



**December 16, 2022**

**NOTICE**

**To: All Interested Parties**

**Subject: 2023 Processing Payments**

Section 14575 of the Public Resources Code (PRC) requires the Department of Resources Recycling and Recovery (CalRecycle) to establish a processing payment and a processing fee for any beverage container type that has a scrap value less than the cost of recycling. CalRecycle makes processing payments to processors, who then pay recyclers the entire processing payment. Beverage manufacturers pay processing fees to CalRecycle. This notice announces the 2023 processing payments.

Pursuant to PRC Section 14575, the calculation of the 2023 processing payments is based on the difference between the scrap values offered to recyclers and the sum of the actual costs of recycling for certified recycling centers, excluding centers receiving handling fees, plus a reasonable financial return. In addition, a cost of living adjustment will be applied to the 2023 calculations.

CalRecycle has an emergency regulation that amends California Code of Regulations Section 2975 that changes how the reasonable financial return is calculated for calendar year 2023. This change will provide stability to the processing payment calculation by ensuring that the reasonable financial return stays at a constant 10 percent.

Scrap values are based on the average scrap values paid to recyclers for the period between October 1, 2021 and September 30, 2022.

Unlike the required annual processing payment calculation outlined in this notice, CalRecycle has discretion to adjust the processing payment not more than once every three months pursuant to PRC Section 14575(f). CalRecycle will reevaluate the processing payment in March 2023. If the processing payments are adjusted, changes will take effect April 1, 2023. Additional notification regarding processing payments will be communicated in a separate notice in March 2023.

Table 1, attached, shows the following detailed information for glass, plastic, and bimetal beverage containers:

- The cost of recycling
- The scrap value paid to recyclers
- The processing payment (if any)

To review notices of changes impacting participants in the beverage container recycling program, please visit CalRecycle's Beverage Container Recycling Program website at [Beverage Container Recycling - CalRecycle Home Page](#) or call the Department of Resources Recycling and Recovery at (916) 323-3836.

For further information on the determination of processing payments, please contact Jim Huck, Statistical Information Section, Division of Recycling, at (916) 323-5778.

Rachel Machi Wagoner  
Director

Attachment

**Table 1 - 2023 Processing Payments for Recyclers (Effective January 1, 2023)**

	<b>Glass</b>	<b>PET</b>	<b>HDPE</b>	<b>Vinyl</b>	<b>LDPE</b>	<b>PP</b>	<b>PS</b>	<b>Other</b>	<b>Bimetal</b>
Cost of Recycling per Ton & COLA	\$ 154.50	\$ 504.36	\$ 1,000.29	\$ 1,573.40	\$ 2,244.60	\$ 2,013.71	\$ 1,247.32	\$ 1,366.63	\$ 1,260.88
Reasonable Financial Return	10%	10%	10%	10%	10%	10%	10%	10%	10%
Cost of Recycling per Ton with Reasonable Financial Return & COLA	\$ 169.95	\$ 554.80	\$ 1,100.32	\$ 1,730.74	\$ 2,469.06	\$ 2,215.08	\$ 1,372.05	\$ 1,503.29	\$ 1,386.97
Scrap Value per Ton	-\$4.19	\$ 469.93	\$ 305.28	\$ 2.07	\$ 1.46	\$ 9.32	\$ 6.19	\$ 4.36	\$ 3.64
Processing Payment Per Ton Redeemed	\$ 174.14	\$ 84.87	\$ 795.04	\$ 1,728.67	\$ 2,467.60	\$ 2,205.76	\$ 1,365.86	\$ 1,498.93	\$ 1,383.33
<b>Processing Payment Per Pound Redeemed</b>	<b>\$ 0.08707</b>	<b>\$ 0.04243</b>	<b>\$ 0.39752</b>	<b>\$ 0.86434</b>	<b>\$ 1.23380</b>	<b>\$ 1.10288</b>	<b>\$ 0.68293</b>	<b>\$ 0.74947</b>	<b>\$ 0.69166</b>