



September 15, 2026

NOTICE

To: All Interested Parties

Subject: Quarter 4 of 2026 (October through December) Processing Payment Adjustments

Section 14575 of the Public Resources Code (PRC) requires the Department of Resources Recycling and Recovery (CalRecycle) to establish a processing payment for any beverage container type that has a scrap value less than the cost of recycling. This notice announces there will be an adjustment to the processing payment for glass and #2 HDPE, effective October 1, 2026. There will be no adjustment to the processing payment for #1 PET. Table 1 of Attachment 1 provides details on the inputs used to calculate the processing payments adjustments.

Pursuant to PRC Section 14575, the calculations of the processing payments are based on the difference between the scrap values offered to recyclers and the sum of the actual costs of recycling for certified recycling centers, excluding centers receiving handling fees, plus a reasonable financial return. [Senate Bill 353 \(Dodd, Chapter 868, Statutes of 2023\)](#) amended the process of how the quarterly adjustment to the processing payment is determined. CalRecycle may make an adjustment to the processing payment not more than once every three months using the preceding 3-month or 12-month average scrap value, whichever is lower. The scrap values used to calculate the processing payments for the Quarter 4 of 2026 (October through December 2026) are based on the average scrap values paid to recyclers for the 3-month period between April 1, 2026, and June 30, 2026, and for the 12-month period between July 1, 2025, and June 30, 2026.

As the average glass and #2 HDPE scrap values for the 3-month period (April 1, 2026, through June 30, 2026) are lower than both the 12-month period (July 1, 2025, through June 30, 2026) and the values used to determine the current processing payment, the processing payment for glass and #2 HDPE will be adjusted effective October 1, 2026.

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The average scrap value for #1 PET for the 3-month period (April 1, 2026, through June 30, 2026) and 12-month period (July 1, 2025, through June 30, 2026) is not lower than the scrap value used to determine the current processing payments, effective July 1, 2026. If adjusted, the processing payment for #1 PET would decrease. Therefore, CalRecycle has determined not to adjust the processing payment for #1 PET. Processing payments for bimetal and plastics #3 through #7 are not being adjusted, as the scrap values for these container material types are highly volatile and based on small volumes.

Table 1 displays the scrap values used to determine the processing payments adjustments. Table 2 displays the estimated payment differences resulting from the adjusted glass and #2 HDPE processing payments.

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

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

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

Sincerely,

Zoe Heller
Director

Attachments (2)

Attachment 1

Table 1. Estimated Processing Payments

	Glass	#1 PET	#2 HDPE
Scrap Value Basis for Current Processing Payment	\$1.45	\$76.56	\$244.18
3-Month Avg (April 2026 – June 2026)	\$0.11	\$146.81	\$182.16
12-Month Avg (July 2025 – June 2026)	\$3.06	\$120.07	\$230.11
Lowest Scrap Value	\$0.11	\$76.56	\$182.16
Scrap Value Percent Change	-92.41%	0.00%	-25.40%
Current Processing Payment per Ton (Effective 7/1/2026)	\$257.07	\$677.25	\$1,292.40
Calculated 4th Quarter Processing Payment per Ton	\$258.41	\$677.25	\$1,354.42
Current Processing Payment per Pound (effective 7/1/2026)	\$0.12854	\$0.33862	\$0.64620
Calculated 4th Quarter Processing Payment per Pound	\$0.12921	\$0.33862	\$0.67721
Percent Change to Processing Payment/Pound	0.52%	0.00%	4.80%
Processing Payment per Pound Effective 10/1/2026	\$0.12921	\$0.33862	\$0.67721

Table 2. Estimated Annualized Processing Payments

	Glass	#1 PET	#2 HDPE
Estimated Current PP Payout	\$131,996,264	\$95,043,990	\$7,098,224
Estimated Adjusted PP Payout	\$135,180,056	\$133,906,422	\$7,753,003
Difference (For Year)	\$3,183,792	\$38,862,432	\$654,778
Difference (For Remaining Quarter)	\$795,948	\$9,715,608	\$163,695

Attachment 2

4th Quarter 2026 Processing Payments for Recyclers

(Effective October 1, 2026)

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