Message

From: Coleman, Cheryl [/O=EXCHANGELABS/OU=EXCHANGE ADMINISTRATIVE GROUP (FYDIBOHF23SPDLT)/CN=RECIPIENTS/CN=A002614AA0B240D698F09E4A7EAFC8DA-COLEMAN, CHERYL]
Sent: 5/16/2019 5:44:10 PM
To: Will Sagar [will.sagar@serdc.org]
Subject: FW: Houston Chronicle: Texas part of national push for laws promoting fledgling chemical recycling industry

From: Cookson, Craig <Craig_Cookson@americanchemistry.com>
Sent: Thursday, May 16, 2019 11:03 AM
To: Coleman, Cheryl <Coleman.Cheryl@epa.gov>; Vance, Ronald <Vance.Ronald@epa.gov>; Bray, Brandon <Bray.Brandon@epa.gov>; Johnson, Barnes <Johnson.Barnes@epa.gov>
Subject: Houston Chronicle: Texas part of national push for laws promoting fledgling chemical recycling industry

Hi Folks –

Thought you might be interested in some recent coverage in the Houston Chronicle. Thanks. -Craig

https://www.houstonchronicle.com/business/energy/article/Texas-part-of-national-push-for-laws-promoting-13847145.php

Business // Energy

Texas part of national push for laws promoting fledgling chemical recycling industry

Marissa Luck May 15, 2019 Updated: May 15, 2019 6:41 p.m.

The Texas Legislature has passed a bill that would support a fledgling industry that aims to reduce waste by returning plastic back to its original chemical components, which can then be reused for fuels and feedstocks of new plastic products.

The bill, supported by chemical makers such as Chevron Phillips Chemical of the Woodlands and the Texas oil major Exxon Mobil, is a response to the growing public outcry over plastic waste that is choking the world's oceans, contaminating soil and threatening marine and wild life. Chemical recycling is not only viewed by chemical makers as a way to reduce plastic pollution, but also as a new and potentially $10 billion industry.

Unlike traditional mechanical recycling, chemical recycling uses chemical processes to convert plastic waste into fuels to use in cars or manufacturing feedstocks that can be turned into new plastics. Although chemical recycling itself isn't new, more petrochemical companies are investing in improving the technology to make it work on a commercial scale.

The bill, which last week was sent to Gov. Greg Abbott's office to be signed into law, would regulate chemical recycling operations as manufacturing plants, rather than solid waste disposal sites, a designation that would spare chemical recyclers from many regulations imposed on solid waste sites. The plants would still have to comply with state and federal air, water and other environmental laws.

The regulatory certainty provided by the legislation would make it easier for companies to invest in and obtain financing for chemical recycling agreements, said Craig Cookson, senior director of recycling and recovery at American Chemistry Council, the chemical industry trade group.

"It takes a long time at the beginning stages of an industry to line up investment and secure offtake and feedstock agreements," Cookson said. "What they don't want is a shifting regulatory landscape"

The bill is part of a national push by the petrochemical industry to promote chemical recycling. Texas is the sixth state to pass such legislation — joining Florida, Wisconsin, Georgia, Iowa and Tennessee, and similar bills are proposed in Rhode Island, South Carolina and Illinois.

Turning waste into a $501 million industry in Texas

Cookson said the significance of the legislation is especially big in Texas, which as the nation's largest chemical manufacturing industry. Converting just 25 percent of the state's plastic waste into manufacturing feedstocks and transportation fuels could support 40 chemical recycling plants and generate $501 million in economic output annually, ACC estimates.

Nationally, the Amerian Chemistry Council estimates that chemical recycling could create $9.9 billion in economic output and generate 38,500 American jobs if adopted more broadly.

New plants likely to face opposition

The Texas legislation was opposed by environmental groups such as Texas Campaign for the Environment and Sierra Club, which argued that chemical recycling projects produce additional air pollution without significantly decreasing plastic waste.

Historically many of these chemical recycling plants have operationally underperformed, failing to produce as much fuel or feedstock as they original targeted due to technological and economic challenges, said Andrew Dobbs, program director at the nonprofit Texas Campaign for the Environment. That means many plants have struggled financially and turned to taxpayers for subsidies to survive, he said.

He pointed to a 2017 study by the advocacy group Global Alliance for Incerator Alternatives that found that chemical recycling plants have a similar emissions profiles to garbage incineration plants. Both can emit nitrogen oxide, sulfur dioxide, carbon monoxide, particulate matter, heavy metals and greenhouse gases.

More fundamentally these chemical recycling plants don't address what environmentalists say is the root of the problem - the nation's continuing reliance on fossil fuels and the single-use plastics made from them.

"This is industry's attempt to try to justify the dramatic ramp up of plastic production we're seeing now by pretending like there is a solution on hand when they're really isn't," Dobbs said.

He added that he appreciated the intent behind the bill to reduce plastic waste, but "this technology doesn't work. It's a huge waste of money and its bad for the environment."

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