

Owner Financial Responsibility (OFR) & MRFs

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OFR Overview

Owner Financial Responsibility

- Funds for site closure that the DNR can access to clean the site *if* the facility does not meet closure requirements on their own (e.g. waste and recyclables are left onsite)
- Can be established several ways (interest bearing and non-interest bearing)
- Initial amount determined by the **cost of closure**
- Code requires annual adjustment for inflation

MRF OFR

- MRFs processing >5,000 tons/year
- Establish by June 2027
- Cost of Closure on March 2027 self-cert

Determining cost of closure for MRFs

General

- The cost of equipment and personnel to load waste & recyclables from the site
- The cost of trucks and personnel to drive waste and recyclables to the closest acceptable location (processing or disposal) and back
- The tipping fees at the processing or disposal facility
- 10% contingency
- Does not include decontamination or decommissioning

Determining Cost of Closure for MRFs

Major Considerations

- Will be site specific
- Will be only for materials where the tipping value is not consistently higher than the loading and transport costs
- Will be based on the maximum tonnages *you* want to be able to store
- Will be based on onetime/3rd party rates

Determining Cost of Closure for MRFs

Specific information needed for your facility

- What not consistently cost positive materials do you store?
 - unprocessed recyclables, glass, rigid plastics, residuals, *polypropylene*
- What is the maximum tons these materials you may store?
- What is the driving time to the closest MRF, glass processor, and landfill?
- What are the 3rd party tipping fees for each material at these facilities?

Determining Cost of Closure for MRFs

DNR assumptions (can be replaced w/ justification)

- Tons/semi by material type

	Tons of material able to be transported per semi load
unprocessed mixed recyclables	25
glass	30
rigid plastics	20
cartons	25
PP	20
residual waste	25

- Cost of front-end loader and operator \$123/hr (2024)
- Cost of semi and driver \$140/hr (2024)
- Loading and unloading times (30 min loading, 15 min unloading)

Step 1 – determine your facility’s preferences

- What non-net positive materials do you want to store?
- How many tons of these materials do you want to store?

A	B
Stored Materials	Max tons on-site
unprocessed mixed recyclables	1000
glass	120
rigid plastics	200
cartons	200
PP	100
residual waste	100

Step 2 – determine the total tipping fees

- Find out what the closest acceptable alternative facilities would charge the DNR in tipping fees
 - Landfill banned materials (unsorted recyclables, glass) must go to another MRF or a processing facility
 - Other materials can go to a recycling facility or a landfill
- (let the spreadsheet) Multiply the per ton fee by the tons to find the total tipping fee per material

A	B	H	I
	Max tons on-site	Gate tipping fee per ton	Total tipping fee (B*H)
unprocessed mixed recyclables	1000	35	35,000
glass	120	6.75	810
rigid plastics	200	61.68	12,336
cartons	200	61.68	12,336
PP	100	61.68	6,168
residual waste	100	61.68	6,168

Step 3 – determine the # of semi loads

- Use the default tons/semi load for each material type managed
- (let the spreadsheet) Divide the max tons stored by the tons/semi
- (let the spreadsheet) Round to the nearest whole number

A	B	C	D
	Max tons on-site*	Tons of material able to be transported per semi load	# of semi loads required to transport (B/C rounded up to the nearest whole load)
unprocessed mixed recyclables	1000	25	40
glass	120	30	4
rigid plastics	200	20	10
cartons	200	25	8
PP	100	20	5
residual waste	100	25	4

Step 4 – determine the transport costs

- Determine the round-trip drive time to the acceptable facilities in minutes (i.e. enter 1 hr 20 mins as 80 mins)
- (let the spreadsheet) Add 30 mins of loading and 15 mins of unloading time
- (let the spreadsheet) Multiply by the number of loads
- (let the spreadsheet) Divide the time by 60 min/hr
- (let the spreadsheet) Multiply by \$140/hr semi and driver cost

A	D	E	F
	# of semi loads required to transport (B/C rounded up to the nearest whole load)	Round trip drive time to acceptable processing or disposal facility (in mins)	Transport costs ((E+45 mins loading/unloading time)* D/60 mins/hr*\$140/hr semi & driver)
unprocessed mixed recyclables	40	24	6440.00
glass	4	124	1577.33
rigid plastics	10	20	1516.67
cartons	8	20	1213.33
PP	5	20	758.33
residual waste	4	20	606.67

Step 5 – determine the loading costs

- (let the spreadsheet) multiply $.75 \text{ hr} * \# \text{ of loads} * \$123/\text{hr}$ for front end loader and operator

A	D	G
	# of semi loads required to transport (B/C rounded up to the nearest whole load)	Loading cost (3/4 hr*D*\$123/hr front end loader and operator)
unprocessed mixed recyclables	40	3690.00
glass	4	369.00
rigid plastics	10	922.50
cartons	8	738.00
PP	5	461.25
residual waste	4	369.00

Step 6 – find the total cost of closure

- (let the spreadsheet) Add the cost of transport, the cost of loading, and the tipping fees for each material
- (let the spreadsheet) Total costs for all materials
- (let the spreadsheet) Add a 10% contingency

A	F	G	I	J
	Transport costs ((E+45 mins loading/unloading time)* D/60 mins/hr*\$140/hr semi & driver)	Loading cost (3/4 hr*D*\$123/hr front end loader and operator)	Total tipping fee (B*H)	Cost of closure per waste type (F+G+I)
unprocessed mixed recyclables	6440.00	3690.00	35000.00	45130.00
glass	1577.33	369.00	810.00	2756.33
rigid plastics	1516.67	922.50	12336.00	14775.17
cartons	1213.33	738.00	12336.00	14287.33
PP	758.33	461.25	6168.00	7387.58
residual waste	606.67	369.00	6168.00	7143.67
		subtotal		91,480.08
		10% contingency		9,148.01
		final cost of closure		100,628.09

red numbers must be supplied by the facility

A	B	C	D	E	F	G	H	I	J
	Max tons on-site	Tons of material able to be transported per semi load	# of semi loads required to transport (B/C rounded up to the nearest whole load)	Round trip drive time to acceptable processing or disposal facility (in mins)	Transport costs ((E+45 mins loading/ unloading time)* D/60 mins/hr*\$140/hr semi & driver)	Loading cost (3/4 hr*D*\$123/hr front end loader and operator)	Gate tipping fee per ton	Total tipping fee (B*H)	Cost of closure per waste type (F+G+I)
unprocessed mixed recyclables	1000	25	40	24	6440.00	3690.00	35	35000.00	45130.00
glass	120	30	4	124	1577.33	369.00	6.75	810.00	2756.33
rigid plastics	200	20	10	20	1516.67	922.50	61.68	12336.00	14775.17
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residual waste	100	25	4	20	606.67	369.00	61.68	6168.00	7143.67
subtotal									91,480.08
10% contingency									9,148.01
final cost of closure									100,628.09

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Next steps

- Nothing required until March 2027
- Can estimate now to help prepare for costs
- DNR can supply MRF specific formatted spreadsheet
- General OFR guidance can be found [here](#)

Feedback on DNR assumptions

- Other non-net positive materials?
- Tons per semi variations?
- Loading time for baled materials?
- Other?

CONNECT WITH US

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OFF THE RECORD"