programs
- Assignment of county means the group plan must provide minimum number of collection sites and received unlimited volume of covered devices throughout the year

Clearinghouse Private Programs

- Separate from E-Waste Program in law, but ERRO rules include
- Eligible sites include:
 - retail collection sites; curbside collection programs; manufacturer-sponsored collection events; non-opt in county and municipal programs; and mail back collection programs.
- Manufacturers/groups can reduce their county-assigned obligations by supporting eligible private program, and continuing those collection options
 - HOWEVER, this does not reduce the overall Clearinghouse obligation to service County sites.
- Clearinghouse receives quarterly data from County and private program sites, use data for a true-up compared to manufacturer obligation percentages

True-Up Process

- No collection volume targets under Clearinghouse model
- However, Clearinghouse tracks volume collected by Group Plan, compares % collected at end of year to group obligation %
- If obligation is higher, Group Plan has pounds deficit for following year to make up (more counties assigned)
- If obligation was lower, they receive a credit in lbs = fewer counties assigned
- Group Plans also given trading period to buy/sell credits to offset deficits/overages

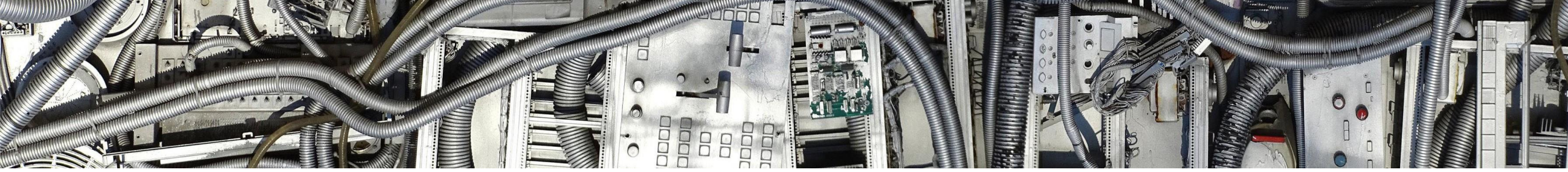
Allocation of Responsibility under IL/SC Clearinghouse

- 3 Levels of allocation
 - 1. Individual manufacturer obligation percentage – “adjusted proportional responsibility
 - 2. Assignment of opt-in counties to Group Plans
 - 3. “True-Up” process after end of year based on actual volume collected
- Clearinghouse assigns opt-in counties to group plans based on manufacturer obligation percentage formula (sum of manufacturers in group)
- NOT all the same size – depends on number and size of obligation % of manufacturers in group.
 - Larger group plans generally have more and larger counties, but depends on size of private programs

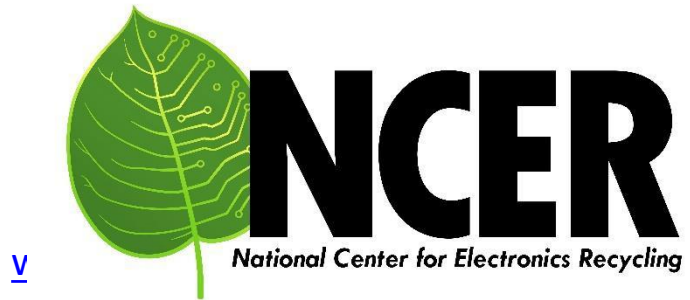
Benefits and Drawbacks

- Convenience approach = no swings/penalties for targets based on sales
- Consistent sites for local government, no limits on lbs of covered material
- Funded by manufacturers for all truckload transport and recycling costs, no fees on upfront but collectors can charge at drop off
- True-up allows fair allocation of costs among varying sizes of OEMs

- Opt-In: allows for flexibility if local government not able to participate; can leave gaps in rural areas
- IL/SC laws- collection costs covered by local government as part of shared responsibility. Some cannot fund for sites/events



Thank You!



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