DEPARTMENT OF CONSERVATION

DIRECTOR'S OFFICE

801 K STREET • MS 24-01 • SACRAMENTO, CALIFORNIA 95814

PHONE 916 / 322-1080 • **FAX** 916 / 445-0732 • **TDD** 916 / 324-2555 • **WEB SITE** conservation.ca.gov

December 15, 2009

NOTICE

To: **All Interested Parties**

Subject: **2010 Processing Payments**

Section 14575 of the Public Resources Code (PRC) requires the Department of Conservation (Department) to establish a processing payment for any beverage container type that has a scrap value less than the cost of recycling.

The Department makes processing payments to processors. Processors pay recyclers the entire processing payment. This notice announces the 2010 processing payments.

Pursuant to PRC Section 14575, the calculation of the 2010 processing payments is 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. Scrap values are based on the average scrap values paid to recyclers for the period between October 1, 2008, and September 30, 2009.

Due to the inadequacy of monies in the Beverage Container Recycling Fund to make all the payments specified in PRC Sections 14575 and 14581, the Department was required to proportionally reduce by 100 percent all transactions that occur on and after November 1, 2009. The new 2010 processing payments will continue to include the 100 percent proportionate reduction.

The processing payments shown below become effective January 1, 2010.

2010 Processing Payments per Pound Redeemed (effective January 1, 2010)	
Glass	$0.03344
Plastic	
#1 – PET (Polyethylene Terephthalate)	$0.12472
#2 – HDPE (High Density Polyethylene)	$0.10388
#3 – PVC (Polyvinyl Chloride)	$0.41731
#4 – LDPE (Low Density Polyethylene)	$0.59478
#5 – PP (Polypropylene)	$0.53449
#6 – PS (Polystyrene)	$0.32514
#7 – Other	$0.36220
Bi-metal	$0.32726

Table 1, attached, shows the following detailed information for glass, plastic, and bimetal beverage containers:

- The cost of recycling
- The scrap value paid to recyclers
- The processing payment (if any)

To review notices of changes impacting participants in the beverage container recycling program, please visit the Department's Beverage Container Recycling Program website at www.consrv.ca.gov/dor/index.htm or call the Division of Recycling at (916) 323-3836.

For further information on the determination of processing payments, please contact Mr. Hieu Le, Operations Branch, Division of Recycling, at (916) 323-1493. If you have any questions concerning processing payment reporting requirements or completion of the DR-6, please contact the Recycler Training and Review Section at (916) 323-3008.

Bridgett Luther
Director

Attachment

Table I
2010 Processing Payments
Effective January 1, 2010
Glass, Bimetal and Plastic

	Glass	Plastic							Bimetal
		PET	HDPE	Vinyl	LDPE	PP	PS	Other	
Cost of Recycling per Ton with Reasonable Financial Return	$86.30	$451.34	$530.57	$834.62	$1,190.65	$1,068.17	$661.63	$724.92	$668.64
Scrap Value per Ton	$6.06	$188.95	$199.97	$0.00	$1.08	($0.82)	$11.36	$0.52	$14.12
Processing Payments to Recyclers									
Processing Payment Per Ton Redeemed	$80.24	$262.39	$330.60	$834.62	$1,189.57	$1,068.99	$650.27	$724.40	$654.52
Processing Payment Per Ton Redeemed after 100% Proportional Reduction	$66.87	$249.44	$207.77	$834.62	$1,189.57	$1,068.99	$650.27	$724.40	$654.52
Processing Payment Per Pound Redeemed (To be used on DR6)	**$0.03344**	**$0.12472**	**$0.10388**	**$0.41731**	**$0.59478**	**$0.53449**	**$0.32514**	**$0.36220**	**$0.32726**

Intentionally left blank