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Secretary for Environmental Protection
Rachel Machi Wagoner
CalRecycle Director

December 15, 2023

NOTICE

To: All Interested Parties

Subject: 2024 Processing Payments for Recyclers

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 with a scrap value less than the cost of recycling. This notice announces the 2024 processing payment for each beverage container type in Table 1 – 2024 Processing Payments for Recyclers (attached). Table 1 also provides details on the inputs used for calculating the processing payment for each beverage container type.

Pursuant to PRC Section 14575, the calculations of the 2024 processing payments are 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 2024 calculations.

California Code of Regulations Section 2975 was amended in 2023, setting the reasonable financial return for processing payment calculations at 10 percent for the calendar year 2024.

CalRecycle determined scrap values for the processing payment and processing fee calculations based on the average scrap values paid to recyclers for each beverage container type for the period between October 1, 2022, and September 30, 2023.

Senate Bill 1013 (Atkins, Chapter 610, Statutes of 2022) and Senate Bill 353 (Dodd, Chapter 868, Statutes of 2023) amended PRC Section 14575(k), respectively, stipulating that the processing fee and processing payment for wine or distilled spirits contained in a beverage container that is a box, bladder, or pouch, or similar container be equal to the processing fee and processing payment for HDPE beverage containers.

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

Updated information regarding the program is available on CalRecycle's website at <u>Beverage Container Recycling - CalRecycle Home Page.</u>

Sincerely,

Rachel Machi Wagoner Director

Attachment

Table 1 - 2024 Processing Payments for Recyclers

(Effective January 1, 2024)

	Glass	PET		HDPE*		Vinyl		LDPE		PP		PS		Other		Bimetal	
Cost of Recycling per Ton & COLA	\$ 191.89	\$	633.03	\$	914.31	\$ 1,438.09	\$	2,051.56	\$	1,840.53	\$	1,140.05	\$	1,249.10	\$	1,152.44	
Reasonable Financial Return	10%		10%		10%	10%		10%		10%		10%		10%		10%	
Cost of Recycling per Ton with Reasonable Financial Return &																	
COLA	\$ 211.08	\$	696.33	\$	1,005.74	\$ 1,581.90	\$	2,256.72	\$	2,024.58	\$	1,254.06	\$	1,374.01	\$	1,267.68	
Scrap Value per Ton	-\$1.39	\$	144.31	\$	248.74	\$ -	\$	4.23	\$	28.46	\$	2.90	\$	3.49	\$	15.33	
Processing Payment per Ton	\$ 212.47	\$	552.02	\$	757.00	\$ 1,581.90	\$	2,252.49	\$	1,996.12	\$	1,251.16	\$	1,370.52	\$	1,252.35	
Processing Payment per Pound	\$ 0.10623	\$	0.27601	\$	0.37850	\$ 0.79095	\$	1.12624	\$	0.99806	\$	0.62558	\$	0.68526	\$	0.62618	

^{*}The processing payment for wine or distilled spirits contained in a beverage container that is a box, bladder, or pouch, or similar container is equivalent to the HDPE processing payment.