



Segregated & Commingled Rates Frequency of Calculation & Revision



Welcome

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Our Goal

To ensure payment of the most accurate segregated and commingled rates feasible in order to properly compensate consumers and industry, and to protect the solvency and integrity of the California Redemption Value (CRV) Fund.



Rate Calculation Goals

Minimum Goal:

95% Confidence Level

5% Error Rate

For Highest Value Materials:

99% Confidence Level

1% - 2% Error Rates



Getting Data to Calculate Rates

Conduct field research and surveys to gather data and information related to materials and containers at:

- **Recycling Centers (RCs)**
- **Reverse Vending Machines (RVMs)**
- **Curbside Programs (CSs)**
- **Collection and Drop-Off Programs (CPs)**
- **Community Service Programs (SPs)**



Field Surveys & Research

Randomly chosen recycling sites and facilities are surveyed twice during the survey year to acquire needed data:

- Aluminum 32,000 containers
- Glass 36,000 containers
- HDPE 18,000 containers
- PET 61,000 containers

Total 150,000 containers annually



Field Surveys & Research

Field surveys and data collection are performed between October 1 of one year to September 30 of the next year to calculate and publish rates for the following year beginning January 1.



Rate Calculation History

2007 to 2013

Recycling Center Rates (2007-2013)



RVM Rates (2007-2013)

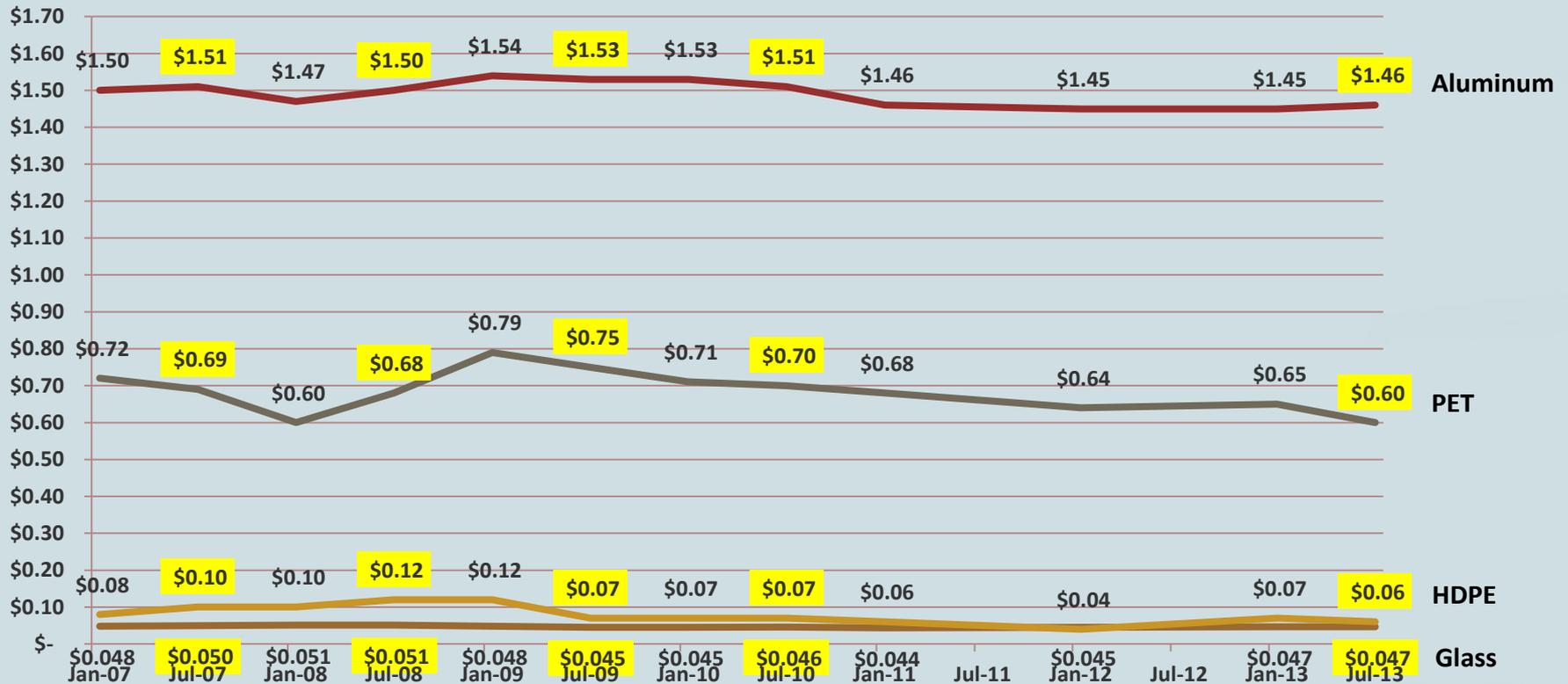




Curbside Rates (2007-2013)



CP Rates (2007-2013)



SP Rates (2007-2013)





Rate Conclusions

The value of most program material stays relatively consistent from year to year, with trends evident over time.

Mid-year rates adjustments might benefit some consumers and industry stakeholders; however, redemption rates can be adjusted down as well as up.



Regulations & Statutes

There are statutes and regulations that determine how often we calculate and publish rates for various recycling programs.



Regulation

**California Code of Regulations - Title 14. Natural Resources
Division 2. Department of Resources, Recycling & Recovery (CalRecycle)
Chapter 5: Division of Recycling - Sub-Sections 2900 & 2920**

“ . . . The Division shall provide notice of any change pursuant to Section 14560 of the Act to the redemption payment or refund value per container . . . Notice shall be given no less than 30 days prior to the effective date of the change . . . ”



Statute

California Beverage Container Recycling & Litter Reduction Act

Section: 14549.5

“ . . . before the 90th day after the effective date of the act amending this section, and annually thereafter, or more frequently as determined to be necessary by the department, the department shall review and, if necessary in order to ensure payment of the most accurate commingled rate feasible, recalculate commingled rates . . . ”



Rate Change Question

California Beverage Container Recycling & Litter Reduction Act

Section: 14549.5

“... and annually thereafter, or more frequently as determined to be **necessary** by the department . . . ”



Rate Change Question

What does “necessary” mean
as it relates to recycling program rates?



Rate Calculation Options

- **Once Annually** Rates change 1/1 only
 - **Mid-year Adjustment** Rates change 1/1 & 7/1
 - **Quarterly** Rates change 1/1, 4/1, 7/1, & 9/1
 - **Threshold Changes** Rates change when a particular threshold is met
 - **Other?**
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Questions / Comments