

PRODUCER 2025 FEE UPDATE

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RECYCLEBCTM

RECAP FROM 2024 APM

2025 Budget

- Recycle BC's 2025 budget includes planned supply chain costs (material management) of \$178 million, a 14.4% increase from 2024. Including other costs, \$189 million of costs is planned for the 2025 budget, a \$23 million (13.8%) increase from 2024.
- The increased expense is primarily due to the incentive rate changes for collection service providers, reflecting the outcome of the required 2024 cost study.

	2025 BUDGET	2024 BUDGET	VARIANCE \$ 2024 - 2025	VARIANCE % 2024 - 2025
Material Management	\$177.9	\$155.5	\$22.4	14.4%
Promotion & Education	\$2.2	\$2.1	\$0.1	6.7%
Program Management	\$8.8	\$8.4	\$0.4	5.2%
Total Expenses	\$189.0	\$166.0	\$23.0	13.8%

- In October, Recycle BC presented a \$12 million drawdown of accumulated surplus against this expense budget for a **fee budget** of \$177 million. This reduced the 13.8% increase from 2024 to 10.6%.

2024 SURPLUS UPDATE

2024 Surplus and Reserves

- Recycle BC is currently projecting that for 2024, a lower volume of tonnes managed, combined with slightly higher commodity revenue and interest income, will result in a \$20 million surplus over the budgeted costs.
- To provide immediate relief and savings from the \$23 million budget increase in 2025, the Recycle BC Board of Directors has authorized an additional \$8 million drawdown, for a total of \$20 million drawdown of accumulated surplus.
- Recycle BC will continue to maintain a reserve fund on behalf of producers that ensures sufficient funds are available for unexpected costs. Reserves of approximately four months of the operating budget will remain for future contingencies.
- This drawdown is consistent with Recycle BC's past practice of allocating surpluses, if any (including excess commodity revenue), to reduce fees where possible while maintaining prudent reserves.

UPDATED 2025 FEE BUDGET AND DRAWDOWN

- Overall, the total fee budget of \$169 million represents a 5.6% increase from the 2024 fee budget.
- 5.6% is a further reduction from the 10.6% variance to the 2024 fee budget presented at the APM.
- Total fee budget includes \$20 million surplus drawdown to offset fee increases in 2025.

RECYCLE BC FEE BUDGET (\$ IN MILLIONS)								
	2025	2024	Variance 2024-2025 \$	Variance 2024-2025 %	2023	2022	2021	2020
Total costs	\$189.0	\$166.0	\$23.0	13.8%	\$145.1	\$123.1	\$134.4	\$131.1
Surplus Drawdown	(\$20.0)	(\$6.0)	(\$14.0)		\$0.0	(\$15.0)	\$0.0	(\$10.0)
TOTAL FEE BUDGET	\$169.0	\$160.0	\$9.0	5.6%	\$145.1	\$108.1	\$134.4	\$121.1

- From 2020 to 2025 there has been a total fee drawdown of \$51 million in the last 6 budget cycles.

UPDATED 2025 FEE SCHEDULE

Category	Material	2025 Fee Rates (cents/kg)	2024 Fee Rates (cents/kg)	Variance %
PRINTED PAPER	Newsprint	69.00	55.00	25.5%
	Magazines and Catalogues	28.00	25.00	12.0%
	Telephone Books	28.00	25.00	12.0%
	Other Printed Paper	72.00	61.00	18.0%
PAPER PACKAGING	Corrugated Cardboard	53.00	48.00	10.4%
	Boxboard	31.00	29.00	6.9%
	Gable Top Cartons	69.00	71.00	-2.8%
	Paper Laminates	62.00	53.00	17.0%
	Aseptic Containers	83.00	77.00	7.8%
PLASTICS	PET Bottles	98.00	98.00	0.0%
	HDPE Bottles	40.00	46.00	-13.0%
	Plastic Film	146.00	140.00	4.3%
	Plastic Laminates	146.00	143.00	2.1%
	Expanded Polystyrene	310.00	282.00	9.9%
	Rigid Polystyrene	125.00	106.00	17.9%
	Other Plastics	86.00	77.00	11.7%
STEEL	Other Steel Packaging	62.00	55.00	12.7%
	Steel Aerosols	42.00	36.00	16.7%
	Steel Paint Cans	63.00	47.00	34.0%
ALUMINUM	Aluminum Food & Other Containers	59.00	67.00	-11.9%
	Other Aluminum Packaging	67.00	63.00	6.3%
GLASS	Clear Glass	48.00	42.00	14.3%
	Coloured Glass	48.00	42.00	14.3%



**+7.9%
AVG
from 2024**



Newsprint, Other Printed Paper, Paper Laminates and Rigid Polystyrene, Steel Paint Cans

HDPE Bottles, Aluminum Food & Other Containers

2025 LOW-VOLUME AND FLAT FEES

- Flat fee rates for low volume stewards increased by 5-8% consistent with budget increase.

Total Supplied (kg)	2025	2024	YoY Variance
1,000 - 2,499	\$1,300	\$1,200	\$100 or 8%
2,500 - 5,000	\$3,000	\$2,800	\$200 or 7%
5,000 - 10,000	\$7,000	\$6,600	\$400 or 6%
10,000 - 15,000	\$11,800	\$11,200	\$600 or 5%

THREE YEAR BUDGET FORECAST

- Forecast reflects the increases in budget required to meet new Program Plan material recovery performance targets. 2025 with drawdown is \$169 million.

FUTURE OUTLOOK (\$ IN MILLIONS)				
	2024 BUDGET	2025 BUDGET	2026 DRAFT FORECAST BUDGET	2027 DRAFT FORECAST BUDGET
Material Management	\$155.5	\$177.9	\$192.5	\$206.8
Promotion & Education	\$2.1	\$2.2	\$2.4	\$2.6
Program Management	\$8.4	\$8.8	\$9.1	\$9.3
Total Expenses	\$166.0	\$189.0	\$204.0	\$218.7
Surplus Drawdown	(\$6.0)	(\$20.0)	\$0.0	\$0.0
TOTAL FEE BUDGET	\$160.0	\$169.0	\$204.0	\$218.7

THANK YOU

QUESTIONS?



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