



December 13, 2007

Washington Materials Management & Financing Authority E-Newsletter

Authority Finance Plan Approved

The Authority Board approved its Finance Plan for the collection, processing and recycling of CEPs in Washington State at its December 11th Board meeting. As stated under the law, manufacturers that have not been approved for an independent plan are by default members of the Authority and are responsible for financing the Authority and implementation of the Standard Plan.

After a process of stakeholder input and review, the Authority has created a fair and flexible financial structure for potential participants. During the Authority's first year of operation (2009), half of the Authority's costs will be financed based on member pounds of CEPs sold into Washington (market share) and half will be financed based on pounds of a member's brand collected in Washington (return share).

The Authority has created an Independent Umbrella Plan (IUP) option to accommodate Authority members who may have their own collection and processing activities. Under the IUP, members with at least a 1% return share in Washington will have the opportunity to get credit from the Authority for electronics products that they collect and process under the umbrella of the Standard Plan. IUP members will be responsible for the costs they incur to collect, transport and process their CEPs, and will be responsible for their portion of the administrative costs of the Authority, consistent with the 50-50 policy.

This IUP option allows a company with its own collection activities to receive credit from the Authority for collected materials, yet avoid the time, expense and organizational challenge of creating an independent plan.

The Authority's umbrella financial structure was created with the realization that there may not be a "one size fits all" approach to complying with RCW 70.95N.030. The Finance Plan was shaped with great consideration for allowing a viable and meaningful opportunity for all manufacturers to incorporate their respective solutions into the Standard Plan umbrella approach. This Finance Plan offers an equitable financing solution for both small and large companies.

The Finance Plan components of the Standard Plan and Operating Plan are on the Authority's website at www.wmmfa.net. For questions about the Authority's financial policy, please contact Mike Moss at Samsung at MikeM@sea.samsung.com.

Processor Performance Standards Adopted

The Authority Board has agreed that the Standard Plan's processing standards should go beyond the minimum standards set by law. The Board adopted the Department of Ecology's preferred standards for processors. It is the belief of the Board's Performance Standards Committee that these preferred standards can be met with a minimal amount of additional cost, while delivering a much higher level of responsible recycling for the Standard Plan members. The Board's Performance Standards Committee will also take into consideration written comments submitted by the Washington stakeholder community, which may be incorporated if suggestions are of minimal economic impact to overall processing standards. External stakeholder comments may be able to be incorporated into processors' statements of

work and audit programs. For the preferred standards, please see Ecology's document titled: "Environmentally Sound Management and Performance Standards for Direct Processors" at <http://www.ecy.wa.gov/programs/swfa/eproductrecycle/processor.html>.

WMMFA Contracts Project Manager

Marion Silverthorne has joined the Authority as the full-time project manager. Marion reports to the Authority Board and oversees all financial and operational deliverables, processes and plans. Prior to joining the Authority, Marion was a consultant with Emerging Markets Group based in Virginia, where she worked to provide information systems and technology improvements to the Philippine government. She has 20 years of project management experience delivering business process and IT solutions to groups as diverse as Wells Fargo Bank and the Kyrgyzstan Parliament. Her broad experience managing cross-functional project teams and preparing work plans for complex projects, as well as monitoring budgets and resources, will undoubtedly serve her well in helping successfully implement the Authority's mission.

New Web Address

Please note the Authority's new web address: www.wmmfa.net.