

**Table 5
The Outlook for Diversion and Recycling**

Category		2015 Volumes		Short-Term Outlook (2016-2017)	Long-Term Outlook (2018 – 2023 and Beyond)
		Million PTEs	Per-cent		
Recycling	Reuse (Inc. Used Tire Export)	7.4	16.8%	Flat Mature and relatively stable industries with little room for growth and relatively low fluctuations year to year.	Flat or Possible Decline Potentially threatened by competition with, and poor reuse potential of, imported lower-tier Chinese tires.
	Crumb Rubber	7.6	17.2%	Modest Increase Markets for main segments of paving, turf infill and ground rubber/nuggets appear strong to be strong and increasing somewhat in 2016.	Possible Increase and Diversification Caltrans is considering policies to greatly expand crumb rubber use; feedstock conversion could diversify and expand demand, despite current low volumes.
	Civil Engineering	1.2	2.6%	Growth CalRecycle-funded projects show potential to double use in 2016 and/or 2017, with some sustained TDA users.	Modest Growth with Continued Intermittent Spikes With continued CalRecycle funding, the number of projects and TDA specifiers seems likely to grow.
	Overall "Recycling"	16.3	36.8%	Modest Growth Growth in civil engineering and sustained strong markets for paving, turf infill, and ground rubber/nuggets may increase levels.	Potential Growth but Much Higher Demand Needed Growth depends on increased demand for crumb rubber and TDA, and addressing perceived concerns over turf infill.
Diversion	ADC	1.5	3.4%	Flat No major changes projected at consuming landfills.	Flat Historically at least one or two landfills use tire ADC.
	TDF	8.6	19.4%	Flat California cement kilns are near current capacity.	Flat Growth would require new permitting and kiln investments.
	TDF Export	6.6	14.8%	Modest Growth Rebounding fossil fuel prices are helping to spur increased demand and pricing for TDF in the international market.	Sustained High Volume with Intermittent Fluctuations Demand is strong but will likely suffer inevitable interruptions, spikes, and declines.
	Baled Waste Tire Export	2.8	6.4%	Growth Baling activity is picking up in early 2016.	Erratic but Sustained High Volumes Strong global demand, even with low fossil fuel prices; likely continuing abrupt changes in baler operations.
	Overall Diversion	35.8	80.9%	Growth Increasing export, TDA, and crumb rubber appear likely to boost total diversion by several percentage points.	Continued 80+ Percent with Fluctuations California market diversity and growth potential should maintain high diversion levels for foreseeable future.