



## BOARD OF COMMISSIONERS

# AGENDA REQUEST & STAFF REPORT

**MEETING DATE:** May 15, 2024

**SUBJECT:** Sustainable Battery Management – A Legislative Approach

**RECOMMENDED MOTION:**

Move approval of support for the Association of Oregon Counties to lead in the introduction of a bill to the 2025 Oregon Legislature to establish an Extended Producer Responsibility framework for consumer batteries.

**BACKGROUND AND POLICY IMPLICATIONS:**

Lane County has reached out to Deschutes County along with Washington, Clackamas, Marion, And Douglas counties asking for our support in working with AOC to introduce new legislation for the management of batteries in the State of Oregon.

Nationally, the electrification of transportation, advances in battery storage, and the ubiquity of products that contain batteries (e.g., electronic devices, greeting cards, vape pens, toys, etc.) are contributing to an increase in demand for batteries. Rapidly growing demand requires a secure supply of batteries and associated raw material supply chains. The International Energy Agency reports that in 2023, battery manufacturing reached 2.5 TWh, adding 780 GWh of capacity, 25% higher than in 2022. Meeting these demands requires a significant ramp up in mining, refining, and recycling activities. The National Blueprint for Lithium Batteries 2021-2030 highlights the importance of recycling lithium-ion cells to mitigate material scarcity, enhance environmental sustainability, and support a more secure and resilient, domestic, material supply chain that is circular in nature.

**INCREASED FIRE, DAMAGES, INJURY, INSURANCE COSTS, RATES, AND POLLUTION**

In Deschutes County, we are facing an increasing risk to our facilities and infrastructure with the proliferation of rechargeable batteries, as we are experiencing fires on a minimum of a weekly basis due to Lithium batteries at either the Knott Landfill, at our transfer stations, in transfer trailers, or in the franchise hauler route trucks. Additionally, Lithium battery fires are on the rise nationally. The National Waste and Recycling Association (NWRA) estimates that more than 5,000 fires occur annually at recycling facilities and the problem is directly linked to batteries entering the waste and recycling streams. Batteries pose risks to the entire solid waste and recycling system, from service providers that collect

waste and recycling, to processors and, landfills. Safe and responsible battery collection and recycling also lead to increased costs for rate payers. In some states, there are programs to collect and recycle batteries, but many consumers don't know why or how to participate in them: Today, less than 15% of rechargeable batteries (and a much smaller amount of single use) are recycled.

Due to increased fire risk in material recovery facilities, landfills, and trucks, the cost to insure these facilities and equipment has also gone up. The NWRA reports that the rate of catastrophic losses has risen by 41% over the last five years. The risk of fires and the cost to insure against them is expected to rise in the coming years as the use of lithium-ion batteries continues to grow exponentially. This risk is not being mitigated by the producers of these products but by the waste services rate-payers in higher costs for both disposal and recycling services.

Eleven States have passed EPR laws on batteries, the first being Vermont in 2014. In 2023, Washington State enacted its battery EPR law which also covers a broad scope of single use and rechargeable batteries but was the first state to include e-mobility device batteries (e.g., bikes, scooters, wheelchairs), with statutory provisions to study the management of large-format batteries and batteries embedded in electronic products. In 2024, New Jersey enacted the Electric and Hybrid Vehicle Management Act, becoming the first state to include in its EPR battery law electric and hybrid vehicle propulsion batteries (batteries that propel vehicles).

**BUDGET IMPACTS:**

Currently, the Solid Waste Department accepts and funnels batteries through Deschutes Recycling and the Household Hazardous Waste Program. Lithium batteries are costing the department approximately \$60,000 a year to dispose of, with that rising quickly each year. If enacted, those costs for disposal would be borne by the manufactures, similar to the Paint-care, E-Waste, and the soon-to-be-enacted Mattress Recycling program in Oregon.

**ATTENDANCE:**

Tim Brownell – Director of Solid Waste