

July 1, 2022

ELECTRONIC SUBMITTAL

New York State Climate Action Council
New York State Energy Research and Development Authority
17 Columbia Circle
Albany, NY 12203-6399

Subject: Comments on the New York State Climate Action Council Draft Scoping Plan

To the Climate Action Council:

Eastman Chemical Company (Eastman) appreciates the opportunity to provide comments on the Draft Scoping Plan (Plan) developed by the New York State Climate Action Council (Council) implemented as part of New York's Climate Leadership and Community Protection Act (Climate Act) that was signed into law in 2019. Eastman is encouraged by the initial framework for how the State will reduce greenhouse gas emissions and achieve net-zero emissions, increase renewable energy usage, and ensure climate justice.

Eastman Background

Founded in 1920, Eastman is a global specialty materials company that produces a broad range of products found in items people use every day. With the purpose of enhancing the quality of life in a material way, Eastman works with customers to deliver innovative products and solutions while maintaining a commitment to safety and sustainability. The company's innovation-driven growth model takes advantage of world-class technology platforms, deep customer engagement, and differentiated application development to grow its leading positions in attractive end markets such as transportation, building and construction, and consumables. As a globally inclusive and diverse company, Eastman employs approximately 14,500 people around the world and serves customers in more than 100 countries. The company is headquartered in Kingsport, Tennessee, USA.

Eastman Comments

As attention increases globally and in New York on climate and related issues, it is vital that representative government, advocates, and private industry collaboratively develop solutions. As a private industry stakeholder, Eastman applauds the Council for taking action on the significant challenges society is facing and seeks to be a collaborative partner going forward. Consistent with our own efforts toward energy efficiency, decarbonization, and circularity, we believe that many of the stated elements of the Plan will lead toward a lower carbon future for the State of New York and provide a model for other states.

Chapter 16 of the Plan addresses the waste management sector and provides an overview of "Key Sector Strategies" that focus on waste reduction, reuse, recycling, extended producer responsibility (EPR), and product stewardship. Eastman supports investments in waste reduction, reuse, and recycling infrastructure and incentives for market development. We believe smart EPR policies that dedicate funding to consumer education and expanding

recycling infrastructure are critical in ensuring the highest volumes of plastic waste are recycled.

The global plastic waste crisis is too big and too important for any one organization to solve alone. Approximately 300 million tons of plastic are produced globally each year. At end of use, 40% goes to the landfill, 25% is incinerated, and 19% is disposed of in unmanaged dumps or otherwise makes its way into our environment. Only 16% is collected for recycling. Of that 16%, only 9% is successfully recycled in US recycling systems (www.mckinsey.com/industries/chemicals/our-insights/how-plastics-waste-recycling-could-transform-the-chemical-industry).

To create a truly circular economy, where resources retain their value infinitely, our country needs to bring the 65% of waste plastic lost to landfills, incinerators, and the environment back into the production cycle. Technologies exist today that give new life to waste plastic, but without the right policies in place, these solutions will not reach their potential for good. Together, we can create and foster a truly circular economy that addresses the plastic waste crisis at its source. Together, we can shape a sustainable future for the economy that includes plastics that are used, recycled, and reused again and again, supporting, and enhancing our overall quality of life while preserving our environment.

Related to these strategies, Eastman has been previously engaged with the New York State Legislature and supportive of several components of Senate Bill S.8008/Assembly Bill A.9008 – Extended Producer Responsibility Act. As attention increases on the waste crisis, it is vital that representative government, advocates, and private industry collaboratively develop solutions to recycle a broad range of these materials and the need for a material neutral approach to packaging EPR. It will fund necessary developments in recycling infrastructure, help create markets for hard to recycle materials, and is inclusive of innovative and truly circular recycling technologies.

Eastman supports the definition of “Recycling” as included S.8008/A.9008 where it defines recycling as the processing of source-separated packaging and paper products to produce a marketable product or secondary raw material and exclude thermal treatment processes where the most marketable output is fuel. This definition allows for material-to-material recycling processes beyond traditional mechanical or manual recycling and recognizes investments made by companies like Eastman to advance truly circular solutions.

A technology-neutral definition of recycling in policy and regulation is vital to address the market need for recycled content and recyclable packaging and, ultimately, drive the shift to a circular economy. Specifically, a definition should include a variety of processes that break down materials, including polymers, into basic building blocks used to produce new materials. A narrow definition of recycling that only includes mechanical recycling methodologies would limit the types of plastic suitable for recycling and therefore, not adequately address the growing need to address the waste crisis. As established previously, the traditional recycling system is not equipped to provide the quantity or quality of materials needed to meet recycling goals. It certainly cannot support even more progressive future targets. New, advanced material-to-material recycling technologies exist to work alongside traditional recycling to support these goals, and a technology-neutral definition for recycling is critical.

In certain cases, material-to-material advanced or molecular recycling can be complementary or advantaged to mechanical recycling within the circular economy. These

molecular recycling processes should be recognized as the optimum solution from a greenhouse gas and carbon efficiency perspective for managing waste materials when:

- i. The molecular recycling process prevents landfill or incineration of plastics that mechanical recycling cannot process.
- ii. The molecular recycling process utilizes waste materials to directly replace fossil feedstock, enabling value from waste.
- iii. The molecular recycling process has a carbon footprint equivalent to or better than the original manufacturing process for making the same product.
- iv. The molecular recycling process produces products with equivalent or better performance relative to the original process.

Eastman supports a technology-neutral approach to the acceptance of advanced recycling when it meets the criteria and is truly material-to-material and not waste-to-fuel or waste-to-energy.

We are grateful for the opportunity to provide comments on this Plan and look forward to on-going collaboration with the State of New York and the Council on these critical issues in the future.

Respectfully,

Kierstin Turnock
State Government Affairs – Circular Economy
Eastman Chemical
Kierstinm.Turnock@eastman.com