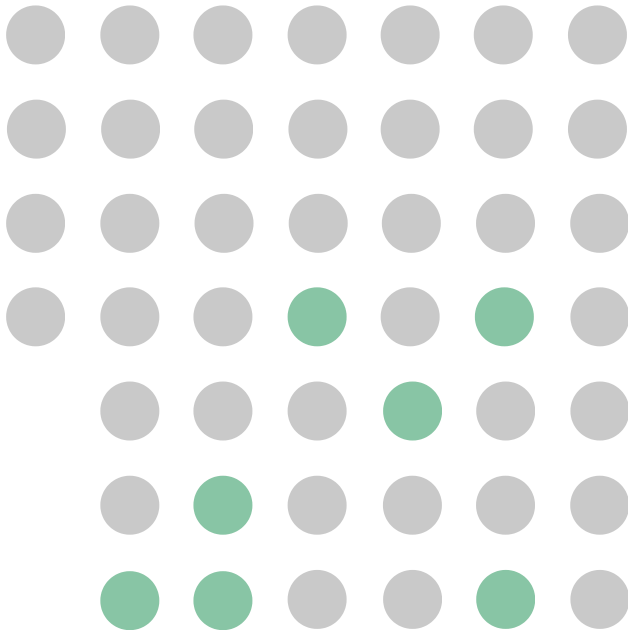


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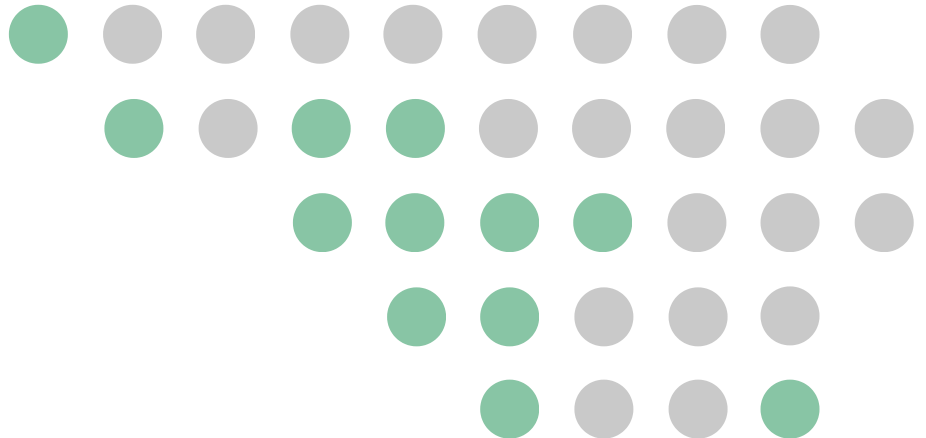


DEALER COOPERATIVE STEWARDSHIP PLAN

Prepared by Circular CRV Association



Presented to CalRecycle, Division of Circular Economy



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PREFACE

Circular CRV Association ("Dealer Cooperative") is pleased to submit this Stewardship Plan to the California Department of Resources Recycling and Recovery ("CalRecycle"). This plan aligns with the requirements of the California Code of Regulations and the California Beverage Container Recycling and Litter Reduction Act ("Bottle Bill"), while introducing innovative, consumer-friendly, and sustainable solutions to expand CRV redemption access across the state.

Established in 2024 as a 501(c)(3) nonprofit entity, the Dealer Cooperative serves as the coordinating body on behalf of its participating grocer and retailer members ("Dealer Members"), ensuring compliance with California's CRV redemption mandates. By connecting grocers, redemption contractors, and key stakeholders, the Dealer Cooperative works to establish a modern, efficient, and consumer-focused redemption network across California. The organization is governed by an unpaid Board of Directors composed of representatives from the grocery and retail industries, ensuring balanced oversight and alignment with both regulatory standards and community needs.

This Stewardship Plan has been prepared in compliance with Title 14, California Code of Regulations (14 CCR), Division 2, Chapter 5, including §§ 2375, 2375.2, 2375.4, 2375.6, 2375.8, and 2380. In accordance with 14 CCR § 2375(a)(1), this plan includes all required content and has been electronically submitted to CalRecycle per 14 CCR § 2375(a)(2), with the submission date serving as the official date of receipt. Additionally, as required by 14 CCR § 2375(a)(3), the plan is publicly accessible online via <http://www.circularcrv.com>.

To ensure equitable access for all stakeholders, this plan adheres to the standards outlined in 14 CCR § 2375(a)(4), including Government Code Section 7405 and the Web Content Accessibility Guidelines (WCAG) 2.0. Submission of this plan also constitutes a formal declaration of compliance by the Dealer Cooperative and its members with all applicable provisions of the Beverage Container Recycling and Litter Reduction Act and associated regulations, as required under 14 CCR § 2375(b).

This Stewardship Plan outlines a commitment to innovation, environmental stewardship, and consumer convenience, establishing the foundation for a sustainable, efficient, and equitable CRV redemption network that allows Dealers to comply with the provisions of the Act while advancing California's resource recovery and recycling goals.

PART I. INFORMATIONAL CONTENTS

STATUTORY CITATION

The following section provides a detailed overview of the requirements outlined in 14 CCR § 2375.2, which specifies the necessary informational contents of a Dealer Cooperative Stewardship Plan. These requirements ensure that stewardship plans are comprehensive, transparent, and compliant with the regulatory framework under the California Beverage Container Recycling and Litter Reduction Act.

Each subsection addresses specific elements essential to the effective administration, implementation, and oversight of the Dealer Cooperative's redemption program.

SECTION OVERVIEW

To ensure clarity and consistency, the elements of this section are organized and numbered in accordance with the "Model Dealer Cooperative Stewardship Plan" document issued by CalRecycle in November 2024.

1. Federal Tax Identification Number [14 CCR § 2375.2(a)]
2. Contact Information [14 CCR § 2375.2(b)]
3. Decision-Makers [14 CCR § 2375.2(c)]
4. 501(c)(3) Verification [14 CCR § 2375.2(d)]
5. Articles of Incorporation [14 CCR § 2375.2(e)]
6. Dealer Members [14 CCR § 2375.2(f)]
7. Unserved Convenience Zones [14 CCR § 2375.2(g)]
8. Processors and Recycling Centers [14 CCR § 2375.2(h)]
9. Redemption Sites [14 CCR § 2375.2(i)]
10. Fully Operational Timeline [14 CCR § 2375.2(j)]

1. FEDERAL TAX IDENTIFICATION NUMBER

The Federal Tax Identification Number, also known as an Employer Identification Number (EIN), assigned to the Dealer Cooperative is **99-3606002**.

2. CONTACT INFORMATION

Responsibility for submission and oversight of this Stewardship Plan on behalf of the Dealer Cooperative rests with:

Brian Phillips, Executive Director
Circular CRV Association
Mailing Address: 1005 12th Street Lower 1, Sacramento, CA 95814
Phone: (855) 278-2274
E-mail: info@circularcrv.com

3. DECISION-MAKERS

Persons responsible for decisions made on behalf of the Dealer Cooperative include the Executive Director and members of the Board of Directors:

Matthew Dodson, Chairman of the Board of Directors
Ron Fong, Treasurer
Michel LeClerc, Secretary
Jacie Leavitt, Board of Directors, Member
Brian Gray, Vice Chairman
Sarah Spinelli, Board of Directors, Member
Brian Phillips, Executive Director

4. 501(c)(3) NONPROFIT VERIFICATION

The Circular CRV Association is a 501(c)(3) not-for-profit Dealer-sponsored cooperative, established to facilitate and manage the collective efforts of participating Dealer Members in achieving California CRV redemption mandates. A copy of the Determination Letter issued by the Internal Revenue Service demonstrating tax exempt status is included as Exhibit A in the Appendix.

5. ARTICLES OF INCORPORATION

The Dealer Cooperative filed its Articles of Incorporation as a not-for-profit corporation in the State of California on May 31, 2024. The file number for its Articles of Incorporation is 6208570. A copy of the filed Articles of Incorporation is included as *Exhibit B* in the Appendix of this Stewardship Plan.

6. DEALER MEMBERS

Dealer Members participate in the Dealer Cooperative to ensure their compliance with the Beverage Container Recycling and Litter Reduction Act. The Dealer Cooperative consists of Dealer Members operating in both urban and rural communities across California providing broad geographic representation.

A comprehensive list of all participating Dealer Members, including each Dealer Member's registration number, is provided in *Exhibit C* in the Appendix. As the Dealer Cooperative expands, any updates or additions to Dealer Members will be reflected in *Exhibit C* with changes communicated in accordance with CalRecycle requirements.

7. UNSERVED CONVENIENCE ZONES

A list of all unserved convenience zones in which the Dealer Cooperative will provide redemption is included as *Exhibit D* in the Appendix of this Stewardship Plan.

This list is accurate as of the date of submission for approval of this Stewardship Plan. Any changes to this list, including the addition of new unserved convenience zones where the Dealer Cooperative will provide redemption opportunities, will be updated and communicated as directed by CalRecycle.

8. PROCESSORS AND RECYCLING CENTERS

The Dealer Cooperative has established partnerships with third-party redemption contractors throughout the State of California to facilitate the redemption, collection, transportation, and processing of CRV materials in compliance with applicable laws and regulations on behalf of the Dealer Cooperative. In addition to utilizing third-party redemption contractors, the Dealer Cooperative may directly operate redemption activities through its own employees, equipment, and facilities in selected areas of California where doing so improves operational efficiency, consumer convenience, or service coverage. The term redemption contractor used throughout the Stewardship Plan is interchangeable to a third-party retained for the purposes of operating a redemption site on behalf of the Dealer Cooperative and a Dealer Cooperative employee who is responsible for the management and redemption services for the redemption site.

All CRV materials collected on behalf of the Dealer Cooperative will be transported to and processed by recycling centers and material processors certified by the State of California. The Dealer Cooperative will ensure that all CRV materials are handled, transported, and processed in accordance with applicable CalRecycle regulations and operating standards.

A list of recycling centers and corresponding certification numbers where CRV materials may be delivered is provided in *Exhibit E* in the Appendix of this Stewardship Plan. Additionally, *Exhibit F* in the Appendix lists the processors and corresponding certification numbers to whom CRV materials collected on behalf of the Dealer Cooperative may be shipped for processing.

The listings in *Exhibit E* and *Exhibit F* are accurate as of the date of submission for approval of this Stewardship Plan. Any changes to these lists, including the addition of new recycling

centers, processors, or facilities utilized by the Dealer Cooperative, will be updated and communicated as directed by CalRecycle.

9. REDEMPTION SITES

The Dealer Cooperative's redemption network is designed to provide convenient, flexible, and accessible CRV redemption opportunities across California. Many Dealer Members have elected to host or support innovative redemption methods, as defined in 14 CCR § 2370(f), to expand consumer access to CRV redemption services. These redemption methods will be strategically placed to operate in or near the Dealer Member convenience zones, providing flexible and accessible redemption opportunities.

Redemption methods within the Dealer Cooperative network will include:

- Mobile recycling units
- Reverse vending machines (RVMs)
- Bag drop systems, including Mobile Bag Drops
- Kiosks
- Recycling depots

Dealer Members who will allow these redemption methods are identified in *Exhibit G*. The list in *Exhibit G* reflects all redemption sites as of the submission date of this Stewardship Plan. As the network expands, any updates or changes will be communicated as directed by CalRecycle.

10. FULLY OPERATIONAL TIMELINE

Circular CRV Association estimates the development, placement, and operation of a fully deployed and self-sustaining network of redemption locations consistent with the definition of "fully operational" in 14 CCR Section 2370(e) – specifically, "all elements specified in [the] stewardship plan" – will be eighteen (18) months from the time the Dealer Cooperative Stewardship Plan is approved.

The Dealer Cooperative anticipates using a phased approach to become "fully operational." In the first phase, the Dealer Cooperative estimates that mobile recycling redemption solutions will be deployed in most unserved convenience zones relatively quickly: within 60 days of Stewardship Plan approval. In unserved convenience zones where mobile recycling is not possible, the Dealer Cooperative anticipates it will deploy traditional recycling kiosks, which it anticipates will take an additional 30 days to deploy. Taken together, the Dealer Cooperative anticipates being able to provide redemption opportunities in unserved convenience zones where its Dealer Members operate within 90 days of Plan approval.

Between 0 – 90 days following Plan approval, Circular CRV Association will provide monthly updates to CalRecycle that will include the following information by each unserved convenience zone:

- Dealer Name, Dealer Registration Number, and Address, and
- Name of the redemption contractor and confirmation that the redemption site is operating within the convenience zone of the Dealer member in alignment with service and performance standards as outlined in the stewardship plan, and
- Regularly scheduled services are in place, days and hours of operation posted on the Dealer Cooperative's website, and confirmation that redemption services have begun.

The Dealer Cooperative anticipates it will be able to commence quarterly reporting responsibilities to the Department at the conclusion of the first phase of its rollout.

During the second stage of its rollout, the Circular CRV Association anticipates establishing long-term, sustainable, and innovative CRV redemption methods such as bag drop, RVMs, and depots (that include innovative redemption methods) as part of its network. The Dealer Cooperative anticipates participating in the Redemption Innovation Grant Program administered by CalRecycle to acquire these assets. Table 16.9 of the Dealer Cooperative Stewardship Plan summarizes the number of each innovative redemption method the Dealer Cooperative anticipates deploying with the assistance of the Redemption Innovation Grant funds. The Dealer Cooperative will notify the Department following several milestones during the grant application process, including:

- At the time of receipt of Notice(s) to Proceed related to Circular CRV Association's Redemption Innovation Grant applications (or Notice(s) of Denial of Application); and
- At the time of deployment and subsequent operation of each innovative method at each location.

The Dealer Cooperative anticipates the addition of assets acquired through the Redemption Innovation Grant program to the existing network of mobile redemption sites and kiosks will render Circular CRV Association's Stewardship Plan "fully operational" as defined by 14 CCR Section 2370(e) at no more than eighteen (18) months following Plan approval.

PART II. SUBSTANTIVE CONTENTS

STATUTORY CITATION

The following section provides a detailed overview of the requirements outlined in 14 CCR § 2375.4, which specifies the necessary substantive contents of a Dealer Cooperative Stewardship Plan. These requirements, established by CalRecycle, ensure that stewardship plans are comprehensive, transparent, and compliant with the regulatory framework under the California Beverage Container Recycling and Litter Reduction Act. Each subsection addresses specific elements essential to the effective administration, implementation, and oversight of the Dealer Cooperative's redemption program.

SECTION OVERVIEW

To ensure clarity and consistency, the elements of this section are organized and numbered in accordance with the Model Dealer Cooperative Stewardship Plan document issued by CalRecycle in November 2024.

11. Methods of Redemption [14 CCR § 2375.4(a)]
12. Education and Outreach [14 CCR § 2375.4(b)]
13. Dispute Resolution [14 CCR § 2375.4(c)]
14. Community Input [14 CCR § 2375.4(d)]
15. Consumer Convenience [14 CCR § 2375.4(e)]
16. Beverage Container Redemption [14 CCR § 2375.4(f)]

11. METHODS OF REDEMPTION

Pursuant to 14 CCR § 2375.4(a), the Dealer Cooperative will employ a diverse range of redemption methods throughout its network to provide convenient and innovative recycling opportunities, including:

- A. MOBILE RECYCLING
- B. REVERSE VENDING MACHINES (RVMs)
- C. BAG DROP SYSTEMS
- D. KIOSKS
- E. RECYCLING DEPOTS

These redemption methods are designed to complement one another, ensuring flexibility, increased convenience, and accessibility for consumers across California. By offering multiple avenues for CRV redemption, the Dealer Cooperative will meet or exceed the requirements outlined in PRC § 14578. This multi-faceted approach will increase visibility and awareness of CRV redemption opportunities for the consumer, lead to improved redemption rates, and will reduce waste, thereby diverting valuable materials from landfills and reinforcing California's environmental stewardship goals.

A. MOBILE RECYCLING

Mobile recycling is a key component of the Stewardship Plan, providing a scalable and flexible solution to rapidly deploy convenient CRV redemption opportunities on behalf of Dealer Members for consumers.

Mobile recycling units deliver fully equipped recycling and redemption services directly to convenience zones, addressing the challenges and inefficiencies of traditional fixed-location recycling centers, such as zoning restrictions, landlord acceptance, and high overhead costs. As a result, Dealer Members strongly support mobile recycling as a flexible and efficient solution.

Operated by redemption contractor partners, these mobile units will provide scheduled redemption opportunities across multiple convenience zones. By maintaining a consistent schedule, they will encourage community-based recycling habits, promote long-term consumer behavior change, and expand CRV redemption accessibility.

Through its mobile recycling program, the Dealer Cooperative can immediately expand CRV redemption services into unserved convenience zones. Modeled after the successful CalRecycle-sponsored pilot programs in Culver City and Mendocino County, the Dealer Cooperative will partner with redemption contractors to swiftly deliver flexible and efficient mobile redemption sites that advance California's waste reduction goals and promote a circular economy.

A1. Operations and Awareness

The Dealer Cooperative's redemption contractor partners will utilize bobtail trucks equipped to redeem all CRV-eligible material on a rotating schedule at Dealer Member locations in unserved convenience zones. The operating schedule, including locations, days, and times of operation, will be communicated through multiple channels:

- Signage and printed resources (e.g., on-site signage displayed at dealer entrances and redemption sites with operating hours, materials accepted and informational flyers and pamphlets, and QR codes that direct consumers to additional digital resources)
- Social media and digital resources (e.g., targeted ads, short instructional and entertaining videos, e-mail newsletters, and general posts promoting CRV redemption, supported by a mobile-friendly website with location maps, FAQs, and other relevant information)

Mobile recycling units will operate up to seven (7) days a week, including weekends, and in different unserved convenience zones each day. The units will follow a fixed weekly rotating schedule to provide consistency to consumers in these zones. Hours of operation will range from morning to afternoon and will operate for a minimum of eight (8) hours per day to accommodate varied consumer schedules and needs.

To maximize community awareness and participation, the Dealer Cooperative will tailor outreach efforts specific to the needs of each community. Mobile units will display multilingual signage in accordance with 14 CCR section 2375.4(b)(2) in the convenience zones they serve. Additionally, QR codes linking to resources in several other languages will be available to further enhance accessibility.

The Dealer Cooperative will work with local stakeholders, including city and municipal public works departments and community organizations, to inform residents of mobile recycling program schedules and locations. Community feedback will play a vital role in refining deployment strategies, ensuring the program evolves to meet the diverse and changing redemption needs of California's population.

A2. Accepted Materials, Daily Limits, and Redemption Payments

All CRV-eligible beverage containers will be accepted at all mobile recycling redemption sites. To comply with regulatory requirements, containers must be clean, empty, and properly labeled with markings such as "CA Redemption Value" or "CA CRV," and will be subject to all other regulations governing redemption, including daily load limits, of CRV materials in accordance with 14 CCR § 2535(f).

CRV Payment Methods

Redemption amounts for segregated materials will be issued to consumers in accordance with CalRecycle's document, *California Recycling Program Rates, Table 1: Recycling Centers*. The Dealer Cooperative will ensure that redemption contractors pay consumers on an individual container (one-for-one) basis, upon consumer request, for quantities of fifty (50) or fewer units of aluminum, glass, plastic, or bimetal containers, or twenty-five (25) or fewer units of bag-in-box, multilayered pouch, or paperboard carton containers.

Mobile recycling units will offer multiple CRV redemption payout options. In the near term, all mobile redemption locations will exclusively provide consumers an immediate cash payout for all redeemed CRV materials. In the longer term, the Dealer Cooperative will explore the viability of a uniform, secure digital wallet system across its entire redemption network as an additional offering.

As detailed in Section 15G of this Stewardship Plan, this digital wallet system would allow consumers to open and manage a secure digital wallet account via website or mobile app, enabling them to track balances, view transaction histories, and select their preferred payout method. In summary, consumers would have the following options for redemption from mobile recycling units:

- Cash redemption (e.g. consumers receive their CRV refund immediately in cash)
- Accumulated digital payment (e.g. consumers could accumulate their CRV refunds, enabling them to save funds and redeem larger amounts in the future, at their convenience)
- Charitable donation (e.g. consumers could donate CRV refunds to a verified charity and receive a donation receipt)
- Debit card payments (e.g., consumers could choose to have CRV refunds deposited onto a debit card, providing immediate access to funds for purchases or cash withdrawals at ATMs)

The Dealer Cooperative seeks to revitalize consumer participation in CRV redemption and recycling by introducing modern, flexible payout options and incentivized experiences that make redemption more convenient, rewarding, and accessible.

A3. Health and Safety Measures

The Dealer Cooperative will require its redemption contractor partners to implement strong health and safety measures for its mobile recycling program in compliance with applicable federal, state, and local regulations to protect the well-being of staff and consumers. These measures include:

- Regular sanitization of equipment and mobile units to ensure cleanliness and reduce contamination risks.

- Mandatory provision and use of personal protective equipment (PPE) for all staff members.
- Ongoing training programs to ensure staff is fully informed of safety protocols and updated regulatory requirements.
- All other operating standards as defined by CalOSHA or other applicable guidelines.

A4. CRV Redemption Participation and Environmental Stewardship

Mobile recycling provides an immediately scalable solution to expand CRV redemption in unserved convenience zones by eliminating physical, regulatory, and logistical barriers that have historically restricted consumer access to traditional redemption services. By providing visible and convenient mobile recycling opportunities, consumers can actively participate in environmental stewardship while easily reclaiming their CRV deposits. Increased participation will lead to higher recycling rates, reduced landfill waste, and a stronger circular economy, ensuring the efficient reuse of valuable materials across California.

B. REVERSE VENDING MACHINES (RVMS)

Reverse vending machines (RVMS) will play a role in the Dealer Cooperative's redemption network. RVMS provide an efficient, automated redemption process by validating and processing CRV-eligible beverage containers on a one-for-one basis, ensuring accurate refunds with minimal consumer effort. To accommodate different redemption needs and volume demands, the Dealer Cooperative will deploy two types of RVMS:

Single-Feed RVMS

Single-feed reverse vending machines (RVMS) provide a simple and automated redemption location, allowing consumers to deposit one CRV-eligible container at a time and receive an immediate refund. These machines are strategically placed in safe, high-traffic public areas, such as grocery store entrances, ensuring ideal visibility and convenience for the consumer. Equipped with advanced optical barcode scanning, sorting, and compaction technology, single-feed RVMS efficiently validate and process materials for recycling. They also compact aluminum, plastic, and, in some cases, glass, optimizing storage capacity and reducing transportation needs. While designed for low-to-moderate volume redemption, their precise one-unit validation process ensures accurate refunds and a seamless consumer experience.

Single-feed RVMS also provide operational flexibility, as they can be programmed to accept specific types and quantities of CRV-eligible containers based on community needs. This adaptability will enable the Dealer Cooperative to address anticipated coverage gaps within its network and implement tailored redemption locations across different convenience zones. Equipped with real-time monitoring systems, single-feed RVMS track performance metrics, issue maintenance alerts, and generate activity reports. These features will allow the Dealer Cooperative to maintain consistent service reliability, optimize operational efficiency, and proactively address any service disruptions across its network.

Several Dealer Members value the simplicity and practicality of these traditional RVMs. Their compact size allows Dealer Members to showcase a strong commitment to community and environmental responsibility while preserving a clean and attractive image for consumers. Once installed, single-feed RVMs provide a consistently visible, reliable, and accessible CRV redemption location for consumers, as part of the Dealer Cooperative's comprehensive CRV redemption strategy.

Bulk-Feed RVMs

Complementing the deployment of single-feed RVMs, the Dealer Cooperative will introduce bulk-feed RVMs as a high-capacity, automated solution designed for convenience zones-where higher redemption volumes are anticipated.

Unlike traditional RVMs, bulk-feed RVMs allow consumers to deposit large quantities of CRV-eligible containers in a single infeed. Advanced technology rapidly validates, sorts, and in some cases, compacts the material, providing a streamlined redemption process that significantly reduces wait times for consumers and maximizes storage efficiencies.

These machines are designed with simple and intuitive interfaces, ensuring a seamless and user-friendly experience. With deployment options for both indoor and outdoor mobile environments, bulk-feed RVMs offer the flexibility to address diverse community needs while supporting accessibility and convenience. Like single-feed RVMs, bulk-feed RVMs are equipped with real-time digital management systems that monitor performance, issue maintenance alerts, and generate detailed activity reports, ensuring continuous operational reliability across the Dealer Cooperative network.

Bulk-feed RVMs will strengthen the Dealer Cooperative's ability to meet California's recycling demands by providing a high-capacity, automated, consumer-friendly solution. Together, these technologies form an innovative and adaptive infrastructure that both supports the modernization of CRV redemption for consumers and will deliver a sustainable, more efficient recycling network.

B1. Operations and Awareness

The Dealer Cooperative anticipates partnering with redemption contractors to deploy, operate, and maintain RVMs in selected high-visibility locations, such as grocery store entrances, parking lots, and other high-traffic public areas to ensure reliable performance and cleanliness. Deployment will be tailored based on anticipated redemption demands, community needs, and optimized transportation routes to and from processing centers, with single-feed RVMs serving areas with steady, lower-volume activity and bulk-feed RVMs catering to high-demand locations.

- Single-feed RVMs typically have a lower holding capacity and will be monitored and serviced on a regular schedule to ensure minimal downtime. The Dealer Cooperative anticipates establishing redemption limits per customer, per day in accordance with 14 CCR § 2375.4(f)(6) on single-feed RVMs in its network. Regular maintenance will focus on emptying storage bins, monitoring compaction units, and cleaning optical scanning and compaction systems to ensure operational efficiency and minimal downtime.

- Bulk-feed RVMs will be deployed in both fixed, in-building locations and mobile unit adaptations. In-building bulk-feed RVMs will be regularly serviced and maintained. Mobile units will similarly be maintained and will operate as a 'hub-and-spoke' model, with CRV material collected and transported to centralized processing sites for compaction and processing, as needed. Both configurations will be equipped with real-time digital management systems to monitor performance and issue maintenance alerts as needed.

To foster community engagement and awareness of RVM benefits, the Dealer Cooperative will develop and implement targeted outreach strategies. These strategies will include:

- Signage and printed resources (e.g., on-site signage displayed at dealer entrances and redemption sites with operating hours, materials accepted and informational flyers and pamphlets, and QR codes that direct customers to additional digital resources)
- Social media and digital resources (e.g., targeted ads, short instructional and entertaining videos, e-mail newsletters, and general posts promoting CRV redemption, supported by a mobile-friendly website with location maps, FAQs, and other information)
- In-person demonstrations (e.g., on-site staff and ambassadors at redemption locations to educate consumers on new redemption technology with live demonstrations, and distributing printed resources)

By integrating advanced technology, strategic deployment, and comprehensive community outreach, the Dealer Cooperative will ensure both single-feed and bulk-feed RVMs are effective, reliable, and consumer-friendly components of its CRV redemption network.

B2. Accepted Materials, Daily Limits, and Redemption Payments

Current single-feed RVMs available for deployment by the Dealer Cooperative are limited to acceptance of only CRV-eligible aluminum, glass, and PET-1 plastic bottles. These machines use either advanced optical barcode technology or artificial intelligence to verify that all redeemed materials are properly labeled with "CA Redemption Value" or "CA CRV" and comply with all regulatory redemption requirements.

To maintain operational efficiency and consistent uptime, the Dealer Cooperative may adjust material acceptance settings on certain single-feed RVMs. For example, some units may be programmed to accept only aluminum and PET-1 plastic, excluding glass. In such cases, prominent signage will be placed on the RVM to direct consumers to the nearest location where other CRV-eligible containers can be redeemed.

Additionally, the Dealer Cooperative may implement daily load limits due to the limited holding capacity of certain RVM models. To ensure consumers have access to full redemption opportunities, the Dealer Cooperative will provide clear communication and alternative redemption options in accordance with 14 CCR § 2375.4(f)(6).

CRV Payment Methods

Redemption amounts from single-feed and bulk-feed RVMs will be issued on a one-for-one basis to consumers and will offer multiple CRV redemption payout options. In the near term, all RVMs within the Dealer Cooperative's redemption network will use pre-installed payment software offered by the Dealer Cooperative's equipment manufacturing partners upon deployment. These interfaces will enable consumers to link their refunds to preferred digital payment methods, including Venmo, Zelle, or direct payment to a bank account. In the longer term, the Dealer Cooperative will explore the viability of a uniform, secure digital wallet system across its entire redemption network as an additional offering. Consumers would have the following options for redemption from RVMs:

- Accumulated digital payment (e.g. consumers could accumulate their CRV refunds, enabling them to save funds and redeem larger amounts in the future, at their convenience)
- Charitable donation (e.g. consumers could donate CRV refunds to a verified charity and receive a donation receipt)
- Debit card payments (e.g., consumers could choose to have CRV refunds deposited onto a debit card, providing immediate access to funds for purchases or cash withdrawals at ATMs)

By modernizing CRV redemption with secure, digital-first solutions, the Dealer Cooperative is focused on increasing consumer participation and streamlining the redemption process, making recycling more accessible, rewarding, and efficient.

B3. Health and Safety Measures

The Dealer Cooperative will implement comprehensive health and safety measures for all single and bulk-feed RVM machines, in compliance with applicable federal, state, and local regulations to protect the well-being of staff and consumers. These measures include:

- Regular sanitization of equipment to ensure cleanliness, reduce contamination risks, and present a clean, inviting machine for consumer use.
- Mandatory provision and use of personal protective equipment (PPE) for all staff members when servicing RVMs.
- Ongoing training programs to ensure staff are fully informed of safety protocols and updated regulatory requirements.
- All other operating standards as defined by CalOSHA or other applicable guidelines.

B4. CRV Redemption Participation and Environmental Stewardship

Integrating single-feed and bulk-feed RVMs into the Dealer Cooperative's redemption network will provide consumers with a highly visible, user-friendly CRV redemption option. By processing, sorting, and, when applicable, compacting materials, RVMs will streamline

operations and improve efficiency. As an accessible and technology-driven solution, RVMs will expand redemption opportunities while empowering Californians to actively contribute to the State's circular economy and sustainability efforts.

C. BAG DROP SYSTEMS

The Dealer Cooperative intends to deploy bag drop systems as a fundamental component of its near and long-term strategies to expand accessible, efficient, and convenient CRV redemption locations for consumers.

Bag drop systems include both physical drop-off sites as well as mobile bag drop units. Employing the use of electronic tracking software, consumers may use either designated bags pre-printed with unique, scannable identifiers to deposit CRV materials at convenient locations, or use pre-printed labels identifying the consumer's material and affixing the labels to the bags. Bag drop systems eliminate the need to wait for material processing. The bags are collected, verified, inspected, and processed later, crediting the appropriate CRV amount to the consumer upon completion.

This contactless approach offers unparalleled convenience to consumers by eliminating the wait time associated with traditional redemption methods. Many Dealer Members support installation of bag drop systems due to their practicality, as they can be placed in highly visible locations away from store entrances, function independently of store personnel, and minimize daily operational disruption. Where permanent placement of bag drop units is not feasible, mobile bag drop units can be deployed, allowing consumers to drop off bags on pre-scheduled days, with the mobile bag drop unit being removed from the site at the end of daily operations. Bag drop systems enable the collection of large volumes of CRV material while significantly lowering the labor expenses incurred with managing a mobile recycling unit or traditional recycling kiosk.

Bag drop systems have the potential to significantly increase CRV redemption rates by reducing the time barriers associated with CRV redemption. Their scalability allows for seamless deployment alongside other CRV redemption methods, functioning as part of a "hub-and-spoke" model. Bag drop systems not only increase consumer participation due to the convenience they offer but also collect and process higher volumes of CRV material when complementing or embedded into larger facilities, further enhancing the overall efficiency and capacity of the redemption network.

C1. Operations and Awareness

The Dealer Cooperative intends to deploy and manage both permanent and mobile bag drop recycling systems and related software in unserved convenience zones. These systems will be strategically placed or operated in highly visible locations to maximize consumer accessibility. To redeem CRV-eligible containers using bag drop systems and software within the Dealer Cooperative's network of redemption sites, a consumer can register an account via their smartphone and place CRV material in bags that are either pre-printed with unique QR codes that link to their account, or in bags to which labels identifying a consumer's CRV material and unique information are affixed. Once the consumer drops their material into the bag drop unit or

leaves their material with the attendant onsite at a mobile bag drop location, the material will be processed, and the CRV refunds are credited to the consumer's digital account within three (3) working days. Transparency will be enhanced through the mobile application software that will allow consumers to track the acceptance and processing of their redemptions through their account.

The Dealer Cooperative will implement targeted outreach and education strategies to educate consumers on how to effectively use bag drop systems, minimize material contamination within their bags, and ensure smooth transaction processing. These strategies will include:

- Signage and printed resources (e.g., on-site signage displayed at dealer entrances and redemption sites with operating hours and materials accepted, informational flyers and pamphlets, and QR codes that direct customers to additional digital resources)
- Social media and digital resources (e.g., targeted ads, short instructional and entertaining videos, e-mail newsletters, and general posts promoting CRV redemption, supported by a mobile-friendly website with location maps, FAQs, and other information)
- In-person demonstrations (e.g., on-site staff and ambassadors at redemption locations to educate consumers about setting up an account, demonstrating the convenience, and distributing printed resources)

As part of its commitment to advancing recycling infrastructure, the Dealer Cooperative is also exploring the integration of bag drop software at mobile redemption sites, kiosks, and eventually recycling depots. This hybrid model will combine the flexibility of mobile recycling with the convenience of bag drop systems, creating an innovative solution to enhance consumer engagement and efficiency. As with physical bag drop systems, consumers will be able to drop off CRV material at mobile redemption sites, kiosks, or recycling depots without having to wait in person for the material to be processed. Refunds for CRV materials dropped off at these sites will be credited to consumer accounts within three (3) working days.

The Dealer Cooperative believes that bag drop systems, whether deployed as mobile units, physical units, or integrated with other innovative methods of recycling, have the potential to drive significant incremental CRV redemption by simplifying and accelerating the CRV redemption process for consumers. Integrating bag drop as an additional method of redemption will enhance consumer convenience, increase participation, and support California's goal of building a highly efficient recycling infrastructure.

C2. Accepted Materials, Daily Limits, and Redemption Payments

All CRV-eligible beverage containers will be accepted at all Dealer Cooperative bag drop locations, including mobile bag drop locations and those that may be integrated with other redemption methods. To comply with regulatory requirements, containers dropped by consumers will be verified during later processing to ensure they are clean, empty, and properly labeled with markings such as "CA Redemption Value" or "CA CRV." Material will be subject to all other regulations governing redemption, including daily load limits, of CRV materials in accordance with 14 CCR § 2535(f).

CRV Payment Methods

Redemption amounts for segregated materials by weight will be issued to consumers in accordance with CalRecycle's document, *California Recycling Program Rates*. Redemption amounts redeemed using a bulk-feed RVM will be paid on a one-for-one basis. Consumers will be credited their redemption values within three (3) working days following bag drop-off through multiple CRV redemption payout options.

Bag drop systems will offer multiple CRV redemption payout options. In the near term, all bag drop units within the Dealer Cooperative's redemption network will use pre-existing payment software offered by the Dealer Cooperative's equipment and software partners upon deployment. These interfaces will enable consumers to link their refunds to preferred digital payment methods, including direct payment to a bank account. In the longer term, the Dealer Cooperative will explore the viability of a uniform, secure digital wallet system across its entire redemption network as an additional offering. With this system, consumers would have the following options for redemption from bag drop systems:

- Accumulated digital payment (e.g. consumers could accumulate their CRV refunds, enabling them to save funds and redeem larger amounts in the future, at their convenience)
- Charitable donation (e.g. consumers could donate CRV refunds to a verified charity and receive a donation receipt)
- Debit card payments (e.g., consumers could choose to have CRV refunds deposited onto a debit card, providing immediate access to funds for purchases or cash withdrawals at ATMs)

By offering convenient, consumer-driven redemption methods and complying with the three (3) business day payment rule, the Dealer Cooperative aims to foster long-term consumer engagement and increased participation in CRV redemption efforts.

C3. Health and Safety Measures

The Dealer Cooperative will implement comprehensive health and safety measures for all bag drop systems in compliance with applicable federal, state, and local regulations to protect the well-being of staff and consumers. These measures include:

- Regular sanitization of equipment to ensure cleanliness, reduce contamination risks, and present a clean, inviting unit (where applicable) for consumer use.
- Mandatory provision and use of personal protective equipment (PPE) for all staff members when servicing any bag drop recycling unit.
- Ongoing training programs to ensure staff are fully informed of relevant safety protocols and updated regulatory requirements.
- All other operating standards as defined by CalOSHA or other applicable guidelines.

C4. CRV Redemption Participation and Environmental Stewardship

Bag drop systems and associated software solutions will significantly enhance CRV redemption rates by effectively eliminating the time barriers consumers typically associate with other types of recycling methods and instead offer consumers a quick and convenient way to engage with CRV redemption. These systems will play a critical role in advancing California's circular economy by improving consumer convenience, thereby promoting a stronger and more vibrant culture of recycling across the state.

D. KIOSKS

Recycling kiosks are specialized, fixed-location collection points designed to facilitate the collection and redemption of CRV-eligible beverage containers. The Dealer Cooperative plans to leverage this well-established and widely recognized CRV redemption method, particularly at locations not directly paired with a Dealer Member's physical premises.

Originally designed to align with the State's efforts to improve recycling infrastructure, kiosks have proven to be a convenient and effective solution for consumers to redeem CRV deposits. Traditionally, kiosks have operated as fully staffed locations where consumers receive assistance with sorting, weighing, and processing their CRV materials. Recently, many kiosks have integrated innovative recycling methods, such as single-feed and bulk-feed RVMs, to enhance consumer engagement and streamline operations. The opportunity to further expand innovative redemption solutions within kiosk operations holds significant promise.

As a proven operating model, recycling kiosks have delivered accessible and reliable CRV redemption services to surrounding convenience zones for decades. Dealer Members, consumers, and CalRecycle have accumulated significant experience from kiosk operations, drawing valuable insights from both their successes and challenges. As a result, recycling kiosks naturally align with the Dealer Cooperative's Stewardship Plan when enhanced with innovative technologies and operational improvements, reinforcing their role as a trusted element in California's recycling infrastructure.

D1. Operations and Awareness

The Dealer Cooperative is committed to building upon the well-established kiosk model by addressing past inefficiencies, improving operational standards, and providing consumers with an innovative, efficient, and modern experience. The Dealer Cooperative will partner with redemption contractors with extensive experience in managing kiosks and identify optimal locations for kiosk sites. Reimagined kiosks will integrate multiple redemption methods, such as bag drop systems, single-feed and bulk-feed RVMs, and staffed assistance for material redeemed by weight to provide consumers with diverse and convenient options. The Dealer Cooperative will focus on opportunities to site kiosks in community locations beyond Dealer Member parking lots, ensuring broader geographic accessibility.

Redemption contractor partners will be responsible for staffing, servicing, and sanitizing kiosk sites in compliance with the Dealer Cooperative's standards. Staffed kiosks will provide consumers with support for container validation, refund of CRV deposits, automation

supervision, and recycling education. These kiosks will be designed for accessibility and ease of use, ensuring seamless integration into the communities they serve.

To enhance consumer engagement, the Dealer Cooperative will implement targeted outreach strategies in collaboration with redemption contractors. These strategies will include:

- Signage and printed resources (e.g., on-site signage displayed at dealer entrances and redemption sites with operating hours, materials accepted and informational flyers and pamphlets, and QR codes that direct customers to additional digital resources)
- Social media and digital resources (e.g., targeted ads, short instructional and entertaining videos, e-mail newsletters, and general posts promoting CRV redemption, supported by a mobile-friendly website with location maps, FAQs, and other information)
- In-person demonstrations (e.g., on-site staff and ambassadors at redemption locations to educate consumers about new redemption technology with live demonstrations, and distributing printed resources)

By blending innovative new technology and community outreach with a familiar but reimagined model, the Dealer Cooperative expects kiosks to continue to be an accessible, consumer-friendly, and vital part of CRV redemption infrastructure in convenience zones where they operate.

D2. Accepted Materials, Daily Limits, and Redemption Payments

All CRV-eligible beverage containers will be accepted at all kiosk locations. To comply with regulatory requirements, containers presented for redemption at kiosks by weight must be clean, empty, and properly labeled with markings such as "CA Redemption Value" or "CA CRV." Optical barcode identification technology used by single and bulk-feed RVMs will ensure that all materials redeemed are CRV-eligible. At kiosks where bag drop technology is deployed, containers deposited by consumers will be verified during processing to ensure they are clean, empty, and properly labeled. In all cases, material redeemed by consumers will be subject to all other regulations governing redemption, including daily load limits, of CRV materials in accordance with 14 CCR § 2535(f).

CRV Payment Methods

Redemption amounts for segregated materials redeemed by weight will be issued to consumers in accordance with CalRecycle's document, *California Recycling Program Rates*. The Dealer Cooperative will ensure that redemption contractors pay consumers on an individual container (one-for-one) basis, upon consumer request, for quantities of fifty (50) or fewer units of aluminum, glass, plastic, or bimetal containers, or twenty-five (25) or fewer units of bag-in-box, multilayered pouch, or paperboard carton containers. The Dealer Cooperative anticipates redemption contractors to require materials dropped off by consumers using bag drop software to be segregated by material type to be eligible to be processed by weight by the redemption contractor.

Kiosks will offer multiple CRV redemption payout options. In the near term, all kiosk locations will exclusively provide consumers with an immediate cash payout for all redeemed CRV materials, identical to the redemption process in use today. In the longer term, the Dealer Cooperative will explore the viability of a uniform, secure digital wallet system across its entire redemption network as an additional offering. With this system, consumers would have the following options for redemption from kiosks:

- Cash redemption (e.g. consumers receive their CRV refund immediately in cash)
- Accumulated digital payment (e.g. consumers could accumulate their CRV refunds, enabling them to save funds and redeem larger amounts in the future, at their convenience)
- Charitable donation (e.g. consumers could donate CRV refunds to a verified charity and receive a donation receipt)
- Debit card payments (e.g., consumers could choose to have CRV refunds deposited onto a debit card, providing immediate access to funds for purchases or cash withdrawals at ATMs)

By offering several convenient redemption options, the Dealer Cooperative intends to provide a flexible and incentivized kiosk experience to California consumers.

D3. Health and Safety Measures

The Dealer Cooperative will require its redemption contractor partners to implement comprehensive health and safety measures for the kiosk network in compliance with applicable federal, state, and local regulations to protect the well-being of staff and consumers. These measures include:

- Regular sanitization of equipment to ensure cleanliness, reduce contamination risks, and present an inviting appearance for consumers.
- Mandatory provision and use of personal protective equipment (PPE) for all staff members, as applicable, when operating any equipment.
- Ongoing training programs to ensure staff are fully informed of safety protocols and updated regulatory requirements.
- All other operating standards as defined by CalOSHA or other applicable guidelines.

D4. CRV Redemption Participation and Environmental Stewardship

The inclusion of kiosks in the Dealer Cooperative's Stewardship Plan ensures that the extensive knowledge base surrounding their operation is effectively leveraged to maximize CRV redemption within the Dealer Cooperative's network. By incorporating innovative technologies such as bag drops and RVMs into a modern, reimagined kiosk model, the Dealer Cooperative

aims to re-engage consumers who may have previously disengaged from CRV redemption due to the inefficiencies of traditional kiosks.

The flexibility to site kiosks outside Dealer Member parking lots further enhances their potential to drive consumer engagement by reaching more consumers. Through thoughtful, data-driven placement and targeted community outreach, the Dealer Cooperative will integrate kiosks into its network to expand CRV redemption opportunities into more unserved convenience zones. This approach will strengthen consumer participation and reinforce the Dealer Cooperative's mission to build a sustainable, inclusive, and efficient resource recovery system.

E. RECYCLING DEPOTS

Recycling depots are the cornerstone of the Dealer Cooperative's long-term sustainable CRV redemption strategy, representing a transformative step forward in California's recycling infrastructure. These next-generation, automated facilities embody the future of CRV redemption in California, aligning with the state's leadership in sustainability while addressing the need for modern solutions to meet California's ambitious circular economy goals.

Recycling depots are centralized collection and processing facilities designed to scale and efficiently process millions of beverage containers annually, making them an ideal solution for high-demand areas and geographic areas with a high number of unserved convenience zones. Depots offer the unique advantages of integrating traditional weigh-scale offerings as well as new technologies, including single and bulk-feed RVMs and bag drop technology, into a single, space-optimized, consumer-focused location.

These 'hubs' deliver substantial cost savings by enhancing operational efficiency and sorting accuracy. With advanced automated counting, sorting, and compaction systems, recycling depots efficiently accept and process very large numbers of CRV-eligible containers while significantly reducing the labor costs tied to traditional hand-sorting methods. Materials collected from surrounding mobile recycling units, bag drop units, and RVMs can be transported to and processed at these centralized anchor redemption centers, further enhancing operational efficiency. On-site crushing technology allows processing of larger volumes of materials and minimizes the frequency of trips to material processors, which directly lowers transportation expenses.

For consumers, recycling depots integrate and offer multiple convenient redemption options, including redemption by weight, single-feed RVMs, bulk-feed RVMs, and bag drop systems. Located in modern, clean, and optimized retail spaces within their communities, depots make CRV redemption more accessible, efficient, and consumer friendly. By combining convenience with advanced operations, recycling depots improve the experience for consumers and redemption contractors while supporting California's CRV program goals.

Members of the Dealer Cooperative are highly supportive of recycling depots. This solution moves recycling operations indoors, thereby removing the image of an outdoor redemption site from the Dealer Member's parking area. Additionally, recycling depots can be sited off premises from a Dealer location, freeing up valuable space and resources for the Dealer Member while ensuring compliance with CRV requirements without disrupting store operations. By centralizing

recycling services through depots, the Dealer Cooperative can facilitate the ability for the Dealer Member to focus on their core business while supporting California's recycling goals through efficient infrastructure.

Using state-of-the-art technology, depots can generate comprehensive aggregated data on recycled materials and identify data-driven patterns in product types and materials across specific geographic areas, offering actionable insights into recycling trends and consumer behavior. This valuable data will empower the Dealer Cooperative to support public agencies and private sector stakeholders in assessing recycling performance and identifying opportunities for improvement. By leveraging this innovative approach, recycling depots will strengthen the circular economy and advance shared sustainability goals.

By collaborating with diverse stakeholders across California's recycling and resource recovery sectors, the Dealer Cooperative envisions recycling depots as transformative hubs that redefine how Californians participate in CRV redemption. These depots will serve as high-visibility centers of innovation, delivering seamless consumer experiences that reignite the vision and excitement of California's pioneering 1986 Bottle Bill. By offering a modern, consumer-friendly experience, these facilities will encourage repeat participation while streamlining operations, thereby advancing California's leadership in sustainable resource recovery.

E1. Operations and Awareness

The Dealer Cooperative is committed to laying a strong foundation for the expansion of recycling depots throughout California. By drawing on best practices and experiences gleaned from existing recycling centers, including the Simply Recycle facility in Fair Oaks, California, the Dealer Cooperative aims to establish best-in-class operational standards while delivering seamless service for consumers. These efforts focus on enhancing the interaction between Dealer Members, consumers, and depots, fostering a more accessible, user-friendly, and efficient CRV redemption experience.

The Dealer Cooperative will identify and partner with redemption contractors with existing community ties to operate recycling depots throughout California. The Dealer Cooperative will implement consumer-focused standards and resources available in languages spoken in the communities they are located, and protocols to manage and run these depots effectively. The Dealer Cooperative will be responsible for staffing, servicing, and maintaining these depots in compliance with the Dealer Cooperative's standards. Depot staff will provide consumers with support for redemption by weight, container validation using the various innovative technologies, refund of CRV deposits, automation supervision, and recycling education. These depots will be consistently maintained and designed for accessibility and ease of use, ensuring seamless integration into the communities they serve.

To enhance consumer engagement, the Dealer Cooperative will implement a targeted outreach and education initiative to build community awareness and support for new recycling depots. This initiative will include:

- Signage and printed resources (e.g., on-site signage displayed at dealer entrances and redemption sites with operating hours, materials accepted and informational flyers and pamphlets, and QR codes that direct customers to additional digital resources)
- Social media and digital resources (e.g., targeted ads, short instructional and entertaining videos, e-mail newsletters, and general posts promoting CRV redemption, supported by a mobile-friendly website with location maps, FAQs, and other information)
- In-person demonstrations (e.g., on-site staff and ambassadors at redemption locations to educate consumers about new redemption technology with live demonstrations, and distributing printed resources)
- Traditional media and earned media (e.g., partnerships with local TV and radio stations for interviews and advertisements, direct mail campaigns to unserved convenience zones, and press releases to news outlets about milestones and initiatives)
- Stakeholder partnerships (e.g., collaborating with local governments, municipal agencies, and environmental organizations to enhance outreach through shared newsletters, public announcements, and coordinated web content)
- Community events and charitable programs (e.g., grand openings of redemption locations, facility tours for schools and residents, and CRV donation drives to local charities)

This comprehensive strategy ensures local participation and successful introduction of a recycling depot into the community, encouraging and sustaining its use by consumers.

E2. Accepted Materials, Daily Limits, and Redemption Payments

All CRV-eligible beverage containers will be accepted at all recycling depots. To comply with regulatory requirements, containers presented for redemption in a recycling depot by weight must be clean, empty, and properly labeled with markings such as "CA Redemption Value" or "CA CRV." Barcode identification technology used by single and bulk-feed RVMs will ensure that all materials redeemed are CRV-eligible. Where bag drop systems are deployed in a depot, containers redeemed by consumers will be verified during processing to ensure they are clean, empty, and properly labeled. In all cases, material redeemed by consumers will be subject to all other regulations governing redemption, including daily load limits, of CRV materials in accordance with 14 CCR § 2535(f).

CRV Payment Methods

Redemption amounts for segregated materials by weight will be issued to consumers in accordance with CalRecycle's document, *California Recycling Program Rates*. For consumers who wish to redeem material on an individual container (one-for-one) basis in quantities of fifty (50) or fewer units of aluminum, glass, or plastic, redemption value will be paid on a one-for-one basis using single-feed RVMs, or by counting by depot staff. Likewise, for consumers using bulk-feed RVMs, including bag drop, redemption value will be paid on a one-for-one basis.

Recycling depots will require significant capital investment and regulatory approval by local government and community stakeholders; as such, the Dealer Cooperative does not anticipate their full operation immediately following CalRecycle's approval of its Stewardship Plan. The Dealer Cooperative expects that by the time the first recycling depot opens, its unified digital wallet system will be fully operational and integrated to provide flexible payout options and streamlined payment processing for consumers. Through this technology, the Dealer Cooperative anticipates offering consumers multiple redemption options, including:

- Cash redemption (e.g. consumers receive their CRV refund immediately in cash)
- Accumulated digital payment (e.g. consumers could accumulate their CRV refunds, enabling them to save funds and redeem larger amounts in the future, at their convenience)
- Charitable donation (e.g. consumers could donate CRV refunds to a verified charity and receive a donation receipt)
- Debit card payments (e.g., consumers could choose to have CRV refunds deposited onto a debit card, providing immediate access to funds for purchases or cash withdrawals at ATMs)

By offering these innovative, varied, and convenient options to consumers in conjunction with a revolutionized and modern retail space, the Dealer Cooperative anticipates providing an attractive, incentivized, and engaging recycling and redemption experience for consumers.

E3. Health and Safety Measures

The Dealer Cooperative will implement comprehensive health and safety protocols to comply with applicable federal, state, and local regulations to protect the well-being of staff and consumers while operating recycling depots, such as:

- Regular sanitization of equipment to ensure cleanliness, reduce contamination risks, and ensure an inviting experience for consumers.
- Mandatory provision and use of personal protective equipment (PPE) when applicable for all staff members.
- Ongoing training programs to ensure staff are fully informed of safety protocols when using equipment as well as any applicable regulatory requirements.
- All other operating standards as defined by CalOSHA or other applicable guidelines.

E4. CRV Redemption Participation and Environmental Stewardship

Recycling depots represent the Dealer Cooperative's vision for a modern, sustainable and efficient CRV redemption network across California. By increasing accessibility, streamlining recycling processes, and reducing environmental impacts, these facilities directly support California's circular economy and ambitious resource recovery goals. Through innovative

design, strategic placement, and community engagement, recycling depots will not only improve CRV redemption rates but will also foster a culture of environmental stewardship. This commitment underscores the Dealer Cooperative's dedication to creating a cleaner, more efficient future for all Californians.

12. EDUCATION AND OUTREACH METHODS

Consistent with 14 CCR § 2375.4, the Dealer Cooperative is committed to delivering a highly effective outreach program designed to inform target audiences about opportunities surrounding CRV redemption. To achieve this, the Dealer Cooperative will use a combination of communication methods, including:

- Signage and printed resources (e.g., on-site instructional signage displayed at dealer entrances and redemption sites with operating days, hours, types of materials accepted, as well as informational flyers and pamphlets)
- Social media and digital resources (e.g., targeted ads, short instructional and entertaining videos, and general posts promoting CRV redemption, supported by a mobile-friendly website available in several languages with FAQs and other relevant resources)
- Redemption site locator map (e.g. redemption site database integrated into the Dealer Cooperative's website with the ability to search and filter for redemption sites, methods of redemption, and accepted materials at various sites.)
- In-person demonstrations (e.g., on-site ambassadors at redemption locations promoting CRV benefits, guiding consumers on new redemption technology with live demonstrations, and distributing printed resources)
- Traditional media and earned media (e.g., partnerships with local TV and radio stations for interviews and advertisements, direct mail campaigns to underserved zones, and press releases to news outlets about milestones and initiatives)
- Stakeholder partnerships (e.g., collaborating with Dealer Members, local governments, municipal agencies, and environmental organizations to enhance outreach through shared newsletters, public announcements, and coordinated web content)
- Community events and charitable programs (e.g., grand openings of redemption locations, facility tours for schools and residents, and CRV donation drives for local charities)
- Environmental impact tracker (e.g., an interactive digital account redemption feature displaying carbon emissions saved and total bottles and cans recycled to encourage further participation and environmental education)
- Corporate responsibility partnerships (e.g., collaborations with beverage manufacturers to promote recycling and support sustainability programs)

A. MESSAGE PLATFORM

A1. “CRV, Reinvented.”

The Dealer Cooperative will launch a cohesive and impactful public messaging campaign centered on its official tagline, “CRV, Reinvented.”

The tagline “*CRV, Reinvented*” embodies the Dealer Cooperative’s mission to align the individual efforts of its Dealer Members into a unified, efficient, and innovative redemption network that optimizes their critical role in the success of California’s Bottle Bill while amplifying their collective impact on State’s redemption goals. By synchronizing under a coordinated plan, Dealer Members become more effective in supporting practical, industry-inclusive solutions that benefit consumers and strengthen California’s recycling ecosystem. The tagline also encapsulates the Dealer Cooperative’s public benefit by its participation in the modernization of California’s redemption infrastructure through delivering operational efficiencies and innovative recycling technologies, thus improving the CRV redemption experience for all Californians.

The Dealer Cooperative’s tagline is meant to inspire community participation, build intrigue and excitement in CRV redemption, and engage consumers, Dealer Members, and redemption contractor partners by emphasizing innovation and accessibility. This central theme for the Dealer Cooperative’s education and outreach campaign will drive meaningful improvements to CRV redemption while promoting shared responsibility and sustainable recycling for all stakeholders across California.

A2. Education and Outreach Themes

The Dealer Cooperative will use the communication methods listed above to inform and engage its target audiences on key themes surrounding recycling and CRV redemption, such as:

- Which beverage container materials are accepted, and how can they be redeemed? (e.g., outlining eligible CRV material types, detailing various redemption methods such as bag drops, mobile redemption sites, recycling depots, traditional redemption centers, etc.)
- Where can CRV-eligible material be redeemed? (e.g. Dealer Cooperative site locations, hours of operations, etc.)
- How does CRV material redemption benefit the consumer? (e.g. return of CRV deposit charged at time of purchase, cleaner local communities, promoting California’s circular economy, etc.)

A3. Target Audiences

The Dealer Cooperative’s outreach and education strategy will be designed to effectively communicate with key stakeholders within the CRV redemption ecosystem. The Dealer Cooperative aims to ensure equitable access to information regarding CRV redemption opportunities by tailoring its communication methods and materials for various stakeholders to enhance consumer and Dealer Member engagement, address language access opportunities, and provide relevant and actionable program information.

California Consumers

The Dealer Cooperative's messaging to consumers will focus on building awareness and accessibility of CRV redemption opportunities offered by the Dealer Cooperative. This effort will include the use of printed materials such as signs, flyers, and postings tailored to the language needs of the communities. These printed materials will feature QR codes that link to a detailed map of local redemption sites, operational hours, and accepted materials. These materials will be prominently displayed at redemption sites as well as Dealer Member locations, and will include the Dealer Cooperative's website, <http://www.circularcrv.org>, which will contain additional information and resources.

Social media campaigns across various platforms will promote local redemption opportunities offered by the Dealer Cooperative and educate consumers about recycling and CRV redemption. These campaigns will include in-person testimonials and content produced in various languages designed to increase consumer engagement and participation in CRV redemption throughout the State.

Dealer Members

The Dealer Cooperative's founding mission is to connect Dealer Members, redemption contractors, and the public to facilitate innovative, sustainable, and accessible redemption sites in unserved convenience zones where Dealer Members operate. To support this mission, the Dealer Cooperative will provide resources and guidance on its website to prospective Dealers interested in joining the Dealer Cooperative. As part of its outreach efforts, the Dealer Cooperative will regularly advertise in industry publications such as *California Grocer*, a magazine published by the California Grocers Association, and other retail-focused journals. These advertisements will raise awareness about the Dealer Cooperative's services and the benefits of membership. In addition, the Dealer Cooperative will maintain a consistent presence at industry events centered around Dealers to sustain visibility, continue outreach efforts, and encourage participation.

Through consistent communication and outreach, the Dealer Cooperative intends to position itself as the preferred solution for prospective Dealers seeking to meet their legal requirements related to CRV redemption. By promoting the benefits of membership, the Dealer Cooperative will encourage broader participation and collaboration by its members, thereby strengthening statewide recycling and redemption efforts.

Redemption contractors

The Dealer Cooperative will create and provide redemption contractors with signage that communicates essential information to consumers, including operating hours of redemption locations, accepted materials, and instructions for providing feedback and reporting issues. This signage will be prominently displayed at each redemption location and will appear in languages reflecting the demographics of the surrounding area to ensure accessibility.

The Dealer Cooperative will also communicate with redemption contractors to share updates on new redemption sites, opportunities for expanding services, and initiatives supporting

underserved communities. By partnering with redemption contractors who have deep knowledge of the communities and regions they serve, the Dealer Cooperative will help identify potential redemption locations in unserved convenience zones, support redemption contractors in evaluating and pursuing opportunities that align with program goals, and drive initiatives that support underserved communities. The Dealer Cooperative will also inform redemption contractors about technological advancements in redemption equipment, including variations in mobile recycling units, bag drop systems, and reverse vending machines, offering insights into innovative methods to enhance operational efficiency and consumer participation.

Through proactive communication, the Dealer Cooperative will enable redemption contractors to expand their role in the CRV program while advancing California's goals of increasing accessibility and recycling rates. This approach will strengthen the redemption network and support the development of a more efficient, accessible, and sustainable recycling system.

B. LANGUAGE ACCESS

In compliance with 14 CCR § 2375.4(b)(2), the Dealer Cooperative is committed to ensuring linguistically relevant communication with Limited-English Proficient (LEP) communities in unserved convenience zones. By leveraging Census 2020 data¹ and the California Department of Finance's Web Application² for identifying leading non-English languages, the Dealer Cooperative will tailor its outreach to the predominant languages spoken within each census tract where it will operate.

This targeted approach will ensure clear, accessible communication and will foster inclusivity by addressing the unique language needs of California's diverse population. For example, in addition to English, if a census tract indicates significant Cantonese and Spanish-speaking populations, materials in these languages will be provided. All printed materials will feature QR codes that link to resources available in additional languages on the Dealer Cooperative's mobile-friendly website.

¹ United States Census Bureau Population Data. Available at <https://data.census.gov/profile/California?q=040XX00US06>

² California Department of Finance, Demographic Research Unit. *Leading Non-English Languages in California*. Web Mapping Application. Published September 23, 2024. Updated December 30, 2022. Available at: <https://dru-data-portal-cacensus.hub.arcgis.com/apps/edaf9becf66d4a16be9844726c29cf2f/explore>

B1. Supported Languages

Educational and outreach materials will be developed in the following languages, consistent with the Dealer Cooperative's compliance with 14 CCR § 2375.4(b)(2) and the Language and Communication Access Plan (LACAP)³

- Arabic
- Armenian
- Assyrian Neo-Aramaic
- Cantonese
- Chaldean Neo-Aramaic
- Chinese
- Farsi
- Filipino
- Hindi
- Hmong
- Iu Mien
- Japanese
- Khmer
- Korean
- Mandarin
- Min Nan Chinese
- Portuguese
- Punjabi
- Russian
- Spanish
- Tagalog
- Telugu
- Thai
- Ukrainian
- Vietnamese

C. COMMUNITY OUTREACH EFFORTS

The Dealer Cooperative will support community-based outreach programs aimed at fostering a stronger culture of recycling across California to increase CRV redemption rates.

Targeted community outreach efforts will be conducted through activities such as workshops, public engagement, and community events. These activities might involve city-sponsored events, demonstrations for local schools, neighborhood associations, and centers of worship, all allowing flexibility for the Dealer Cooperative to tailor redemption initiatives to specific

³ California Complete Count - Census 2020. *Language and Communication Access Plan*. Prepared by the California Complete Count - Census 2020 Office. May 17, 2019. Available at: <https://census.ca.gov/wp-content/uploads/sites/4/2019/06/LACAP.pdf>.

communities. The Dealer Cooperative anticipates it will collaborate with field technicians and recycling ambassadors previously employed by “CRV ConnX”, a Workforce Development Grant program funded by CalRecycle, to increase CRV redemption participation and awareness in key areas. By leveraging their industry expertise and deep ties to the communities they serve, these technicians and ambassadors will help identify underserved areas, address access barriers, and provide field insights to refine and target outreach efforts. This adaptable approach will enable the Dealer Cooperative to prioritize initiatives that improve community awareness of new redemption sites and maximize the program’s overall effectiveness.

D. WEBSITE AND REDEMPTION SITE LOCATOR

The Dealer Cooperative’s website at <http://www.circularcrv.org> will serve as a central resource for public access to all key aspects of the CRV redemption program. Designed with user convenience in mind, the site will provide contact information, such as phone numbers and e-mail addresses to contact Dealer Cooperative staff. An interactive map of CRV redemption opportunities and a filtered search directory to help the public quickly locate redemption sites in the Dealer Cooperative network will also be developed. Users will be able to find additional details on accepted materials, days and hours of operation, telephone numbers for redemption sites (or telephone numbers for Dealer Cooperative customer service representatives) and site-specific information.

The website will be available in English, Spanish, Mandarin Chinese, Tagalog, Korean, and Vietnamese to ensure wide accessibility for California’s diverse population. The site will also host other multilingual resources, including FAQs, instructional guides, and promotional materials, to support consumer education and engagement. The Dealer Cooperative plans to expand access with the additional languages previously mentioned in Section B1 within twelve (12) months of approval of this Stewardship Plan by CalRecycle.

Beyond supporting consumers, the website will include targeted resources for other key stakeholders, such as Dealer Members and recyclers. These resources will provide information on compliance requirements, the best operational practices, and partnership opportunities. The website will also house official program documents, such as the approved Stewardship Plan, quarterly and annual reports, and relevant laws, offering accessibility to all stakeholders.

E. TOLL-FREE SUPPORT LINE

The Dealer Cooperative will operate a toll-free support line at (855) CRV-CASH / (855) 278-2274 to answer general questions key stakeholders may have about the Dealer Cooperative and to assist the public with answering questions surrounding CRV redemption. The support line will be staffed during normal business hours on weekdays and provide access to real-time translation in Spanish and additionally supported languages as needed. Support for hearing and speech impaired consumers will also be offered to consumers using the same toll-free support line.

13. DISPUTE RESOLUTION

The Dealer Cooperative is committed to providing California consumers with an inviting, positive, and reliable experience each time consumers return CRV material at any of the locations operated by the Dealer Cooperative. The Dealer Cooperative will strive to solve all consumer concerns on-site at the time they are raised by the consumer. However, at times, consumers may wish to communicate their concerns directly to the Dealer Cooperative.

To facilitate this communication, the Dealer Cooperative has established a dispute resolution policy to address any consumer concerns regarding non-payment, underpayment, site performance, or any other issues related to the Dealer Cooperative's CRV redemption program. This policy is designed to ensure timely, fair, and equitable resolution of any concerns or disputes, thereby reinforcing consumer trust and program accountability.

The Dealer Cooperative's dispute resolution policy outlined below will be available on its website at <http://www.circularcrv.org/customer-feedback>.

A. FILING A COMPLAINT

Consumers will be able to file a complaint regarding any issue related to the Dealer Cooperative's redemption program through the following channels:

- A toll-free phone number allowing consumers to report concerns directly to the Dealer Cooperative: (855) CRV-CASH / (855) 278-2274
- A "Customer Feedback" form available on the Dealer Cooperative's website <http://www.circularcrv.org/customer-feedback> that will enable consumers to submit complaints, upload supporting documentation, and provide contact information.

These mechanisms will ensure equitable access for all community members and provide opportunities for meaningful engagement, consistent with 14 CCR § 2375.4(c).

B. ACKNOWLEDGMENT

The Dealer Cooperative will acknowledge receipt of all consumer complaints by e-mail within three (3) business days and provide a unique reference number for tracking. Upon receiving a complaint, the Dealer Cooperative will document it and log key details digitally, including the consumer's contact information, the nature of the complaint, and any supporting materials, into its complaint database to ensure accurate tracking and follow-up.

A written acknowledgment will be sent to the consumer's preferred email address, including the reference number, confirmation of receipt, contact information for further inquiries, and, when possible, an estimated timeframe for follow-up. The complaint will then be assigned to the appropriate Dealer Cooperative staff member for investigation and resolution.

C. INVESTIGATION

The Dealer Cooperative will investigate all complaints and involve relevant parties, including Dealer Cooperative staff, or redemption contractors and their staff, as necessary. Transaction records, documentation provided by the complainant, and other relevant data will be reviewed to investigate and resolve disputes and complaints involving non-payment or underpayment, and any other issues raised by consumers.

C1. Resolution and Escalation Process

The Dealer Cooperative will respond to all complainants within ten (10) business days of receiving consumers' complaints by e-mail, outlining the findings from investigations, the outcome, and any corrective actions taken. If refund discrepancies are identified, the Dealer Cooperative will ensure the consumer receives the correct refund value or appropriate compensation.

If a complainant is dissatisfied with the Dealer Cooperative's resolution, they may escalate the complaint to a Dealer Cooperative management member for further review. If the issue remains unresolved after internal escalation, the Dealer Cooperative will provide the complainant with information on how to contact and file a complaint with CalRecycle. Upon request, the Dealer Cooperative will provide CalRecycle information collected regarding the complainant's dispute.

The Dealer Cooperative is committed to resolving disputes in a fair, timely, and inclusive manner. In addition to posting its dispute resolution procedure online, information about the Dispute Resolution policy will be displayed at all redemption sites, encouraging consumers to report any issues, complaints, or concerns they have regarding program services.

D. RECORDKEEPING AND REPORTING

The Dealer Cooperative will maintain detailed records of all complaints, investigations, and resolutions for a minimum of five (5) years. Complaint data will be analyzed quarterly to identify operational trends, address systemic issues, and improve program operations.

14. COMMUNITY INPUT

The Dealer Cooperative recognizes the important role that convenient and accessible beverage container redemption plays in the communities in which it serves and operates. Listening, understanding, and reacting to the unique needs of each community will ensure long-term viability of the CRV redemption opportunities the Dealer Cooperative provides on behalf of its Dealer Members. Community feedback will drive program enhancements and ensure the Dealer Cooperative's alignment with California's redemption needs.

The Dealer Cooperative will encourage members of each community in which it operates to provide input and feedback regarding its services and the impact of these services on the community. The Dealer Cooperative will offer three options for the community to provide feedback:

- A toll-free phone number allowing consumers to report issues and concerns directly to the Dealer Cooperative: (855) CRV-CASH / (855) 278-2274
- A "Customer Feedback" form available on the Dealer Cooperative's website <http://www.circularcrv.org/customer-feedback> that will enable members of the community to communicate electronically with the Dealer Cooperative
- Surveys conducted by the Dealer Cooperative to align with community needs, measure impact and satisfaction, improve existing solutions, and identify new outreach and service opportunities

These mechanisms will ensure equitable access for all community members and provide opportunities for meaningful engagement, consistent with 14 CCR § 2375.4(d).

The Dealer Cooperative will acknowledge receipt of community input submitted through any of the channels above within three (3) business days by e-mail, provided the consumer supplies clear and legible contact information and explicitly requests follow-up. Where appropriate and at the Dealer Cooperative's discretion, valuable comments may prompt follow-up, and a Dealer Cooperative representative may contact the individual for additional input. The Dealer Cooperative will maintain records of all feedback received for a minimum of five (5) years.

15. CONSUMER CONVENIENCE

The Dealer Cooperative is committed to addressing factors that directly impact consumer convenience at all its redemption locations. In compliance with 14 CCR § 2375.4(e), the Dealer Cooperative aims to enhance the redemption experience for consumers, thereby encouraging increased participation and support of California's resource recovery goals by prioritizing safety, cleanliness, parking availability, and accessibility.

A. SAFETY AND CLEANLINESS

At staffed redemption sites, the Dealer Cooperative will maintain operations centered around cleanliness and safety. Dealer Cooperative field staff will perform regular, unannounced site visits to all its locations to ensure the following conditions are met:

- The area surrounding the site is regularly swept to remove debris such as trash and leaves, and the area is pressure-washed as needed to remove any buildup of unwanted substances.
- Collected trash is disposed of in waste bins that are securely sealed, and a sweep of the location is performed at the end of each operating day to ensure the location is left clean while not in operation.
- The site is free of tripping hazards such as uneven asphalt or concrete, cracks, potholes, etc. In the event these hazards exist, ensure the use of safety cones or other barriers to prevent accidents.
- The surrounding parking and operating areas are equipped with ample lighting.
- Implementation and enforcement of safety protocols to minimize queuing, prevent litter and ensure efficient site operations.

The Dealer Cooperative field staff will also perform site visits to unstaffed redemption locations to verify the equipment and surrounding area is operational, clean, and free of damage, debris, and graffiti. If any hazards are noticed during a site visit, the Dealer Cooperative will work closely with the Dealer Member or property management team to promptly resolve any safety concerns. These inspections will also evaluate lighting, signage visibility, and the availability of waste disposal bins, ensuring each site is functional and consumer friendly.

B. PARKING AVAILABILITY

The Dealer Cooperative will ensure sufficient and accessible parking is available to accommodate consumers at staffed redemption sites. These sites will be typically located in larger retail shopping center parking lots or locations with high foot traffic that can accommodate several vehicles and easy traffic flow. Parking accessibility, including access to handicapped parking, will be reviewed during each site visit performed by Dealer Cooperative field staff. Suggestions for improvement will be made as necessary and will be reviewed during subsequent site visits.

Where unstaffed redemption locations are placed, the Dealer Cooperative field staff will ensure that the equipment is easily accessible, and parking is readily available. Any concerns that are noted during these site visits will be communicated to the Dealer Member or to the Dealer Cooperative management staff to resolve promptly.

C. ACCESSIBILITY VIA PUBLIC TRANSPORTATION AND WALKING

To support consumer accessibility, the Dealer Cooperative will prioritize operating redemption sites located near main thoroughfares. These locations will be highly visible and well-suited for consumers that may arrive by public transportation or on foot without the need for additional accommodation.

D. SITE DESIGN AND LAYOUT

To ensure efficiency and ease of use at redemption sites, the Dealer Cooperative will optimize the layout of redemption facilities using directional signage and operating “Best Practices” aimed at facilitating a quick and efficient redemption experience. These will be reviewed and reinforced during regular site visits performed by Dealer Cooperative field staff.

E. CONSUMER FEEDBACK AND IMPROVEMENTS

In alignment with 14 CCR § 2375.4(d), the Dealer Cooperative will solicit consumer feedback to improve the convenience and effectiveness of its redemption network services. Consumers will be encouraged to provide their comments through multiple channels, including:

- Customer feedback forms available online on the Dealer Cooperative website
- Direct contact with a Dealer Cooperative representative via a toll-free phone number displayed at all site locations
- Direct surveys conducted by the Dealer Cooperative

By leveraging these varied outreach mechanisms, the Dealer Cooperative will ensure broader and more immediate collection of valuable insights. All feedback will be reviewed quarterly to identify trends, address concerns, and implement necessary adjustments, ensuring continuous improvements in consumer convenience and satisfaction across the redemption network.

F. COMMITMENT TO CONVENIENCE

By actively addressing opportunities related to consumer convenience, the Dealer Cooperative is dedicated to creating an easy and inclusive CRV-redemption experience in convenience zones where it operates. This commitment will ensure that CRV redemption locations managed by the Dealer Cooperative remain attractive, convenient, accessible, and widely used, driving greater participation by the public in California’s circular resource recovery program.

G. DIGITAL WALLET AND REDEMPTION PAYMENTS

The Dealer Cooperative will explore the integration of a digital wallet solution equipped with redemption payment functionality housed within one unified mobile application to provide consumers with a single, secure, and integrated redemption and payment platform accessible across all Dealer Cooperative redemption sites. This potential solution is intended to enhance consumer convenience by offering secure, cash-equivalent payment options to consumers, while also evaluating whether the introduction of digital payment methods contributes to increased consumer participation in CRV redemption.

The Dealer Cooperative will prioritize consumer security, accessibility, and regulatory compliance with any potential implementation of digital payment systems. To assess the viability of digital payments via mobile application, the Dealer Cooperative will:

- Research and vet third-party service providers with success and specialization in consumer financial applications and transaction management
- Ensure provider compliance with all applicable regulations, including consumer data protection, transaction security, and financial oversight requirements
- Evaluate the impact on consumer experience and accessibility across different redemption methods

Research, Evaluation, and Implementation Timeline

The Dealer Cooperative will conduct an initial evaluation phase followed by a staged research and testing process, ensuring flexibility based on findings and regulatory considerations.

- Phase 1: Research and feasibility. (0–6 months post-Plan approval)
 - Identify financial technology service providers and review available solutions
 - Assess legal and regulatory compliance requirements for digital payment integration
 - Conduct preliminary industry research to evaluate consumer demand and technical feasibility
- Phase 2: Pilot exploration and limited testing. (6–12 months post-Plan approval, if determined feasible)
 - Select pilot locations to evaluate digital payment processing within controlled environments
 - Engage with consumers, retailers, and regulatory stakeholders to gather feedback
 - Ensure data security, compliance testing, and operational safeguards are in place before further expansion

- Phase 3: Broader consideration and potential expansion. (12–24 months post-Plan approval, contingent on pilot results)
 - Assess pilot performance and determine whether to pursue wider implementation
 - Refine technical integration, consumer education, and accessibility measures based on findings
 - Establish final recommendations for long-term digital payment strategies aligned with consumer and regulatory needs

By implementing a phased, research-driven approach to a potential digital wallet offering, the Dealer Cooperative can ensure the solution, if deemed viable, will meet consumer expectations, adhere to all applicable regulatory requirements, and contribute to improving operational efficiencies while helping to improve statewide CRV redemption rates.

16. BEVERAGE CONTAINER REDEMPTION

A. MATERIAL REDEMPTION METHODS

The Dealer Cooperative will utilize the redemption methods below and previously outlined in this Stewardship Plan to ensure acceptance and redemption of all CRV-eligible beverage container materials, in compliance with 14 CCR § 2375.4(f)(1):

- Mobile recycling units will provide staffed, on-site redemption services and will accept all CRV-eligible containers. These units will provide convenient redemption opportunities in unserved convenience zones where Dealer Members operate.
- Single-feed reverse vending machines (RVMs) will provide automated redemption services and will accept aluminum cans, PET-1 plastic bottles, and in some cases, glass bottles. These machines will be strategically located in high-traffic areas in unserved convenience zones to maximize convenience and accessibility.
- Bulk-feed reverse vending machines (RVMs), especially those deployed in a mobile environment, will provide high-capacity, automated redemption by accepting large quantities of CRV-eligible containers in a single infeed simultaneously. These machines will quickly validate, sort, and in some cases, compact materials, reducing wait times for consumers and maximizing storage efficiency for redemption contractors.
- Kiosks will provide staffed redemption services and will accept all CRV-eligible containers. Kiosks will ensure comprehensive redemption opportunities for all container types in unserved convenience zones near Dealer Member locations.
- Bag drop systems will provide streamlined, unstaffed redemption services that allow consumers to redeem all CRV beverage types in pre-printed bags that are dropped off for later processing and redemption, thereby reducing consumer wait times experienced at traditional kiosks or mobile recycling centers. Physical bag drop units will be located in highly visible areas in unserved convenience zones where Dealer Members operate.
- Mobile bag drop units will combine the flexibility of mobile recycling units that can operate in several convenience zones with the functionality of bag drop systems that allow consumers to drop off pre-labeled bags of CRV material for later processing and redemption.
- Recycling depots will provide high-volume redemption services that accept all CRV-eligible material, using single-feed and in-building bulk-feed RVMs, bag drop services, and traditional weigh services.

B. REDEMPTION CAPACITY ASSESSMENT

The Dealer Cooperative is comprised of individual Dealer Members. Collectively, these members sold 1,498,983,579 CRV-eligible units between August 1, 2023, and July 31, 2024. This total serves as the baseline redemption capacity requirement and establishes the minimum

number of containers the Dealer Cooperative must be capable of redeeming annually to maintain compliance with 14 CCR § 2375.4(f)(2).

To assess the redemption capacity of its network, the Dealer Cooperative evaluated each of the innovative methods of recycling it anticipates deploying using two benchmarks:

- Benchmark 1: CalRecycle’s Economic and Fiscal Impact Statement (STD 399) concerning Dealer Cooperatives.⁴ This statement estimated annual containers redeemed per unit (method of recycling) using comments from stakeholders received during informal workshops.
- Benchmark 2: Industry redemption contractor insights. These insights include information provided by redemption contractors partnering with the Dealer Cooperative that currently employ various types of recycling methods, as well as specifications and insights provided by manufacturers of the various technologies the Dealer Cooperative will implement to provide redemption opportunities to consumers for CRV-eligible material.

1. MOBILE RECYCLING

Table 16.1: Mobile Recycling Benchmarks

MOBILE RECYCLING	Annual Container Redemption Capacity	Total Sites Full Operation	Annual Containers Redeemed (Capacity)	Annual Containers Redeemed (%)
Benchmark 1	6,000,000	25	150,000,000	10.01%
Benchmark 2 ⁵	12,138,310	25	303,457,000	20.247%

CalRecycle’s Economic and Fiscal Impact Statement (STD 399) concerning Dealer Cooperatives estimates that a typical mobile recycling redemption option can process approximately 6,000,000 units annually. However, estimates based on actual field conditions, including variations in material composition, compaction levels, and operational handling

⁴ Department of Resources Recycling and Recovery – Dealer Registration and Dealer Cooperatives Permanent Regulations Economic and Fiscal Impact Statement (STD 399) Supplemental Information. Document available at https://www2.calrecycle.ca.gov/Docs/Web/127365&sa=U&ved=2ahUKEwjX2cOy16eLAXU4FVkfHT2oOmgQFnoECAQQAg&usq=AOvVaw2j6_YjRReUrqkdc5n7xoSq.

⁵ Estimates based on 27.71 CRV units in one cubic foot; using one 26-foot box truck with a nine-foot by nine-foot door operating per day; 58,357 units per day, operating 4 days per week, for 52 weeks per year.

practices suggest that 27.71 beverage containers per cubic foot can be reasonably stored in a mobile unit (e.g. box truck).

The capacity metric was developed through empirical analysis of operational data, including:

- Observation of fully loaded mobile recycling vehicles delivering material to certified processors;
- Measurement of total inbound weights by material type (e.g., aluminum, PET, glass);
- Conversion of material weights into estimated container counts using standard units-per-pound assumptions; and
- Calculation of container density relative to the usable storage area within mobile collection vehicles.

This approach ensures that capacity estimates are grounded in actual operating conditions, including material mix, compaction levels, and handling practices.

Applying this approach using one standard 26-foot box truck yields an annual capacity of 12,138,310 units. The Dealer Cooperative has identified, at a minimum, 25 mobile recycling routes it will operate across its network following CalRecycle's approval of its Stewardship Plan. Once deployed, these sites will represent a combined annual redemption capacity of between 150,000,000 and 303,457,000 CRV-eligible units. These figures correspond to an annual redemption potential of between 10.01% and 20.24% of the total number of individual CRV units sold by Member Dealers between August 1, 2023 and July 31, 2024.

Mobile recycling will offer redemption contractors the flexibility to meet consumer demand by rotating operations through multiple unserved convenience zones each week. This adaptability will allow the Dealer Cooperative to position mobile recycling as a scalable first-phase solution to rapidly expand CRV redemption capacity. Mobile recycling will play an integral role in the Dealer Cooperative's initial strategy to provide additional consumer convenience not currently offered in existing unserved convenience zones.

2. SINGLE-FEED REVERSE VENDING MACHINES (RVMs)

Table 16.2: Single-Feed RVM Benchmarks

SINGLE-FEED RVMs	Annual Container Redemption Capacity	Total Sites in Full Operation	Annual Containers Redeemed (Capacity)	Annual % of Containers Redeemed (Capacity)
Benchmark 1	600,000	20	12,000,000	0.80%
Benchmark 2	4,121,280	20	82,425,600	5.50%

CalRecycle's Economic and Fiscal Impact Statement (STD 399) concerning Dealer Cooperatives estimates that a typical single-feed Reverse Vending Machine (RVM) can process

approximately 600,000 containers annually. According to operational specifications of the most common single-feed RVM models manufactured by four potential Dealer Cooperative technology partners, each a worldwide leader in RVM manufacturing, the Dealer Cooperative estimates that a single-feed RVM in its network will have the capacity to process an average of 4,121,280 containers annually.

This estimate considers the average throughput of each of the most common machines in use across multiple markets at 39.75 containers per minute, 8 hours of operating time daily over 360 days a year, and assumes a 40% downtime for maintenance, transaction processing, and other interruptions.⁶

The Dealer Cooperative estimates it will operate 20 single-feed RVMs across its network within 12 months of CalRecycle's approval of its Stewardship Plan. This will represent a combined annual redemption capacity of between 12,000,000 and 82,425,600 CRV-eligible units. These figures correspond to an annual redemption potential of between 0.80% and 5.50% of the total number of individual CRV units sold by Dealer Members between August 1, 2023, and July 31, 2024.

3. BULK-FEED REVERSE VENDING MACHINES (RVMs) – MOBILE DEPLOYMENT

Table 16.3: Bulk-Feed RVM (Mobile) Benchmarks

BULK-FEED RVMs	Annual Container Redemption Capacity	Total Sites in Full Operation	Annual Containers Redeemed (Capacity)	Annual % of Containers Redeemed (Capacity)
Benchmark 1	n/a	n/a	n/a	n/a
Benchmark 2	11,980,800	16	191,692,800	12.79%

CalRecycle's Economic and Fiscal Impact Statement (STD 399) concerning Dealer Cooperatives does not provide a benchmark redemption capacity for bulk-feed reverse vending machines. According to operational specifications provided by multiple manufacturers of bulk-feed RVM equipment, the Dealer Cooperative estimates that each of these units deployed as mobile units within its network will have the capacity to process 11,980,800 containers annually.

This estimate assumes a processing capability of 200 containers per minute spanning 8 operating hours each day for 208 days per year (4 days per week) and assumes a 40% downtime for maintenance, transaction processing, and other interruptions.⁷

⁶ Data based on equipment specifications provided by TOMRA, MachineX, Olyns, and Envipco (January 2025).

⁷ Data based on equipment specifications provided by RecycleTek (February 2025)

The Dealer Cooperative estimates it will operate 16 mobile, bulk-feed RVMs across its network within 12 months of CalRecycle’s approval of its Stewardship Plan. Together, this deployment will represent a combined annual redemption capacity of 191,692,800 CRV-eligible units. These figures correspond to an annual redemption potential of 12.79% of the total number of individual CRV units sold by Dealer Members between August 1, 2023, and July 31, 2024.

4. KIOSKS

Table 16.4: Kiosk Benchmarks

KIOSKS	Annual Container Redemption Capacity	Total Sites in Full Operation	Annual Containers Redeemed (Capacity)	Annual % of Containers Redeemed (Capacity)
Benchmark 1	6,000,000	15	90,000,000	6.00%
Benchmark 2 ⁸	6,788,842 – 13,988,064	15	189,897,113	12.67%

CalRecycle’s Economic and Fiscal Impact Statement (STD 399) concerning Dealer Cooperatives estimates that a typical recycling kiosk can process approximately 6,000,000 containers annually. Recycling kiosks are well-established redemption sites in California, and extensive data is available concerning them. This data allows the Dealer Cooperative to establish more precise benchmarks for total redemption capacity as it deploys its fleet of kiosks within its network.

Pursuant to a California Public Records Act request, CalRecycle provided the Dealer Cooperative with data on the total weight and number of containers redeemed at “Recycling Centers” (kiosks) in rural and urban zones between July 2023 and June 2024. The data indicates that an average rural recycling kiosk redeems 6,788,842 CRV-eligible containers annually, while an urban recycling kiosk redeems 13,988,064 CRV-eligible containers annually. Of the 1,339 kiosks operating during this period, 18.45% (n=247) were located in rural zones, and 81.55% (n=1,092) operated in urban zones. To estimate annual redemption capacity, the Dealer Cooperative applied this same urban-to-rural proportion to its proposed kiosk operations, ensuring an accurate and data-driven approach to capacity planning and deployment.

The Dealer Cooperative estimates it will operate 15 traditional kiosks across its network within 90 days of CalRecycle’s approval of its Stewardship Plan. These kiosks will represent a combined annual redemption ability of between 90,000,000 and 189,897,113 CRV-eligible units, corresponding to an annual redemption potential of between 6.00% and 12.67% of the total

⁸ Data provided by CalRecycle (January 2025) through Public Records Request R002992-011325

number of individual CRV units sold by Dealer Members between August 1, 2023, and July 31, 2024.

While the numbers displayed above are substantial, they do not represent a kiosk's true total redemption capacity, as many currently operating kiosks are limited in both operating hours and days. Additionally, the dataset provided by CalRecycle includes only six months of redemption data encompassing the expanded CRV-eligible containers—such as wine bottles, hard spirits, and boxes—which became eligible for redemption on January 1, 2024. As a result, the actual redemption capacity of kiosks within the Dealer Cooperative network is likely significantly higher than these figures suggest. However, to satisfy the requirements of 14 CCR § 2375.4(f), the Dealer Cooperative has elected to rely solely on the data set provided by CalRecycle.

5. BAG DROP SYSTEMS

Table 16.5: Bag Drop System Benchmarks

BAG DROP SYSTEMS	Annual Container Redemption Capacity	Total Sites in Full Operation	Annual Containers Redeemed (Capacity)	Annual % of Containers Redeemed (Capacity)
Benchmark 1	6,000,000	55	330,000,000	22.01%
Benchmark 2 ⁹	3,689,280	55	202,910,400	13.54%

CalRecycle's Economic and Fiscal Impact Statement (STD 399) concerning Dealer Cooperatives estimates that a standalone bag drop collection unit can process approximately 6,000,000 containers annually. While bag drop systems are not yet widely used in the State of California, they have been successfully deployed in several regions across the United States. Several of the Dealer Cooperative's technology partners manufacture bag drop units, allowing the Dealer Cooperative to leverage manufacturer specifications to develop a more accurate benchmark for estimating annual redemption capacity.

Although bag drop units are typically standalone solutions, the technology can also be integrated into other redemption models, such as mobile recycling, kiosks, and recycling depots, providing alternative consumer engagement opportunities and capturing additional CRV material that might otherwise go unredeemed.

For the purposes of estimating redemption capacity pursuant to 14 CCR § 2375.4(f), the Dealer Cooperative estimates traditional standalone bag drop systems deployed in its network to have an annual capacity of redeeming 3,689,280 CRV-eligible units. This estimate falls below the benchmark set by CalRecycle's Economic and Fiscal Impact Statement, as the Dealer

⁹ Data based on equipment specifications provided by Clynk and MachineX (January 2025).

Cooperative estimates that bag drop collection units employed in its network will be smaller in cubic volume than traditional units placed elsewhere in the nation due to limited space constraints on or near Dealer parking lots. Notably, this number assumes substantial consumer participation once the technology has been fully integrated into the convenience zone it is placed.

The Dealer Cooperative estimates it will operate 90 traditional standalone bag drop systems across its network within 12 months of CalRecycle’s approval of its Stewardship Plan. Placement of these units will represent a combined annual redemption capacity of between 202,910,400 and 330,000,000 CRV-eligible containers. These figures correspond to an annual redemption potential of between 13.54% and 22.01% of the total number of individual CRV units sold by Dealer Members between August 1, 2023, and July 31, 2024.

6. MOBILE BAG DROP SYSTEMS

Table 16.6: Mobile Bag Drop Benchmarks

MOBILE BAG DROP	Annual Container Redemption Capacity	Total Sites Full Operation	Annual Containers Redeemed (Capacity)	Annual Containers Redeemed (%)
Benchmark 1	n/a	n/a	n/a	n/a
Benchmark 2	3,203,200	35	112,112,000	7.48%

Mobile Bag Drop systems allow consumers to deposit pre-filled bags of eligible beverage containers at designated locations during scheduled service windows. These systems are typically deployed using cargo vans, box trucks, or other mobile units equipped to receive, store, and transport bagged materials securely. Collected materials are transported to facilities where bags are sorted, counted, and reconciled. Payment to consumers is issued electronically based on verified container counts, consistent with program requirements.

CalRecycle’s Economic and Fiscal Impact Statement (STD 399) concerning Dealer Cooperatives does not provide a benchmark redemption capacity for mobile bag drop. However, empirical data gathered from a redemption contractor currently operating a mobile bag drop program with one 22-foot cargo van indicates an annual capacity of 3,203,200 units.

The Dealer Cooperative has identified at least 35 mobile recycling routes it will operate across its network after approval of its Stewardship Plan. Once deployed, these sites will represent a combined annual redemption capacity of 112,112,000 CRV-eligible units. This figure corresponds to an annual redemption potential of 7.48% of the total number of individual CRV units sold by Member Dealers between August 1, 2023 and July 31, 2024.

7. RECYCLING DEPOTS

Table 16.7: Recycling Depot Benchmarks

RECYCLING DEPOTS	Annual Container Redemption Capacity	Total Sites in Full Operation	Annual Containers Redeemed (Capacity)	Annual % of Containers Redeemed (Capacity)
Benchmark 1	n/a	n/a	n/a	n/a
Benchmark 2 ¹⁰	63,763,200	9	573,868,800	38.28%

Recycling depots integrate traditional weigh-scale redemption services and innovative technologies, including single and bulk-feed RVMs and bag drop technology, into one physical location. CalRecycle's Economic and Fiscal Impact Statement (STD 399) concerning Dealer Cooperatives does not include benchmark data relevant to recycling depots, and at the time of submission of this Stewardship Plan, only one recycling depot is operating in the State. Therefore, reliable historical data relevant to recycling depots is not yet available. However, recycling depots have been in operation for several years throughout the United States and data from these operations can be used to determine annual redemption capacity of recycling depots within the Dealer Cooperative's proposed network.

The total redemption capacity of a recycling depot is determined by the quantity and type of equipment installed, as well as the daily operating hours of that equipment. Consistent utilization time directly increases a depot's overall redemption capacity. Recycling depots typically incorporate a combination of redemption technologies, including traditional weigh scales, single-feed RVMs, bulk-feed RVMs, and bag drop collection units, all integrated with sorting technology to efficiently process and redeem CRV materials. The Dealer Cooperative estimates that a typical recycling depot within its network will be equipped with one (1) single-feed RVM, one (1) bag drop collection unit, two (2) bulk-feed RVMs, and one (1) weigh scale to maximize operational efficiency and consumer convenience.

Within a recycling depot, the bag drop system operates differently from a traditional standalone bag drop unit. At a recycling depot, consumers can drop off bagged CRV-eligible materials for processing later. The material is then counted and sorted using a bulk-feed RVM to provide the maximum operational efficiency. Therefore, the capacity of this equipment is equivalent to the capacity of a bulk-feed RVM.

Using specifications provided by two globally recognized manufacturers of redemption sorting equipment designed to operate in recycling depots, the Dealer Cooperative estimates a typical

¹⁰ Data based on equipment specifications provided by MachineX, TOMRA (January 2025).

depot in its network will be capable of redeeming 63,763,200 CRV-eligible containers annually, as detailed below:

Table 16.8: Recycling Depot Capacity by Equipment

RECYCLING DEPOT EQUIPMENT	Average Unit Capacity per Minute of Operation	Total Annual Capacity
Single-feed RVM	45	4,665,600
Bulk-feed RVM (2)	125	36,720,000
Bag drop system	125	8,640,000
Weigh scale	100	13,737,600
TOTAL	-	63,763,200

The Dealer Cooperative estimates it will operate 9 recycling depots across its network within 18 months of CalRecycle's approval of its Stewardship Plan, with additional depots planned for operation in subsequent years. These depots will represent a combined annual redemption capacity of 573,868,800 CRV-eligible units, corresponding to an annual redemption potential of 38.28% of the total number of individual CRV units sold by Dealer Members between August 1, 2023, and July 31, 2024.

7. TOTAL REDEMPTION CAPACITY

The table below is an aggregate of each redemption method the Dealer Cooperative expects to deploy and the corresponding calculated capacity of each method. This table demonstrates that, at full operation, the Dealer Cooperative's network is designed to achieve an annual redemption capacity of 1,664,495,663 CRV-eligible containers in optimal conditions, exceeding the baseline requirement established by Dealer Member annual sales of 1,498,983,579 CRV-eligible units. The redemption capacity of 110.50% aligns with the obligation to meet or surpass the minimum redemption volume required under 14 CCR § 2375.4(f).

Table 16.9: Aggregate Redemption Capacity by Method

METHOD OF REDEMPTION	Units Deployed	Benchmark #1	Benchmark #2	Projected Redemption Capacity
Mobile recycling	25	150,000,000	303,457,000	10.01%-20.24%
Single-feed RVM	20	12,000,000	82,425,600	0.80%-5.50%
Bulk-feed RVM	16	n/a	191,692,800	12.79%
Kiosks	15	90,000,000	189,897,113	6.00%-12.67%
Bag drop systems	55	330,000,000	202,910,400	22.01%-13.54%
Mobile Bag Drop	35	n/a	112,112,000	7.48%
Recycling depots	9	n/a	573,868,800	38.28%
TOTAL	175	582,000,000	1,664,495,663	51.61%-110.50%

C. CONSUMER CONVENIENCE

The Dealer Cooperative is committed to ensuring consumer convenience comparable to the requirements of PRC § 14571 and § 14571.9 of the California Beverage Container Recycling and Litter Reduction Act, as defined in 14 CCR § 2370(a)(1) or (2) when fully operational, consistent with the definition of “fully operational” in 14 CCR Section 2370(e). This commitment includes providing either of the following in each unserved convenience zone:

- Operating for a minimum of 30 hours per week, including at least five (5) hours outside traditional business hours (Monday to Friday 9 a.m. to 5 p.m.) or,
- Provide services that include all of the following:
 - At least eight (8) hours per week on one business day (Monday to Friday) and
 - At least five (5) hours per week during periods other than from Monday to Friday from 9 a.m. to 5 p.m. and
 - At least eight (8) hours per week during a Saturday or Sunday.

This commitment also includes providing at least one redemption location in each unserved convenience zone that provides immediate payment of the refund value for a minimum of ten (10) hours per week, including at least five (5) hours on a Saturday or Sunday between 9 a.m. and 5 p.m. and accepting loads up to the daily redemption limits set forth in 14 CCE section 2535(f).

During the first 12 months following approval of its Stewardship Plan, the Dealer Cooperative will rely heavily on mobile recycling units to provide redemption opportunities in unserved convenience zones where its Dealer members operate. These mobile units will operate for at least eight (8) hours per day, including Saturdays and/or Sundays, will operate on a scheduled, consistent route, and will be hosted on Dealer Member premises that can accommodate them. Where a Dealer Member cannot host a mobile solution, the Dealer Cooperative will assess the feasibility of establishing a mobile solution within a one-mile radius of the Dealer Member. These solutions will include one of the following:

- Mobile recycling units operating equivalently to those operating at on-site Dealer member operations, or
- Kiosks operating 30 or more hours per week.

In addition to these mobile and kiosk solutions, the Dealer Cooperative will further improve convenience following the first 12 months of operations through the procurement and implementation of:

- Single-feed and bulk-feed reverse vending machines that provide automated and immediate redemption services for consumers to maximize convenience and accessibility, and
- Bag drop systems, which allow consumers to redeem all CRV-eligible materials. While both attended and unattended bag drops do not provide immediate payment, the Dealer Cooperative will comply with the three (3) working day consumer refund window, and
- Recycling depots, strategically placed to provide comprehensive coverage and serve as consumer-friendly, sustainable redemption hubs

The Dealer Cooperative will ensure transparency by clearly communicating redemption site locations and operating hours through:

- Education and outreach campaign and materials
- Online resources, website, and directory accessible to all consumers

By aligning operations with the standards set forth in 14 CCR § 2370(a), the Dealer Cooperative will ensure compliance with the Beverage Container Recycling and Litter Reduction Act, while delivering accessible, convenient, and sustainable recycling solutions for California.

PART III. PERFORMANCE STANDARDS

STATUTORY CITATION

The following section provides a detailed overview of the requirements outlined in 14 CCR § 2375.6, which specify the necessary performance standards of a Dealer Cooperative Stewardship Plan. These requirements, established by CalRecycle, ensure that stewardship plans are comprehensive, transparent, and compliant with the regulatory framework under the California Beverage Container Recycling and Litter Reduction Act. Each subsection addresses specific elements essential to the effective administration, implementation, and oversight of the Dealer Cooperative's redemption program.

SECTION OVERVIEW

To ensure clarity and consistency, the elements of this section are organized and numbered in accordance with the Model Dealer Cooperative Stewardship Plan document issued by CalRecycle in November 2024.

- 17. Geographic Spread of Redemption Sites [14 CCR § 2375.6(a)]
- 18. Redemption Capacity [14 CCR § 2375.6(b)]
- 19. Redemption Amount [14 CCR § 2375.6(c)]
- 20. Average Wait Time [14 CCR § 2375.6(d)]

17. GEOGRAPHIC SPREAD OF REDEMPTION SITES

The Dealer Cooperative's approach to its geographic distribution of redemption sites is driven by its commitment to equitable access and consumer convenience in unserved convenience zones where Dealers that elect to join the Dealer Cooperative operate. Guided by 14 CCR § 2375.6(a), this Dealer-focused and data-driven placement strategy ensures that easily accessible redemption sites are conveniently placed in unserved convenience zones in which Dealer Members operate.

To meet the requirements of 14 CCR § 2375.6(a), the benchmark criteria for geographic coverage is as follows:

- Whenever possible, the Dealer Cooperative will place one or more redemption methods in the parking lot where each Dealer Cooperative Member operates to maximize consumer convenience pursuant to Public Resources Code sections 14578(a)(2) and 14578.5(c)(3)(A), and subject to the requirements in 14 CCR sections 2370(a), 2375.4(f)(4), and 2375.4(f)(6).
- In the event at least one redemption method cannot be placed in the parking lot of a Dealer Member, the Dealer Cooperative will identify an alternative location within a one mile (1.0) radius of the Dealer Member's place of business where at least one redemption method can operate.
- The Dealer Cooperative anticipates instances where placement of a redemption method either in the parking lot or within a one-mile radius of one Dealer Cooperative Member ("hosting Member") will satisfy the requirements of 14 CCR section 2375.4(f)(3) and (4) for another Dealer Cooperative Member operating within the convenience zone of the first Dealer Cooperative Member ("non-hosting Member").

To guide placement decisions in the case where a Dealer Member cannot accommodate at least one innovative method of redemption, the Dealer Cooperative will leverage geospatial mapping tools, Google Maps, and publicly available U.S. Census 2020 tract data and resources from CalRecycle's Model Cooperative Stewardship Plan¹¹, to identify optimal redemption site locations that provide convenience comparable to the requirements of Section 14571 of the California Beverage Container Recycling and Litter Reduction Act as defined in Section 2370(a).

- Geospatial Mapping Software to layer Census data and incorporate Dealer Member, redemption contractor, and processor locations, as well as other relevant data sets such as visual representations of convenience zones.
- U.S. Census 2020 tract data to determine total population and geographic boundaries within unserved convenience zones

¹¹ California State Geoportal for Location-based Data: <https://gis.data.ca.gov/> and United States Census Bureau Population Data: <https://data.census.gov/profile/California?g=040XX00US06>

- Google Maps to validate proposed site placements, accessibility, and feasibility in urban and rural zones

By combining these various data sets, the Dealer Cooperative will create actionable, descriptive maps that identify gaps in convenience coverage and ensure that each site is placed within a one (1.0) mile radius of the Dealer Member. Each proposed placement will be evaluated for accessibility, visibility, and community compatibility, with adjustments made as needed to align with both regulatory requirements and consumer convenience.

For example, a Dealer Member store situated in a dense urban area may have limited parking lot or sidewalk space, making it unsuitable for hosting a mobile redemption site or other on-site redemption option. Additional considerations regarding the site might need to be addressed such as public safety, sanitation, and potential loitering around the site, which can further complicate placement decisions and impede the success of expanding CRV redemption options. Using data sets and leveraging mapping software, the Dealer Cooperative will help facilitate stakeholder engagement by providing a transparent and easily shareable visual representation of proposed sites for collaboration with Dealer Members, local governments, and community groups.

The Dealer Cooperative will calculate the geographic spread performance standard by establishing that each Dealer Cooperative Member either:

- Has one or more redemption methods placed in its parking lot, or one or more redemption methods placed no further than within a one-mile radius of its place of business; or,
- Is located within a one-mile radius of another Dealer Cooperative Member that has one or more redemption methods placed in the other Dealer Cooperative Member's parking lot or placed within a one-mile radius of the other Dealer Member's place of business.

For each unserved convenience zone in which the Dealer Cooperative will operate, Circular CRV Association will submit a quarterly report that includes the following:

- A list of all Dealer Cooperative Members hosting redemption sites; and for each:
 - The type of redemption method(s) used at each redemption site;
 - The number of redemption method(s) at each redemption site; and
 - The number of redemption sites in the unserved convenience zone where the Dealer Member operates.
- A list of all Dealer Cooperative Members not hosting redemption sites; and for each:
 - The number of redemption sites in the unserved convenience zone where the Dealer member operates; and
 - The distance from the non-hosting Dealer Member to the nearest redemption site within the unserved convenience zone where the non-hosting Dealer Member operates.

By leveraging data-driven strategies and fostering collaboration among Dealer Members, community groups, and the public, the Dealer Cooperative will ensure a convenient, efficient and consumer-focused redemption network. This adaptive approach not only ensures

compliance with 14 CCR § 2375.6(a) but also reflects the Dealer Cooperative's commitment to sustainability, equity, and consumer convenience while addressing the diverse needs of urban, suburban, and rural convenience zones.

18. REDEMPTION CAPACITY

The Dealer Cooperative is committed to developing and maintaining a redemption network capable of redeeming, at a minimum, 100 percent of the beverage containers sold by Dealer Members into the unserved convenience zones where they operate. As outlined in Section 16 of this Stewardship Plan, the Dealer Cooperative's redemption network must redeem approximately 1.50 billion beverage containers annually to comply with 14 CCR § 2375.4(f)(2).

Achieving this scale of redemption capacity in the Dealer Cooperative network requires the strategic deployment of high-capacity equipment and innovative redemption methods designed to maximize container intake, transaction efficiency, and most importantly consumer convenience. Mobile recycling units, single and bulk-feed RVMs, bag drops, and depots are scalable solutions that can be tailored to the unique capacity needs of each convenience zone and will provide fast, reliable, and engaging redemption experiences that minimize wait times and enhance overall consumer satisfaction.

A. EQUIPMENT OPERABLE TIME

The Dealer Cooperative recognizes that the effectiveness of high-capacity solutions largely depends on their continuous functionality and accessibility. To ensure this continuous functionality, the Dealer Cooperative will actively monitor daily redemption activity across all unserved convenience zones where the Dealer Cooperative operates and will use a benchmark of 98% operable time across its network, excluding interruptions resulting from normal operations and maintenance, and interruptions caused by natural disasters or unsafe operating conditions, as its measure of success.

Equipment malfunctions or interruptions in regular recycling schedules can reduce redemption capacity by limiting consumer access. Identifying and immediately addressing potential service disruptions is critical to ensuring network success. When disruptions occur, the Dealer Cooperative will promptly investigate the cause, work with its redemption contractor partners where applicable to resolve the issue, and implement corrective measures such as reallocating resources, increasing staffing levels, or deploying alternative methods of redemption to address service gaps.

To measure network performance to the 98% operable time benchmark and thereby ensure a 100% redemption capacity for each unserved convenience zone, the Dealer Cooperative will measure the redemption capacity performance standard for each unserved convenience zone in which its dealer members operate by assessing and reporting quarterly to the Department the following information:

- Measurement of Redemption Site Capacity:
 - The type and quantity of redemption method(s) deployed at each Dealer Member location;
 - The redemption capacity by quarter of each of the redemption method(s) deployed at each Dealer Member location, as submitted in Section 16 of the Dealer Cooperative Stewardship Plan;

- Calculating the total capacity for all redemption methods at a redemption site by aggregating each machine's quarterly capacity, presented as a number.
- The total number of CRV units sold by each Dealer Member each quarter, presented as a number.
- Compare the quarterly redemption capacity by location to the quarterly number of CRV units sold by location, presented as a percentage.
- Aggregate both the quarterly redemption capacity at all locations and the total number of CRV units sold by all locations, presented as a percentage.

The Dealer Cooperative will also foster a culture of self-reporting and encourage prompt notification of service disruptions. This ensures timely corrective actions and minimizes impact on consumers. By maintaining a proactive approach to management of the entire network, coupled with collaboration, the Dealer Cooperative will ensure its redemption network remains fully operational and capable of meeting the 100 percent redemption capacity standard required under 14 CCR § 2375.6(b).

19. REDEMPTION AMOUNT

Pursuant to 14 CCR § 2375.6(c), the Dealer Cooperative is committed to developing CRV redemption infrastructure and operational support to achieve, at a minimum, an 80 percent redemption rate for beverage containers sold by Dealer Members in unserved convenience zones.

Achieving this redemption rate requires the Dealer Cooperative to invest in and strategically deploy high-capacity equipment and innovative redemption methods designed to maximize beverage container intake, transaction efficiency, and overall consumer participation. In the near term, the Dealer Cooperative will prioritize the immediate deployment of easily deployable solutions such as mobile recycling units and kiosks, offering convenient, fast, and reliable redemption options tailored to the specific needs of each unserved zone to achieve compliance. Over the long term, the Dealer Cooperative will expand its network by investing in and introducing high-capacity redemption systems, including integrative bag drop programs, single-feed and bulk-feed RVMs, and recycling depots equipped with advanced technologies, ensuring scalable growth and compliance with the required 80% redemption rate. By introducing and scaling high-capacity redemption methods and enhancing operational efficiency, the Dealer Cooperative will drive consumer participation and improve redemption rates across unserved convenience zones.

To complement its high-capacity equipment strategy, the Dealer Cooperative will execute targeted outreach and advertising campaigns to raise consumer awareness of available redemption opportunities and encourage community participation rates within the Dealer Cooperative's network. As detailed in Section 12 of this Stewardship Plan, this outreach will include community engagement, educational materials, and promotions via traditional and digital media.

To further ensure progress toward achieving the 80 percent redemption goal, Dealer Cooperative field staff will conduct regular site visits and provide real-time oversight. During these visits, field staff will monitor site performance by reviewing daily redemption data, equipment functionality, and transaction efficiency to identify and resolve any operational issues that could hinder redemption capacity. The Dealer Cooperative will collaborate with redemption contractors to troubleshoot equipment malfunctions, optimize site layout to increase throughput, identify potential opportunities for increased community awareness and outreach, and address staffing needs to minimize wait times and maximize container intake. Field staff will also evaluate consumer interactions and satisfaction levels, offering recommendations for improvements in service or additional staff training as necessary. Finally, field staff will compile their findings during each visit in order to assess progress made during subsequent visits.

By addressing and documenting these key areas, the Dealer Cooperative will ensure its redemption network remains fully functional, consumer-friendly, and capable of supporting long-term growth aimed at achieving the 80 percent redemption target. These combined outreach and oversight efforts will drive consumer participation and ensure compliance with 14 CCR § 2375.6(c).

To measure progress and ensure compliance with redemption requirements, the Dealer Cooperative will submit quarterly reports to CalRecycle that detail redemption performance for each convenience zone. For each unserved convenience zone, these reports will include:

- Total CRV units redeemed by each method of recycling measured
- Total CRV units sold by Dealer Members in each convenience zone
- Comparison of these two measures

These reports will assist the Dealer Cooperative in identifying convenience zones with consistent redemption rate underperformance. This visibility will allow for recommendations for improvements to infrastructure, staffing, or outreach to enhance redemption rates and service reliability. The Dealer Cooperative will partner closely with redemption contractor partners as well as CalRecycle to implement targeted strategies to address gaps and improve redemption rate outcomes where appropriate. By maintaining a proactive and collaborative approach to maximizing redemption in its network, the Dealer Cooperative can ensure success while supporting California's recycling goals.

20. AVERAGE WAIT TIME

Pursuant to 14 CCR § 2375.6(d), the Dealer Cooperative is committed to ensuring a positive consumer experience by maintaining quick and efficient redemption transactions with acceptable consumer wait times.

The Dealer Cooperative has established a benchmark for consumer wait times by combining findings from a 2018 study conducted by CalRecycle and the Regents University of California with proprietary data gathered from internal surveys conducted in early 2025 among the Dealer Cooperative's redemption contractor and manufacturer partners. The CalRecycle study, presented to the California State Legislature, found that consumers using staffed recycling centers experienced an average wait time of 10 minutes per transaction and indicated a willingness to wait up to 16 minutes to redeem their material¹². The Dealer Cooperative's internal surveys, conducted in January 2025 with redemption contractor partners and manufacturers, provided critical insights into consumer redemption behaviors, transaction patterns, and recycling equipment utilization across the state. These findings confirmed that wait times are largely determined by the volume of customers and the availability of staff to assist them. These internal surveys revealed that consumer wait times across the Dealer Cooperative's partnership network were approximately 10 minutes¹³ per transaction, a benchmark consistent with established CalRecycle research presented to the California State Legislature.

By aggregating these datasets from key stakeholders in the California redemption ecosystem, the Dealer Cooperative has set its benchmark for acceptable consumer wait times in its network at between five (5) and ten (10) minutes.

The Dealer Cooperative will assess average wait times across its redemption network through direct monitoring during on-site visits as well as through consumer feedback. Wait times will be measured by using time-stamped observations, queue counting, and built-in transaction logs from automated systems like RVMs and kiosks. These efforts will be supplemented with consumer feedback gathered through feedback forms submitted by consumers via the Dealer Cooperative's website. The Dealer Cooperative will also standardize best practices in both consumer-facing processes and internal operations to ensure consistency and efficiency across the network, with the goal of further reducing consumer wait time throughout its network.

To measure network performance against the five (5) to ten (10) minute benchmark, the Dealer Cooperative will submit quarterly reports to CalRecycle that detail consumer wait-time performance across its network. These reports will include:

- Average wait times observed at redemption sites by Dealer Cooperative field staff
- Any relevant feedback received by consumers through feedback forms

¹² Peter Berck et al., *Convenient Beverage Container Recycling in California: A Report to the California State Legislature*, Regents of the University of California, July 2, 2018. Prepared pursuant to agreement DRR15053 with CalRecycle.

¹³ Aggregate calculation of Circular CRV Association internal surveys conducted in January 2025 with redemption contractor and manufacturer partners.

- An analysis of all sites exceeding the ten (10) minute maximum benchmark wait time, and any operational improvements or resource adjustments made to reduce it. Factors that will be considered when making any adjustments include, but are not limited to:
 - Adding additional high-capacity redemption methods
 - Adding experienced staff to speed processing time
 - Adjusting daily operating hours
 - Adding additional redemption sites within the convenience zone

The Dealer Cooperative will identify and address factors that increase consumer wait times. Where feasible, the Dealer Cooperative will actively engage with relevant stakeholders and other industry partners to make operational improvements to streamline the redemption process and enhance efficiency and consumer satisfaction. This commitment will help ensure a faster, more efficient, and consumer-focused redemption process while maintaining compliance with 14 CCR § 2375.6(d).

PART IV. BUDGET

STATUTORY CITATION

The following section provides a detailed overview of the requirements outlined in 14 CCR § 2375.8, which specify the necessary budget and funding requirements of a Dealer Cooperative Stewardship Plan. These requirements, established by CalRecycle, ensure that stewardship plans are comprehensive, transparent, and compliant with the regulatory framework under the California Beverage Container Recycling and Litter Reduction Act. Each subsection addresses specific elements essential to the effective administration, implementation, and oversight of the Dealer Cooperative's redemption program.

SECTION OVERVIEW

To ensure clarity and consistency, the elements of this section are organized and numbered in accordance with the Model Dealer Cooperative Stewardship Plan document issued by CalRecycle in November 2024.

- 21. Anticipated Costs [14 CCR § 2375.8(a)]
- 22. Funding Level and Reserves [14 CCR § 2375.8(b)]

21. ANTICIPATED COSTS

In accordance with 14 CCR § 2375.8, the Dealer Cooperative has developed a comprehensive budget to support the administration and implementation of its Stewardship Plan. The Dealer Cooperative raises revenue by assessing annual membership fees on its Dealer Members, which are collected and renewed at the start of each calendar year under the terms of a membership agreement. These fees are designed to exclusively support the operation and administration of the Dealer Cooperative and its related activities, ensuring the successful execution of its obligations as defined by the California Beverage Container Recycling and Litter Reduction Act.

The accompanying budget table in *Exhibit H* provides an itemized list of anticipated costs, as required under 14 CCR § 2375.8(a). These costs cover key categories defined in 14 CCR § 2381(c)(6), such as program administration, outreach, education, and compliance activities. The table details the monetary amounts allocated for each category and outlines how the funds have been used since January 1, 2025, and how they will be used through June 2026 to achieve the objectives of the Stewardship Plan.

The Dealer Cooperative is committed to responsibly managing its financial resources and delivering practical, effective solutions to meet the state's CRV redemption goals.

22. FUNDING LEVEL AND RESERVES

The Dealer Cooperative's funding mechanism of assessing yearly membership fees on member participants is designed to provide a balanced and fair distribution of costs allocated to Dealer Members while incentivizing Dealer participation in providing consumers with convenient and accessible redemption opportunities. This structure supports the Dealer Cooperative's long-term sustainability and encourages ongoing collaboration with Dealer Members. The Dealer Cooperative estimates necessary annual funding of \$3,000,000 to operate its Stewardship Plan.

Pursuant to 14 CCR § 2375.8(b), the Dealer Cooperative has established a funding strategy designed to prudently and responsibly cover its budgeted costs while maintaining adequate monetary reserves. These reserves are critical to ensuring the Dealer Cooperative's ability to operate proactively and sustainably while buttressing against unforeseen operating deficits. The initial reserve amount to be set aside in the first year of the Dealer Cooperative's operations is targeted at \$500,000, funded in the first financial quarter of 2025, as shown in the table above.

In the very unlikely event that no Dealer Member renews their membership at the end of 2025, the Dealer Cooperative projects a structural deficit of approximately \$1,500,000 on January 1, 2026, for operations throughout 2026, as detailed in Table 22.1 below:

Table 22.1: Monetary Reserve Funds

MONETARY RESERVE FUNDS	Amount (\$, '000s)
Anticipated Operating Costs <i>January 1, 2025 – December 31, 2025</i>	3,095
Operating Surplus <i>December 31, 2025</i>	33
Budget Reserve <i>December 31, 2025</i>	510
Total Cash on Hand <i>December 31, 2025</i>	643
Surplus / (Deficit) <i>January 1, 2026</i> <i>(excludes one-time expenses in Yr 1)</i>	(1,507)

In such a scenario, the Dealer Cooperative would take immediate measures to reduce operating expenses beginning January 1, 2026, and adjust operations to mitigate the deficit without

affecting services offered to the consumer. Structural deficits caused by this or any other reason will be addressed through several means, including the assessment of supplemental membership fees to participating Dealers at a level that will cover the full amount of the deficit, budget adjustments, cost reductions, or additional funding mechanisms approved by the Dealer Cooperative's Board of Directors, ensuring the program remains sustainable and effective for its members and the consumer. The Dealer Cooperative does not anticipate such an outcome, as enhanced regulatory enforcement is expected to drive additional Dealers Members to join the Dealer Cooperative.

Conversely, surplus operating funds generated through operations will be reinvested into program enhancements that are approved by the Dealer Cooperative's Board of Directors. These investments may include website enhancements to provide better access to redemption information, hiring additional staff to support operations and outreach, expanding community engagement programs to increase CRV awareness and participation, and acquiring capital assets with the goal of assisting redemption contractors to reduce operating expenses while providing redemption opportunities in unserved convenience zones on behalf of Dealer Members.

Grant Funding

The Dealer Cooperative's annual budget estimate does not include any revenue from grant funding. However, the Dealer Cooperative is pursuing a long-term funding strategy that includes applying for public and private grant opportunities to support the deployment, operational, and management costs of its CRV redemption network.

Public funding opportunities, such as CalRecycle's Beverage Container Redemption Innovation Grant program (RIG), will be a key component of the Dealer Cooperative's strategy. RIG grants support start-up costs for innovative redemption solutions that align with the Dealer Cooperative's redemption strategy, such as mobile recycling units, bag drop systems, and scalable long-term investments like high-capacity redemption depots and automated technologies. RIG grants are typically reimbursable, requiring upfront costs to be covered before reimbursement. To accommodate this, the Dealer Cooperative anticipates it will, at times, deploy its reserve funds to bridge the financial gap by covering eligible expenses such as equipment acquisition and deployment costs. Once assets are acquired, redemption contractors' financial burden will be significantly reduced, enabling the rapid expansion of consumer access to CRV redemption opportunities according to the Dealer Cooperative's operational timeline.

By securing and managing public grant funding the Dealer Cooperative can ensure the financial sustainability and efficient statewide deployment of scalable, consumer-focused redemption sites. The Dealer Cooperative's strategy of securing public funding will reduce operating expenses while maximizing the impact of public funds. The result will be a more sustainable, efficient, and innovative redemption network that expands access and drives long-term growth across California.

To complement public funding, the Dealer Cooperative will seek private funding from philanthropic organizations, foundations, and other non-governmental entities aligned with its

mission. Private funding will help bridge gaps in public funding by supporting projects that expand community access to CRV redemption, invest in critical infrastructure, and drive innovation in public goods. These additional funds will strengthen the Dealer Cooperative's ability to acquire essential assets, implement targeted consumer outreach programs, and maintain financial sustainability and operational readiness. By engaging the private sector and civil society organizations, the Dealer Cooperative can leverage shared responsibility for environmental stewardship and maximize contributions from key stakeholders committed to developing sustainable, long-term recycling infrastructure across California, driving progress toward a more sustainable future.

By diversifying its funding sources through a combination of public and private grant opportunities, the Dealer Cooperative will reduce its reliance on any single funding stream, creating a resilient financial foundation for a next-generation recycling infrastructure network in California. This network will be capable of adapting to evolving market and political conditions and while ensuring long-term sustainability and growth.

The Dealer Cooperative is committed to accountability and proper communication throughout the grant funding and implementation process, meeting all requirements established by CalRecycle and other public funding sources. For private grant funding, the Dealer Cooperative will provide appropriate acknowledgment of the philanthropic organization or grant source in its quarterly and annual reports. The Dealer Cooperative is dedicated to delivering innovative and financially sustainable CRV redemption opportunities that advance California's ambitious resource recovery and environmental stewardship goals.

PART V. RECORDKEEPING PROCESSES

STATUTORY CITATION

The following section provides a detailed overview of the requirements outlined in 14 CCR § 2380, which specify the recordkeeping requirements of a Dealer Cooperative Stewardship Plan. These requirements, established by CalRecycle, ensure that stewardship plans are comprehensive, transparent, and compliant with the regulatory framework under the California Beverage Container Recycling and Litter Reduction Act. Each subsection addresses specific elements essential to the effective administration, implementation, and oversight of the Dealer Cooperative's redemption program.

SECTION OVERVIEW

To ensure clarity and consistency, the elements of this section are organized and numbered in accordance with the Model Dealer Cooperative Stewardship Plan document issued by CalRecycle in November 2024.

- 23. Records of Redemption Transactions [14 CCR § 2380(b)]
- 24. Location of Records [14 CCR § 2380(f)(1)]

23. RECORDS OF REDEMPTION TRANSACTIONS

A. BEVERAGE CONTAINER TRANSACTIONS

The Dealer Cooperative will ensure that all beverage container redemption transactions are properly prepared and retained in accordance with 14 CCR § 2380(b). To do this, the Dealer Cooperative will gather, legibly record, and store the following information for each CRV redemption transaction conducted on behalf of the Dealer Cooperative:

Consumer Details

- First name
- Last name
- Signature
- If the redemption transaction is completed using an unstaffed RVM or bag drop, the consumer's name and 'signature consent' obtained at the time the consumer initiated their digital account with the Dealer Cooperative will serve as the consumer's name and signature.

Transaction Details

- Date of the transaction
- Address of the transaction location
- Method of redemption (e.g., RVM, bag drop, etc.)
- Total payment amount made to the customer, by material type

For any non-CRV-eligible material received from consumers at any redemption site, the Dealer Cooperative will ensure to record and maintain the following information for each non-CRV transaction:

- Date the material is received
- An explanation for the refund value not being paid to a customer (e.g., system failure, material ineligibility for refund, unidentifiable customer)
- Total weight or count of materials by material type
- Explanation of how the material received was managed
- The amount of scrap value paid to the customer, if any

B. REDEMPTION TRANSACTION RECORD AUDITS

During unannounced site visits to locations operating on its behalf, Dealer Cooperative field staff will conduct regular audits of redemption transaction records. These audits will ensure all transactions recorded on behalf of the Dealer Cooperative are in full compliance with the

requirements outlined in 14 CCR § 2380(b). During each visit, field staff will review individual transaction records spanning a minimum (3) three-week period.

Records found to be out of compliance will be promptly addressed and a formal warning will be issued specifying the corrective actions needed. If there is a continued failure to comply with the recordkeeping requirements at any point within the succeeding twelve (12) months, the Dealer Cooperative will begin employee termination procedures in accordance with the governing law, or, in the case where a redemption contractor fails to comply, the Dealer Cooperative will issue a formal "Notice to Terminate Partnership." This notice will be communicated to CalRecycle as required by regulatory guidelines.

24. LOCATION OF RECORDS

The Dealer Cooperative is required to comply and to ensure that its redemption contractors adhere to all requirements set forth in 14 CCR § 2380(e) regarding the storage of beverage container redemption transactions.

As part of their agreement with the Dealer Cooperative, redemption contractor partners will securely store all original redemption transaction records at the physical redemption site, or at alternative offsite facilities and will be required to notify the Dealer Cooperative of the storage location. While each redemption contractor partner follows its own established record-keeping practices, the Dealer Cooperative will strictly enforce that records of all CRV transactions completed on its behalf are also maintained by the redemption contractor partner in physical paper form, even if initially generated electronically, to comply with regulatory requirements. Partner compliance with these record retention standards is critical to the Dealer Cooperative's oversight, regulatory compliance, and the overall success of its redemption network.

Records of all redemption transactions will be protected from debris, moisture, contamination, exposure to hazardous waste, fire, and theft. Additionally, records of transactions performed on behalf of the Dealer Cooperative will be kept separate from non-Dealer Cooperative transactions. Audits will be performed regularly by Dealer Cooperative field staff to ensure compliance with the requirements outlined in 14 CCR § 2380(e).

Pursuant to 14 CCR § 2380(f)(1), the Dealer Cooperative will ensure CalRecycle will have immediate access to CRV transaction records. For onsite audits at redemption sites performed by CalRecycle, original records are required to be available for immediate review upon request. Additionally, records of any CRV redemption transactions will be made available, upon request from CalRecycle, at the following locations:

1. Circular CRV Association
1005 12th Street Lower 1
Sacramento, CA 95814
2. Circular CRV Association
1020 N Lake Street
Burbank, CA 91502

The Dealer Cooperative will ensure delivery of any record requested by CalRecycle within (10) days of the request being made. Additionally, the Dealer Cooperative will ensure all beverage container redemption records will be retained by the Dealer Cooperative's redemption contractor partners for a minimum period of five (5) years as required under 14 CCR § 2085(b).

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APPENDIX

EXHIBIT A: IRS Determination Letter

EXHIBIT B: Articles of Incorporation

EXHIBIT C: List of Dealer Cooperative Members

EXHIBIT D: Redemption Sites in Unserved Convenience Zones

**EXHIBIT E: Recycling Centers Where Dealer Cooperative Ships
Materials**

EXHIBIT F: Dealer Cooperative Processors

EXHIBIT G: Dealer Cooperative Redemption Sites

EXHIBIT H: Budget Estimate FY2025-2026

