

Transforming the commercial waste management model

By: Clarissa Morawski
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"The time is long-past for digging bigger holes to bury our waste"

-- **Honourable John Gerretsen**, Ontario Minister of the Environment, September 22, 2009

Businesses are aware that their provincial governments are about to change the way waste is managed. Over the next few months, for instance, the Ontario government will announce new policy aimed at significantly reducing the amount of industrial, commercial, and institutional waste generated by Ontario business. (*See editorial Aug/Sept 2009*). Disposal taxes, landfill bans, service provider accreditation; enhancing coverage of existing 3Rs regulation; performance targets; and producer responsibility for IC&I waste are some of the options being considered. It's fairly certain that whatever policy tools the government chooses to use, business will need to re-think how it handles its waste in Canada's progressive jurisdictions.

Providing a new paradigm from traditional management of waste is becoming a viable operating business for companies that broker secondary materials and products for both resale, reuse, and recycling.

The Institution Recycling Network or IRN offers recycling and reuse programs in six northeastern US states that achieve exceptionally high (>90 per cent) reuse and recycling rates. Over 60 commodity marketing programs enable IRN to haul deconstruction, pre-demolition, and new construction materials like wooden beams, wood waste, flooring, windows, fixtures, brick, gypsum, and metals (to name a few). According to Mark Lennon, Director of IRN, compared to disposal, recycling costs much less for nearly all construction and demolition materials.

Lennon estimates that the tip fee for sorted C&D materials ranges from revenues of about \$100 per ton (for metals) to a cost high of \$85 per ton for mixed debris, versus an average disposal tip fee of \$105 per ton. Lennon remarks on the key elements for diversion success as well as a cleaner, safer jobsite. "Early planning in terms of a waste management plan, regular reporting and documentation, as well as clear specifications on specific responsibilities, and which materials are eligible for diversion, are all essential for program effectiveness," he says.

IRN also manages surplus property, like office furniture; medical furniture, kitchen equipment etc. that it transports to charitable reuse markets throughout the world.

Similar new business models are showing up in Canada as well. Starting as a pallet refurbishing business decades ago, Brampton Ontario-based PMG is transforming the typical commercial waste management model into a simple, cost effective zero waste system.

Strategically situated near the junction of two major Ontario highways, PMG's massive (125,000 square foot) facility is used for sorting and storing almost anything that is reusable or recyclable -- from traditional recyclables (cardboard, metal and plastics), electrical and electronic equipment, old office furniture, windows, lumber, racks and shelving to nearly new but slightly damaged goods. PMG is also an Ontario Electronic Stewardship (OES) certified collector of WEEE.

PMG employees (~40 FTE) transport, offload, dismantle, sort and re-load materials or goods destined for their end-market. PMG's eight in-office staff manage logistics, client communication and markets. PMG's long standing success in the business lies in its wide ranging knowledge of local, national and international recycling and reuse markets, which include traditional recyclers, compost facilities, re-seller charities like Habitat for Humanity, and international charity organizations that facilitate the placement of needed goods like office, school and medical furniture as well as other reusables.

Tim McGillion, president and founder of the 20 year old company describes the new "One-Step™" Recycling Program as a simple, cost effective solution for a company wanting to maximize diversion. All that's requested from the client is to keep the material out of the disposal compactor.

"What's often unaccounted by business in terms of waste management costs, are the externalized costs associated with their on-site compactors, like health and safety, capital, maintenance and repair costs."

PMG's alternative model provides clients with either a trailer at a loading dock which is replaced when full (with one call to PMG's offices), or a direct pick-up. Today PMG has over 161 trailers at retailers; office buildings; manufacturers; and institutions located throughout the province.

"But cost savings is not always the primary driver for those involved in the program," says McGillion. "Many companies want certainty and proper documentation about the final destination of their waste, and in terms of the One-Step™ Recycling Program, an agreement for optimum reuse or recycling of their secondary resources."

New waste diversion policy measures will likely affect most small and medium enterprises (SMEs), most of which have been exempt from existing recycling regulations (e. g., Ontario Reg 102/94 & 103/94). More than 42 per cent of the IC&I waste generated comes from SMEs, which number in the tens of thousands of individual companies in larger provinces. Diversion service providers with experience and far-reaching market networks as well as well-established systems in place for handling, storing, and reporting a wide variety of materials will likely lead the transformation of "waste management" to "secondary materials management".

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