

Recycling Committee Meeting

July 16, 2015

Introducing the Baltimore Plastics Recovery Facility (PRF)

A Regional Plastics Recovery Partnership





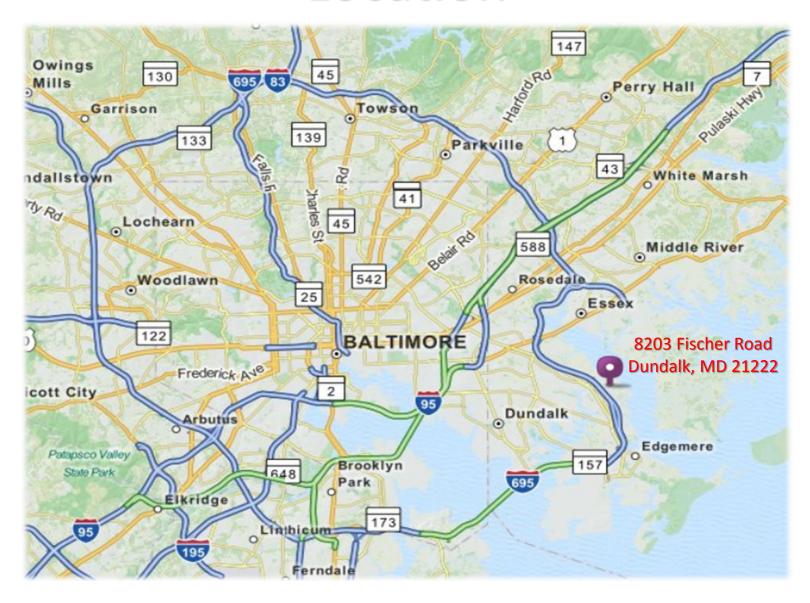
Project

- ➤ A state-of-the-art regional Plastics Recovery Facility (PRF) serving the Mid-Atlantic and Northeast recycling markets
- Process 1-7 and 3-7 post consumer plastic containers from Single Stream MRFs and Plastic Reprocessors
- > \$10,500,000 capital investment in plant & equipment
- > 55 full-time employees
- Over 100M lbs per year of plastics processing capacity
- Opening October 2015

Partners

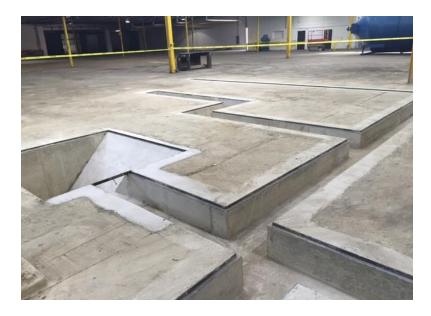
- ➤ QRS Recycling and Canusa Hershman Recycling are long time business associates with over 10 years of experience doing business with each other.
- ➤ Founded in 1974 outside of Louisville KY, QRS Recycling has grown to become one of the largest privately owned recycling companies operating throughout the Midwest and Southeast.
- ➤ Canusa Hershman has over 125 years of experience processing and trading recyclable materials since starting with a single-horse drawn cart in New Haven CT in 1887.

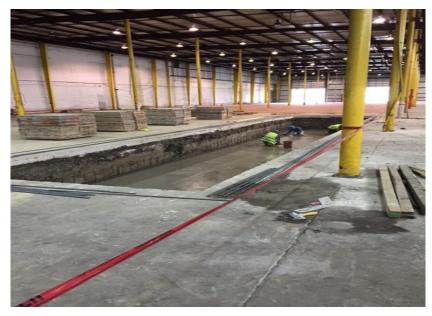
Location



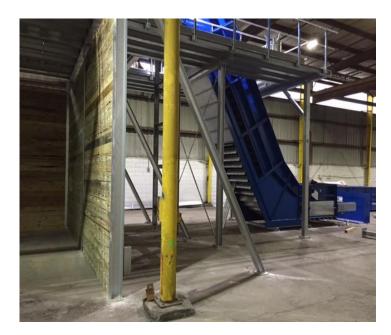






















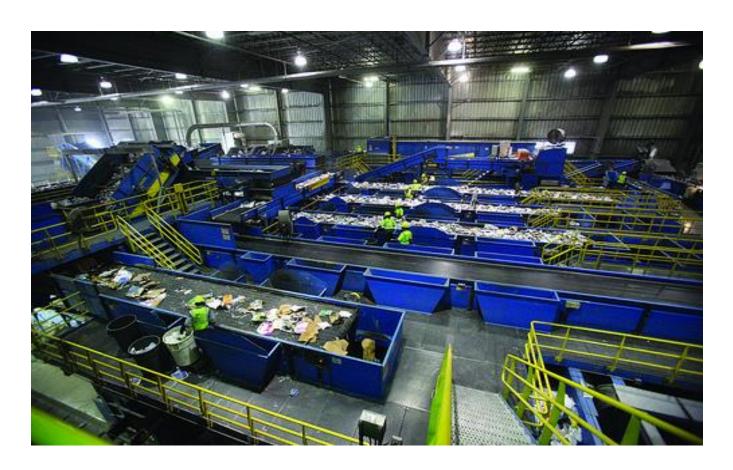


Why the need for a PRF?

Evolving Recycling Stream



Limitations of Existing MRFs



- **□** Capacity & Optimization challenges
- **□** Natural efficiency challenges

1. Re-run material to recover missed containers



- □ Not cost effective
- **□** Reduces processing capacity

2. Purchase additional sorting equipment



- □ Additional capital costs
- □ Limited space
- □ Will <u>still</u> have recyclables that are not captured

3. Outlets are limited or not attractive





- □ Landfill = not recycling + disposal costs
- □ Few domestics outlets
- **□** Export 1-7 and 3-7 containers
 - o Unreliable, "Green fence", etc.

Regional Plastic Recovery Facilities (PRFs)



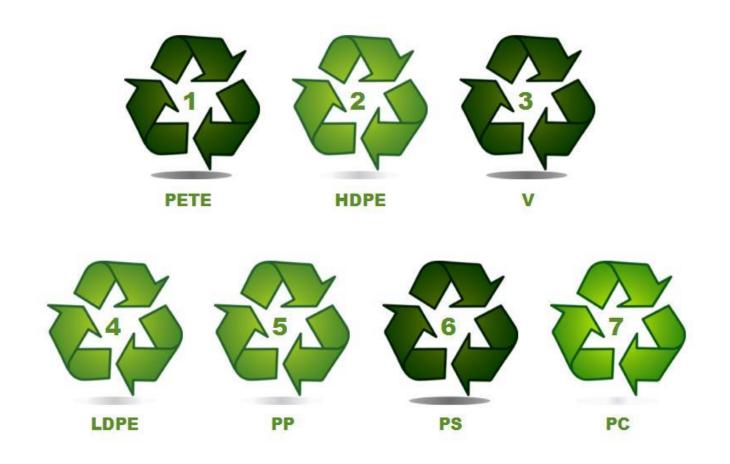
A full service domestic processing solution for the recycling industry

Concentrated Volumes & Focused Capital

- ✓ Sorting
- ✓ Washing
- ✓ Grinding



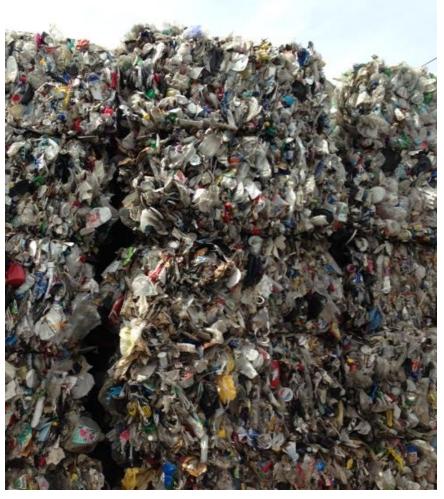
Targeting Virtually ALL Polymers



All 1-7 & 3-7's are NOT created equal

No two suppliers are the same





Fluid Environment

- No supplier is static stream is constantly changing
 - Quality of inbound material
 - Quality of operational output
 - Quality and stability of management & staffing
- Constant need to know what changed
- Communication is key
 - Between PRF and suppliers
 - Within the greater recycling markets
- Tracking & Measuring is key

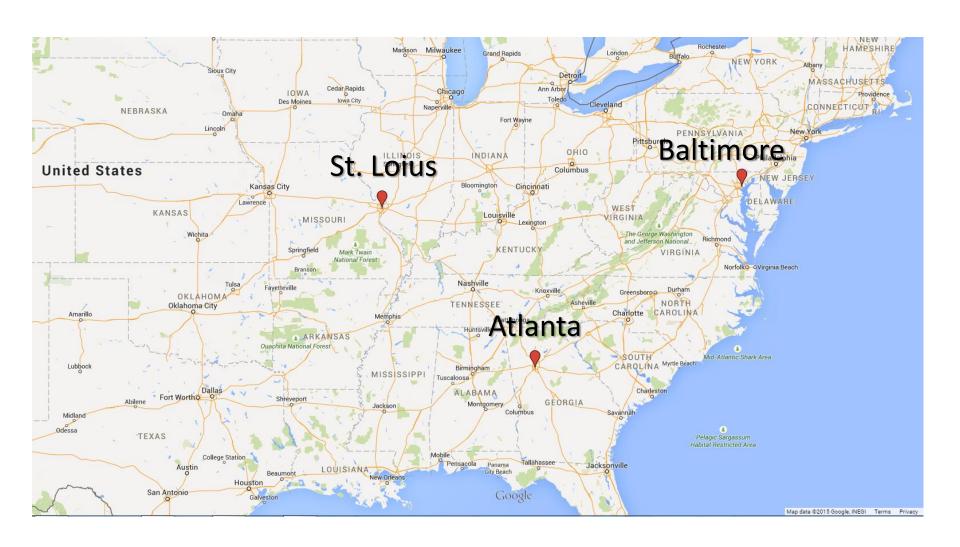
Tracking & Measuring

- □ Automatic Weight Audit Trial Loads
 - Most accurate data captured
 - Report back to supplier actual composition
- □ Optical Audit All Ongoing Loads
 - Measured by piece not weight
 - Captures and reports trends
 - Create profile of account composition
- Maintenance Audits
 - Weight to piece count calibration audits done at intervals

Dynamic Pricing

- Material Composition (i.e. the percentage of each commodity in the load)
- ☐ Commodity Markets (PET, HDPE, PP, etc.)
- ☐ Freight Costs
- Volumes

QRS System – PRF Locations



QRS System Capacity

- □ Atlanta 6.6 M LBS Per Month
- ☐ St. Louis 6.4 M LBS Per Month
- ☐ Baltimore 9.0 M LBS Per Month

Total 22.0 M LBS Per Month

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