



DEPARTMENT OF RESOURCES RECYCLING AND RECOVERY

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December 15, 2011

NOTICE

To: All Interested Parties

Subject: 2012 Processing Payments

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.

CalRecycle makes processing payments to processors. Processors pay recyclers the entire processing payment. This notice announces the 2012 processing payments.

Pursuant to PRC Section 14575, the calculation of the 2012 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. In addition, no cost of living adjustment is applied to the 2012 calculations as the measured costs of recycling were completed this year.

Scrap values are based on the average scrap values paid to recyclers for the period between October 1, 2010, and September 30, 2011.

For the first time in the history of the recycling program, there will not be a processing fee or payment for the plastic #1 (PET) in 2012. This is a result of the annual average scrap value for plastic #1 (PET) being greater than the actual cost of recycling the material.

The processing payments shown below become effective January 1, 2012.

<i>2012 Processing Payments per Pound Sold</i>	
<i>(effective January 1, 2012)</i>	
Glass	\$0.04413
Plastic	
#1 – PET (Polyethylene Terephthalate)	\$0.00000
#2 – HDPE (High Density Polyethylene)	\$0.14497
#3 – PVC (Polyvinyl Chloride)	\$0.49048
#4 – LDPE (Low Density Polyethylene)	\$0.62433
#5 – PP (Polypropylene)	\$0.64723
#6 – PS (Polystyrene)	\$0.39326
#7 – Other	\$0.41854
Bi-metal	\$0.39883



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 CalRecycle's Beverage Container Recycling Program website at www.calrecycle.ca.gov/BevContainer/ or call the Department of Resources Recycling and Recovery at (916) 323-3836.

For further information on the determination of processing payments, please contact Mr. Hieu Le, Operations Section, Division of Recycling, at (916) 323-5778.

Caroll Mortensen
Director

Attachment

**Table I
2012 Processing Payments
Effective January 1, 2012
Glass, Bimetal and Plastic**

	Glass	Plastic							Bimetal
		PET	HDPE	Vinyl	LDPE	PP	PS	Other	
Cost of Recycling per Ton with Reasonable Financial Return	\$93.30	\$457.97	\$635.72	\$1,000.05	\$1,426.66	\$1,279.90	\$792.78	\$868.62	\$801.17
Scrap Value per Ton	\$5.04	\$502.54	\$345.78	\$19.10	\$178.01	-\$14.55	\$6.27	\$31.55	\$3.51
Processing Payments to Recyclers									
Processing Payment Per Ton Redeemed	\$88.26	\$0.00	\$289.94	\$980.95	\$1,248.65	\$1,294.45	\$786.51	\$837.07	\$797.66
Processing Payment Per Pound Redeemed (To be used on DR6)	\$0.04413	\$0.00000	\$0.14497	\$0.49048	\$0.62433	\$0.64723	\$0.39326	\$0.41854	\$0.39883