



March 16, 2025

NOTICE

To: All Interested Parties

Subject: 2nd Quarter 2025 Processing Payment Adjustments

Section 14575 of the Public Resources Code (PRC) requires the Department of Resources Recycling and Recovery (CalRecycle) to establish a processing payment for any beverage container type that has a scrap value less than the cost of recycling. This notice announces there will be no adjustment to the processing payment for glass, #1 PET, nor #2 HDPE. Table 1 of Attachment 1 provides details on the inputs used for calculating the adjustments of processing payment for glass, #1 PET, and #2 HDPE.

Pursuant to PRC Section 14575, the calculations of the 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. [Senate Bill 353 \(Dodd, Chapter 868, Statutes of 2023\)](#) amended the process of how the quarterly adjustment to the processing payment is determined. CalRecycle may make an adjustment to the processing payment not more than once every three months using the preceding 3-month or 12-month average scrap value, whichever is lower. The scrap values used to calculate the processing payments for the 2nd Quarter of 2025 are based on the average scrap values paid to recyclers for the 3-month period between October 1, 2024 and December 31, 2024 and for the 12-month period between January 1, 2024 and December 31, 2024.

The average scrap values for glass, #1 PET, and #2 HDPE for the 3-month period between October 1, 2024 and December 31, 2024 and the 12-month period between January 1, 2024 and December 31, 2024 are not lower than the scrap values that were used to determine the current processing payment, effective January 1, 2025. If adjusted, the processing payments for glass, #1 PET, and #2 HDPE would decrease. Therefore, CalRecycle has determined not to adjust the processing payments for glass, #1 PET, and #2 HDPE. Processing payments for bimetal and plastics #3 through #7 are also not being adjusted as the scrap values for these container material types are highly volatile and based on small volumes.

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Table 1 displays the scrap values used to determine the processing payments adjustments. Table 2 displays the difference of the estimated annualized processing payments for glass, #1 PET, and #2 if the processing payments were adjusted.

Updated information regarding the program, including all processing payment rates (Attachment 2), is available on CalRecycle's Beverage Container Recycling Program home page at <http://www.calrecycle.ca.gov/BevContainer/Notices/>.

For further information on the determination of processing payments, please contact the Statistical Information Section, at MarketInformation@calrecycle.ca.gov or (916) 323-5778.

If you have any questions concerning processing payment reporting requirements or completion of the Shipping Report, please contact the Recycler Training and Review Section at (916) 323-3008.

Sincerely,

Zoe Heller
Director

Attachments (2)

Attachment 1

Table 1. Estimated Processing Payments

	Glass	#1 PET	#2 HDPE
Scrap Value Basis for Current Processing Payment	\$3.24	\$195.40	\$187.83
3-Month Avg (October 2024 – December 2024)	\$5.08	\$273.61	\$264.74
12-Month Avg (January 2024 - December 2024)	\$3.63	\$223.73	\$209.08
Lowest Scrap Value	\$3.63	\$223.73	\$209.08
Scrap Value Percent Change	12.04%	14.50%	11.31%
Current Processing Payment per Ton (Effective 1/1/25)	\$213.69	\$520.24	\$845.80
Calculated 2 nd Quarter Processing Payment per Ton (Effective 4/1/25)	\$213.30	\$491.91	\$824.55
Current Processing Payment per pound (Effective 1/1/25)	\$0.10685	\$0.26012	\$0.42290
Calculated 2 nd Quarter Processing Payment per pound	\$0.10665	\$0.24595	\$0.41227
Percent Change to Processing Payment per Pound	-0.19%	-5.45%	-2.51%
Processing Payment per Pound Effective 4/1/2025	\$0.10685	\$0.26012	\$0.42290

Table 2 – Estimated Annualized Processing Payments

	Glass	#1 PET	#2 HDPE
Estimated Current PP Payout	\$93,838,815	\$90,454,165	\$4,927,337
Estimated Adjusted PP Payout	\$93,658,166	\$85,569,828	\$4,803,053
Difference (For Year)	(\$180,649)	(\$4,884,337)	(\$124,284)
Difference (For Remaining 3 Quarters)	(\$135,487)	(\$3,663,253)	(\$93,213)

Attachment 2

2nd Quarter 2025 Processing Payments for Recyclers

(Effective April 1, 2025)

	Glass	PET	HDPE*	Vinyl	LDPE	PP	PS	Other	Bimetal
Cost of Recycling per Ton & COLA	\$ 197.21	\$ 650.58	\$ 939.66	\$ 1,477.96	\$ 2,108.44	\$ 1,891.56	\$ 1,171.65	\$ 1,283.73	\$ 1,184.39
Reasonable Financial Return	10%	10%	10%	10%	10%	10%	10%	10%	10%
Cost of Recycling per Ton with Reasonable Financial Return & COLA	\$ 216.93	\$ 715.64	\$ 1,033.63	\$ 1,625.76	\$ 2,319.28	\$ 2,080.72	\$ 1,288.82	\$ 1,412.10	\$ 1,302.83
Scrap Value per Ton	\$3.24	\$ 195.40	\$ 187.83	\$ -	\$ 2.03	\$ 10.34	\$ 2.28	\$ 1.44	\$ 13.50
Processing Payment per Ton	\$ 213.69	\$ 520.24	\$ 845.80	\$ 1,625.76	\$ 2,317.25	\$ 2,070.38	\$ 1,286.54	\$ 1,410.66	\$ 1,289.33
Processing Payment per Pound	\$ 0.10685	\$ 0.26012	\$ 0.42290	\$ 0.81288	\$ 1.15863	\$ 1.03519	\$ 0.64327	\$ 0.70533	\$ 0.64466

*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.