



The Scrap Paper

Newsletter of the Maine Resource Recovery Association

December 2008

For more up-to-date information check our web site at <http://mrra.net>

Upcoming Events

MRRA Winter Workshop

January 26 at Grandeur Sun in Waterville. See our web site mrra.net for more info or call 942-6772. You should have recently received a brochure. More info on page 5.

MRRA Board of Directors Meetings

(All are welcome!)

Wednesday, January 21, 10 AM via conference call

Thursday, February 26, Noon, MRRA office in Bangor

Thursday, March 26, Noon, SPO office in Augusta

MRRA Compost Bin Sale

February-April More details will be available in January on our web site, <http://mrra.net>

16th Annual Maine Recycling & Solid Waste Conference

May 4-5, 2009 at the Bar Harbor Club & Harborside Hotel in Bar Harbor.

Maine DEP Training Schedule (nothing at this time)

<http://www.maine.gov/dep/rwm/trainingcenter/index.htm>

Maine DOL - SafetyWorks! Training Schedule Available

<http://www.safetyworksmaine.com/pdf/classschedule.pdf>

Inside

Recycling Market Report - Pages 2 & 3

Annual Awards Nomination Form - Page 4

Notes of Interest - Page 5

Now Get The Scrap Paper via E-mail! - Page 6

RECYCLING MARKETS REPORT

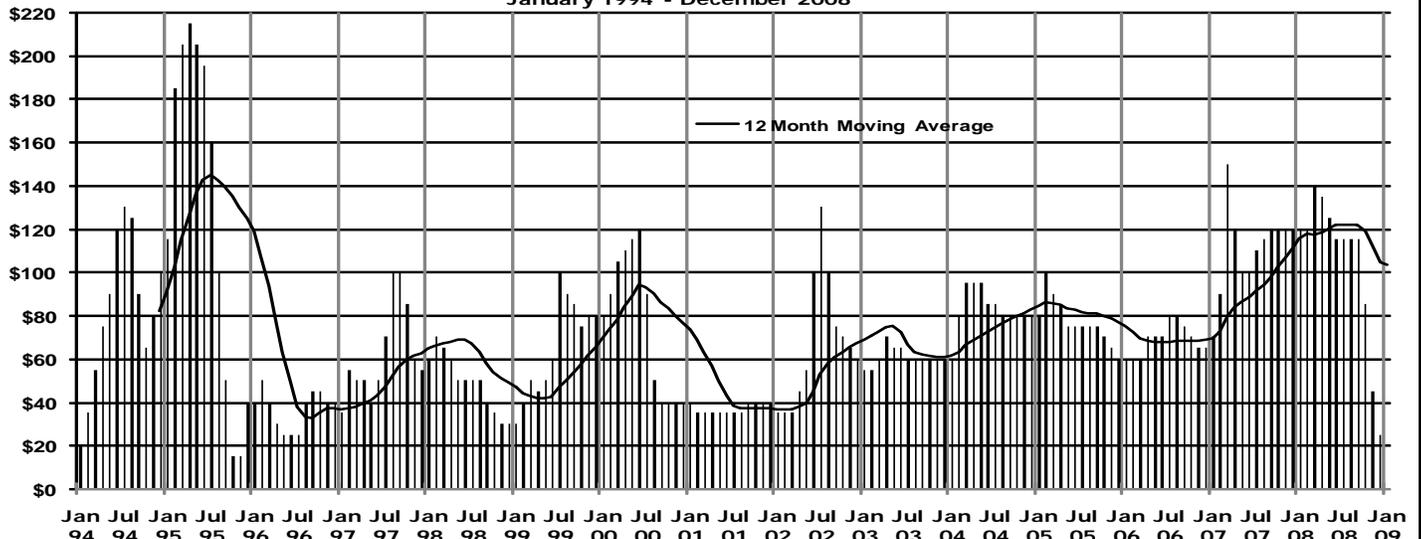
**We leverage our members' tonnage, seeking new markets to get YOU the best prices.
How do our prices compare to what you are being offered?**

Times certainly have changed! This report has been predicting lower prices since March and they arrived with a vengeance in the last few months as the economy has slowed dramatically. See a more full report on the next page.

All prices are net to you and subject to changing market conditions.

	Dec '08	Sept '08	Dec '07
OCC	\$16-21	\$111	\$116
#8 NEWS	\$26-31	\$151	\$101
Mixed Paper	-\$15	\$71	\$71-76
SOW	\$96	\$236	\$211-221
HDPE Natural	\$256	\$841	\$726
HDPE Mixed	\$216	\$726	\$576
HDPE Colored	\$91	\$656	\$526
PET (full load)	\$176	\$386	\$396
Tin Cans	\$11-26	\$156	\$76-81
Scrap Metal (del.)	-\$15 - 25	\$126	\$81
Tires (negative)	-\$110	-\$104	-\$104

**Old Corrugated Cardboard (OCC) - US \$ per Ton
January 1994 - December 2008**



THIS TO SHALL PASS

What is up (or down as is currently the case) with recycled materials prices? As commodities that are raw material for mills they have always fluctuated based on supply and demand in the overall national, and more recently, world economy. Nothing new there. When the economy is expanding demand & prices rise but when the economy is contracting demand & prices fall. It is called the business cycle and it has been going on for centuries.

In the late 80s and early 90s, we shifted from town dumps to secure landfills and waste-to-energy incineration. The cost of disposal increased dramatically. Thus began the major push to recycle to avoid paying the high cost of disposal. For many, though not all, the environmental benefits were secondary or not important at all. At that time most mills were not prepared to handle the large increase in recycled materials being generated so supply outpaced demand and prices were quite low. The main advantage of recycling was then, and is now, primarily the avoided cost. Revenue generated through marketing recyclables was the gravy.

Through the 90s mills saw an opportunity and invested heavily in new equipment to process recycled material. The rest of the world also saw opportunity. China especially has invested huge sums in new mills and factories. Prices increased to spur supply to meet the new demand.

But it is always a roller coaster. This year alone U.S. mills which produced 1.5 million tons annually have closed permanently and another 1 million tons was cut by active mills taking downtime during the 4th quarter alone! It is nearly impossible to predict with any degree of certainty where prices will be next quarter let alone six months or a year or more down the road. If you can tell me what the condition of the world economy will be then I can make an educated prediction. But, as they say, ask 10 economists and you will get 11 opinions! Such is the "science" of economics.

This is what we DO know.

- You will always have your avoided cost savings. Every ton recycled is a ton not needing disposal.
- Recycling has significant environmental benefits including major energy and greenhouse gas savings.
- Prices will change.

Over the last 15 to 20 years MRRA has seen some wild swings and a wide range of prices. OCC (old corrugated cardboard) and #8 News have averaged about \$65/ton. Over the long haul that is a reasonable estimate for average pricing. Yes, they will be \$0-25 sometimes and \$150-200 others. Mixed Paper has been from -\$20 to \$85 but averages near \$30. SOP (Sorted Office Paper) has been from \$50 to \$400 but averaged \$125. Tin cans have been from -\$5 to \$400 but averaged \$55. HDPE (#2) plastic bottles have been between \$90 and \$900 but averaged closer to \$300. Budget very conservatively at ALL times so there is a cushion if times are bad. You'll enjoy the bonus when times are good. Even half these long term averages could be too high in bad times! We didn't hear too many complaints when the prices were high. Consider those higher prices as rewards for tolerating the lower prices.

We are all aware that these are economically difficult times. No one is immune. Recycling is no exception. We can only hope and trust that saner heads will prevail and government and business policies will reverse the current downward spiral. Then better times may not be too far off into the future (Spring?). As the economy picks up so will material prices. If we continue down toward a 30s style depression then hold your breath. And not just for recycling!!!

PS. Quality is king! More than usual. Mills don't need much material so they are being very picky. Material must meet THEIR specs and be dry! The Paper Stock Report says single stream material is particularly difficult to move right now due to quality issues. FYI, current Maine single stream prices are as low as negative \$50 delivered to the MRF!

Annual Maine Recycling & Solid Waste Awards

To Be Presented At The Dinner Reception at the Annual Maine Recycling & Solid Waste Conference
Monday May 4, 2009, Bar harbor Club, Bar Harbor, Maine

Deadline for Nominations: Postmarked or faxed by: Friday, February 27, 2009

Mail: Maine Resource Recovery Association, PO Box 1838, Bangor, ME 04402-1838 or Fax: 942-4017

Award Categories

- Recycling or Solid Waste Manager of the Year
- Operator of the Year
- Program of the Year
- Volunteer of the Year
- Most Improved Program
- Composter of the Year
- Outstanding Quality Award
- Recycling Business of the Year
- Distinguished Service Award

Criteria Guidelines for the Awards

- Were there unusual problems to solve in the program?
- Was there a creative approach to solving the problem?
- Did the nominee use a cost-effective approach or creative use of limited resources?
- Did the nominee demonstrate leadership in rallying public support?
- Was the nominee addressing difficult to manage waste?
- Include the degree of commitment and the impact on the environment if appropriate?
- Include any information that would help the committee choose your nominee

Nominee Award Application

Name of Award _____ Name of Nominee _____

Position/Title of Nominee _____ Program/Town Name _____

Nominee's Telephone # _____ Person Making the Nomination _____

Telephone # _____

Please briefly describe the Nominee or Program's accomplishments as they relate to the criteria above.

MRRA has recycling bins & curbside carts for sale.

We offer large and small quantity purchasing of recycling curbside bins and wheeled carts.
Custom artwork available.

**Give us a call today for pricing
 and color availability @ 942-6772.**



18 gallon bins starting at \$8.00
 (minimum quantity: 100)

Wheeled carts in several popular sizes
 (minimum quantity: 54)

MRRA also offers these services:

- Maine's Recycling & Annual Solid Waste Conference
- Recycling & Solid Waste Technical Assistance
- Consulting – MRRA will send a rep for a free no obligation site visit
- Marketing of recyclable materials
- The Scrap Paper Newsletter
- Workshops & Tours

2009 MRRA Winter Workshop

Monday, January 26th, Grandeur Sun, 6 Jefferson St., Waterville

A full brochure is available as a PDF download at http://mrra.net/admin/assets/2009_Winter_Workshop.pdf

8:15 - 9:00 Continental Breakfast & Registration

9:00 - 10:15 **Lessons Learned from a Safety Inspection & How to Avoid Injuries & Fines!**

Every employer will find a safety inspector at their door eventually. What do they look for? Why do they issue fines? Are there steps you can take to pass their test? Several speakers will talk about their programs and what happened when the inspector showed up.

10:30 - 11:45 **Plastic: Beyond 1 & 2**

More and more communities are looking to decrease tipping fees by maximize recycling. What has been learned about those "other" plastics? What can be collected and marketed? What are the "specs"? How much are they worth? A recent study can shed some light and the pioneers in this area will fill us in.

11:45 - 1:00 Luncheon Buffet: **Promoting Recycling: Taking the Message Back to Your Town**

The tool kit has been developed. Now we need to spread the word. How can you use the tools available to let your community see & hear the message?

1:00 - 2:30 **The Value of your Material: Keeping Markets in Perspective**

By now we have all seen the prices being offered for recycled materials plummet. What circumstances affect material value? Where have prices been? Where might they be headed? Recyclers with many years in the field will give us the benefit of their experience.

Make This Your Last Paper Issue of The Scrap Paper!!

We would like to make this your last hard copy of The Scrap Paper.

Beginning with the next issue, we are offering a new way to receive your newsletter: sent to your e-mail inbox as a .PDF file which is readable with the free Adobe Acrobat Reader.

This process will offer several advantages to you & MRRRA including faster delivery, better, full-color pictures & graphics, embedded hyperlinks, easily saveable to your hard drive for future reference and cost savings on printing & postage.

If you would like to stop getting the paper version and start getting the e-mail version, please clearly print your e-mail address below and either fax this page to MRRRA at 207-942-4017 or mail it to MRRRA PO Box 1838 Bangor ME 04402-1838.

E-mail Address: _____ @ _____

Please Don't Forget: MAINE RECYCLES WEEK

Each year Maine celebrates Maine Recycles Week from November 8th-15th. Plan your own unique festivities to encourage increased recycling in your community! For more information visit <http://maine.gov/spo/recycle/mainerecyclesweek/index.htm> or contact Bruce White at the State Planning Office (287-8053 or 800-662-4545 or <mailto://Bruce.White@maine.gov>).

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Maine Resource Recovery Association

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