

Plastic Market Development Payment - Tiered Payment Structure




Informational Workshop


Department of Resources Recycling and Recovery (CalRecycle)
February 14, 2024

1

Interpretation Services | Servicios de Interpretación



Zoom – Select your language on the Interpretation icon
Zoom - Seleccione su idioma en el icono Interpretación




2

Agenda

Purpose of the Webinar
Introductions
Three-Tier Payment Structure

- Reclaimer Payments
- Manufacturer Payments

Claim Process
Questions/Feedback



3

Webinar Purpose

We will review the claim process and answer questions regarding the new Plastic Market Development Payment (PMDP) three-tier payment structure that will begin with calendar year 2024 claims.

There will be opportunity for comments and questions about the new payment structure.

To submit a written question or comment, please use the Q&A icon in the webinar toolbar.



4

Introductions

Amy Cameron
Assistant Director, Division of Recycling

Monica Torres
Chief, Financial Analysis and Policy Development Branch

Jim Huck
Supervisor, Statistical Information Section

Veronica Guzman
Analyst, Statistical Information Section

Susie Le
Analyst, Statistical Information Section



5

PMDP Three-Tier Payment Structure

- Beginning with the first quarter of 2024, payments will be calculated using the three-tier payment structure.
- Payment restructuring will incentivize participants who claim PET #1 or use PET #1 for new beverage containers.
- The \$47.0 million appropriation has been allocated as follows:
 - \$5.0 million – 2023 third quarter (July 1, 2023 – September 30, 2023) and fourth quarter (October 1, 2023 – December 31, 2023) payments
 - \$40.0 million – tiered payment structure
 - \$2.0 million – reserve



6

Reclaimer Payments

The Reclaimer PMD per-ton payments are structured to encourage reclaimers to make PET #1 readily available to manufacturers for use in the production of new containers.



7

Reclaimer Payment Tiers

	Payment Per Ton	Set aside per tier
Tier 1 – PET #1 – produced from A-Grade Bales	\$75	\$10,000,000
Tier 2 – PET #1	\$50	\$4,000,000
Tier 3 – Other Resin Types	\$25	\$2,000,000
		\$16,000,000



8

Manufacturer Payments

Manufacturer PMD per-ton payments are based on the use of PET #1 to produce new beverage containers or other PET #1 products.

To receive the **maximum** per-ton payment, manufacturers must use PET #1 to produce beverage containers that exceed the **postconsumer recycled plastic minimum content standard** specified in Public Resources Code (PRC) Section 14547 (Assembly Bill 793).



9

Manufacturer Payment Tiers

	Payment Per Ton	Set aside per tier
Tier 1 - PET #1 beverage containers that exceed the minimum content requirement	\$150	\$13,200,000
Tier 2 - PET #1 beverage containers	\$75	\$7,200,000
Tier 3 - PET #1 products	\$50	\$3,600,000
		\$24,000,000



10

Postconsumer Recycled Plastic Minimum Content Schedule (PRC Section 14547)

CRV Beverages in Plastic Containers including Wine and Distilled Spirits

- 15% January 1, 2022 to December 31, 2024
- 25% January 1, 2025 to December 31, 2029
- 50% January 1, 2030

Wine and Distilled Spirits in Boxes, Bladders and Pouches

- 15% January 1, 2024 to December 31, 2026
- 25% January 1, 2027 to December 31, 2031
- 50% January 1, 2032

Large Fruit and Vegetable Juice Plastic Containers

- 25% January 1, 2026 to December 31, 2029
- 50% January 1, 2030



11

Claim Process

Claims from Manufacturers and Reclaimers must be submitted using the Plastic Market Development Claim Form (CalRecycle 910-PMD2 (Rev. 2/24)).

The form can be found at <https://calrecycle.ca.gov/bevcontainer/forms/>



12

Claim Process, cont.

State of California Environmental Protection Agency
 Department of Resources Recycling and Recovery
CalRecycle
 Beverage Container Recycling Program
 PO Box 4026, Sacramento, CA 95812-4026
 Phone 916-223-5874 • Email Public.Resource@CalRecycle.ca.gov
 Website www.calrecycle.ca.gov
 Plastic Market Development Payment Claim Form (CalRecycle 910-PM02)
 Public Resource Code Section 14549.2, California Code of Regulations, Title 14, Section 2800

Reporting Period Year: Quarter: 1st 2nd 3rd 4th

Identification Number Facility Name:

Mailing Address

Phone Number

Contact Person

Contact Person's Email Address



13

Reclaimer Claims, Section A

Section A – Reclaimer (Certified Entity)		
^{10a} Material Type / Claimed Tier	^{10b} Weight	^{10c} Form of plastic material sold
Tier 1: PET #1 A Grade (reclaimed from Grade A bales)	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>
Tier 2: PET #1	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>
Tier 3: Other	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>
#2 – HDPE	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>
#3 – PVC	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>
#4 – LDPE	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>
#5 – PP	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>
#6 – PS	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>
#7 – Other	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>
^{10d} Total weight of empty plastic beverage container material shipped by the certified entity. <input type="text"/>		



14

Manufacturer Claims, Section B

Section B – Manufacturer			
^{10a} Claimed Tier	^{10b} Weight	^{10c} Form of plastic material used	^{10d} Product Manufactured
Tier 1: PET #1 beverage containers that exceed the minimum content requirements	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>	<input type="text"/>
Tier 2: PET #1 beverage containers	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>	<input type="text"/>
Tier 3: PET #1 products	<input type="text"/>	<input type="checkbox"/> Flake <input type="checkbox"/> Pellet <input type="checkbox"/> Other <input type="text"/>	<input type="text"/>
^{10e} Total weight of empty plastic beverage container material received by the product manufacturer from certified entities. <input type="text"/>			



15

Certifications and Signatures

Check one:

¹² **Reclaimer (Certified Entity)** - As a certified entity, I certify under penalty of perjury that the plastic materials identified in Section A were sold to a California product manufacturer. Copies of invoices or other supporting documents from the certified entity to the plastic product manufacturer(s) containing a description of the plastic material sold or transferred and the weight of the material sold or transferred are included to support this claim.

¹³ **Manufacturer** - As a California product manufacturer, I certify under penalty of perjury that the plastic products identified in Section B were made in California from plastic purchased from a certified entity in California. Copies of the bill(s) of sale or invoice(s) indicating the weight of the plastic beverage container material purchased from a certified entity or other supporting documents, with the name of the seller and the certification number, are included to support this claim.

I declare under penalty of perjury under the laws of the State of California that the information provided above is true and correct and that I am authorized to sign this report.

¹⁴ Signature of Authorized Representative	<input type="text"/>	¹⁵ Title	<input type="text"/>
¹⁶ Printed Name	<input type="text"/>	¹⁷ Date Signed	<input type="text"/>



16

Supporting Documentation

For Reclaimers:

- Copies of the invoices or other supporting documents from the certified entity to the plastic product manufacturer(s) must be submitted with claim forms and must include:
 - A description of the plastic material sold or transferred and the weight of the material sold or transferred.
 - The manufacturer's name and contact information
 - The identification number of each plastic product manufacturer purchasing the empty plastic beverage container material for use in California manufacturing.



17

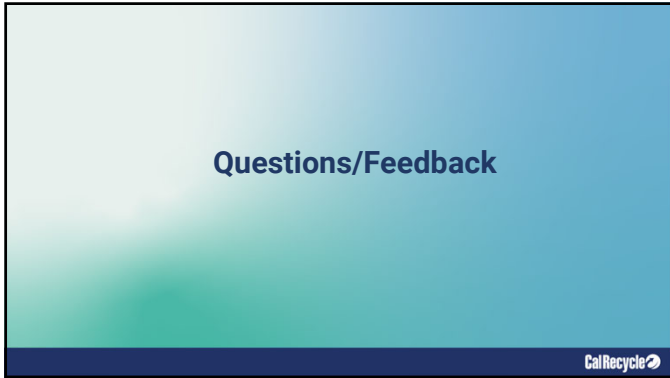
Supporting Documentation, cont.

For Manufacturers:

- Copies of the bill of sale(s) or invoice(s) indicating the weight of the plastic beverage container material purchased from a certified entity, or other supporting documents must be submitted with claim form.
 - The bill of sale or other supporting documents must include the name of the seller and the certification number.



18



19



20
