2016 Pathway to a New Plan

Presentation to the CA Council on Carpet Recycling
California Carpet Stewardship Program
June 22, 2016

California Carpet Stewardship Program 5-Year Plan

- CARE Council
- SPC/SFOC
- Other Stakeholders
- CalRecycle
- Public Workshops
- CA TEAM
Trends & Projections

Dr. Bob Peoples Executive Director
Carpet America Recovery Effort

Update on Process

Since Apr 20:
- Idea synthesis, impact and resources evaluation
- Input SPC, Executive Director and CA Care Staff

FEB
- Economic Modeling

MAR
- CARE Team Synthesis
- Mar 8th and 10th Workshops

APR
- April 20th Council Meeting #3

MAY
- May 17th SPC Presentation

JUNE
- June 15th SPC Update Webinar
- June 22nd Council Meeting #4

2016 Pathway to a New Plan - Council Series
Meaningful Improvement

29
Drop-off Sites
29 Counties
69% of YE goal

1051
Retailer Face-To-Face
visits 86% of YE goal

200%
Increase in CA-Program participants,
supported by 9 new grant projects

Meaningful Improvement

• Upward trends are noted in:
  • pounds of carpet tile recycled,
  • reuse of tile and broadloom,
  • calcium carbonate utilization,
  • Tier 2 non-nylon product sales, and
  • strengthened collections.
Collections & Recycled Output

Meaningful Improvement

Carpet Tile Recycle Over Time

2016 Pathway to a New Plan - Council Series
Meaningful Improvement

**Total Reuse Over Time**

<table>
<thead>
<tr>
<th>Year</th>
<th>Reuse (Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>152,084</td>
</tr>
<tr>
<td>2013</td>
<td>25,868</td>
</tr>
<tr>
<td>2014</td>
<td>173,833</td>
</tr>
<tr>
<td>2015</td>
<td>601,906</td>
</tr>
<tr>
<td>2016*</td>
<td>921,764</td>
</tr>
</tbody>
</table>

Meaningful Improvement

**Calcium Carbonate Recycling Over Time**

<table>
<thead>
<tr>
<th>Year</th>
<th>Recycling (Units)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>-</td>
</tr>
<tr>
<td>2013</td>
<td>-</td>
</tr>
<tr>
<td>2014</td>
<td>-</td>
</tr>
<tr>
<td>2015</td>
<td>61,427</td>
</tr>
<tr>
<td>2016*</td>
<td>320,000</td>
</tr>
</tbody>
</table>
Meaningful Improvement

New technologies and tools like the economic model
  Positioning the Program for success

2nd Half of 2016 expected pounds and 2017 projections
  Promise substantial growth as a result of the new subsidies

Novel technologies and the expansion of existing products
  Building market penetration

Markets are improving, and new technology and product development are reaching implementation
  Result of aggressive new incentives
Purpose & Agenda

Purpose

• Update Council on process since Council Meeting #3 (Apr 20)
• Seek input from the Council to inform final Plan steps
• Prioritize proposed new strategies and tactics

Agenda

• Update on Process
• Emergent Concepts
• Preferred New Tactics
• Next Steps
### Goals & Requirements

#### Statutory Goals
1. Recyclability
2. Reuse
3. Collection
4. Recycled Output
5. Diversion
6. Market (Product) Development

Must demonstrate continuous, meaningful improvement

#### Program Requirements

**Statutory:**
7. Sufficient Funding Mechanism to Carry Out
8. Include Education & Outreach
9. Consult Stakeholders
10. Manage All Polymer Types

**Regulatory:**
11. Reasonably Convenient Collection
12. Estimate Changes in Market Conditions
13. Anticipate CA Recycling Infrastructure

**CARE Priorities:**
14. Functional & Efficient System
15. Maintain Robust & Resilient Carpet Industry

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### Update on Process

- **Feb 24**
  - Council Meeting #1
  - Goal Next Steps Idea Generation

- **Mar 8** and **10**
  - Mar 8th and 10th Workshops

- **March 23**
  - March 23rd Council Meeting #2
  - MOST Grids Ideation

- **April 20**
  - April 20th Council Meeting #3
  - Green Light Recommendations

- **May 17**
  - May 17th SPC Presentation
  - Since Apr 20:
    - Idea synthesis, impact and resources evaluation
    - Input SPC, Executive Director and CA Care Staff

- **June 15**
  - June 15th SPC Update Webinar
  - June 22nd Council Meeting #4

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**2016 Pathway to a New Plan - Council Series**
Next Steps for Program Goals

**Stakeholder Workshops**

- 2021 Program Headlines
- What is your vision for 2021?

*What needs to happen in 2020 – 2019 – 2018 – 2017 to achieve those goals?*

**Conversation Mapping**

- Recyclability
- Reuse
- Collection
- Recycled Output
- Diversion
- Market (Product) Development
MOST Grids

- Measurable
- Objectives
- Strategies
- Tactics

Recommendations

- **Green** – Yes, Go Ahead!
- **Yellow** – Caution, Clarity Refinement
- **Red** – Hold, Avoid

Rank All (~400) Strategies
Idea Synthesis

Impact

Resources

Council Priorities

June 22nd Council Meeting #4

Economic Modeling

Pounds Projections & Likelihood

Fund Balance Modeling

SPC/SFOC Decisions & Selections

Final Plan Submission

Plan Build Out – Strategies and Tactics – Document Preparation

JUNE

AUG
Emergent Concepts

1. Set subsidies to close gap between virgin and recycled feedstock, informed by market indices; continue to support CSEs, processors and Tier-2 manufacturers

2. Offer differential subsidy levels linked to program priorities (e.g., ↑ carpet-to-carpet, ↑ nylon recycling, ↑ recyclability/upcycling, ↑ calcium carbonate use, etc.)

3. Develop and promote new recycled PCC products

4. Assistance to mills and manufacturers to improve recyclability (e.g., become our own best customer, ↑ carpet-to-carpet, ↑ upcycling)

5. Support fundamental R&D through innovation grants, research studies, testing grants, innovation awards, design competitions
Emergent Concepts

6. **Set assessment** sufficient to fund program incentives, resources, and staffing to accomplish goals

7. Provide for **reasonably convenient collection** throughout CA; leverage existing solid waste and recycling networks

8. **Conduct feasibility studies** and workshops to explore critical concepts (e.g. Rebates, Certification/Labeling, Collection Convenience, Waste Components, Reuse, Recyclability)

9. Support resiliency by catalyzing **in-state CA capacity and throughput**; eliminate out of state incentives as adequate CA infrastructure is established

10. **Increase program and operations staffing**, outreach & technical assistance sufficient for successful program implementation of all program elements

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Preferred New Strategies
Overview of Plan Goals and Strategies

<table>
<thead>
<tr>
<th>Statutory Goals</th>
<th>Strategies to Achieve Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Recyclability</td>
<td>• Financial Incentives</td>
</tr>
<tr>
<td>2. Reuse</td>
<td>• Subsidies, Grants, Rebates, Loans</td>
</tr>
<tr>
<td>3. Collection</td>
<td>• Technical Assistance</td>
</tr>
<tr>
<td>4. Recycled Output</td>
<td>• Research &amp; Development</td>
</tr>
<tr>
<td>5. Diversion</td>
<td>• Education &amp; Outreach</td>
</tr>
<tr>
<td>6. Market (Product) Development</td>
<td>• Service &amp; Infrastructure</td>
</tr>
<tr>
<td></td>
<td>• Systems &amp; Staffing</td>
</tr>
</tbody>
</table>

Subsidies
## Subsidy Tactics: CSEs *(Current)*

<table>
<thead>
<tr>
<th>Subsidy</th>
<th>Goal/Description</th>
<th>Funding</th>
<th>Eligible</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Reuse</td>
<td>Drive Tile &amp; Broadloom Reuse</td>
<td>$0.10/lb</td>
<td>CSEs/Tier-1</td>
<td>Successfully increased reuse &gt;300% since launch ‘15; As of Q2 ‘16, lbs count as RO</td>
</tr>
<tr>
<td>Collection</td>
<td>Support Collectors</td>
<td>$0.02/lb</td>
<td>CSEs/Tier-1</td>
<td>Paid on CA lbs collected, sorted, shipped and sold; Capped at $150K/qtr and $400/yr per participant</td>
</tr>
<tr>
<td>CAAF &amp; Kiln</td>
<td>Divert un-recyclables via select energy recovery, Cap at 15%</td>
<td>$0.03/lb</td>
<td>CSEs/Tier-1</td>
<td>No CAAF last 2 years; Kiln use increasing; Remains well below cap of 15% of subsidy $ paid No CSE use of CAAF/Kiln to date</td>
</tr>
</tbody>
</table>
### Subsidy Tactics: Tier 2 Manufacturers (Current)

<table>
<thead>
<tr>
<th>Subsidy</th>
<th>Goal/Description</th>
<th>Funding</th>
<th>Eligible</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tier 2 non-nylon Base</td>
<td>Support manufacture of Non-nylon secondary products</td>
<td>$0.25/lb</td>
<td>Tier-2 non-nylon end users</td>
<td>Successfully increasing use of PET/PTT, and PP Average 10% growth/qtr since began</td>
</tr>
<tr>
<td>Tier 2 Bonus</td>
<td>Drive growth, create value for undervalued feedstock</td>
<td>$0.10/lb</td>
<td>Tier-2 non-nylon end users</td>
<td>Paid for pounds over threshold ~ currently 2M lbs/qtr Adjustable; 1st adjustment expected Q2</td>
</tr>
</tbody>
</table>

### Subsidy Themes (Proposed)

**Overall**
- Set subsidies to offset gap between virgin and recycled feedstock
- Subsidy guarantee
  - Continue subsidy guarantee as fixed base (cents or % of subsidy)
  - Maintain 12 months + current qtr; do not expand
  - Consider reduced guarantee under certain conditions
- Adjust **whole or portion** of subsidy with market indices (cents or % of subsidy)
  - Currently only Type 1 has fixed and adjustable portions; apply to other subsidies?
- Provide differential subsidies based on program goals (+X cents/lb)
  - CA-based businesses receive higher incentives
  - High recyclability, carpet-to-carpet, upcycling, difficult-to-recycle
Subsidy Tactics (Proposed)

CSEs
• Expand CSE & Reuse subsidy eligibility
  • CSEs, processors, reuse stores, disposal sites, haulers, demo contractors – *(must sort, ship, sell/donate)*
  
  • Adjust payout
    • **Payout $** - Keep 2 cents/lb vs. increase payout?
    • Differential payout for CSEs vs. Processors?
    • Adjust cap of $150k/qtr and $400k/yr
    • Eliminate cap

Subsidy Tactics (Proposed)

Tier-1 Processors
• **Adjust Type 1** – Increase to close *gap between virgin vs. recycled*
• **Adjust Type 2** – Very little use, minor recent carcass; *adjust or eliminate* (dependent on study)
• **Ash Content** – Fund & conduct study to examine ash (and moisture) level, recommend appropriate thresholds for Type 1 and Type 2; create new Type % (e.g. Type 1 <15%, Type 2 15-30%, Type 3 over 30%)
• **Tile** – Increase Tile vs. Broadloom payout – $0.10/lb adopted in Q3-2015 eliminated higher payout for more recyclable (but low capture rate) tile compared to broadloom, re-instate at (+X cents/lb)
• **Commercial** – Higher payout for hard-to-recycle *construction* – add X cents/lb to commercial/glue-down
• **Calcium Carbonate** – Subsidize hard-to-recycle *backing* components – continue 17 cents/lb vs. increase?, split subsidy between Tier 1 and Tier 2 (drive manufacturers directly vs. flow-down)?, consider appropriate non-CaCO3 allowance % or fund & conduct study to identify
• **CAAF/Kiln** – continue at 3 cents/lb; maintain cap at 15%; support use within cap with broker assistance for unrecyclable material *diversion vs. landfill*; no funds for WTE
Subsidy Tactics (Proposed)

**Tier-2 Manufacturers**
- **Non-Nylon End-User** – continue 25 cents/lb, adjust?
- **Add Nylon End-User** – Match Non-nylon; set XX cents/lb; drive nylon secondary products and carpet-to-carpet utilization
- **Add Intermediate** Product Subsidy – suggest 50% of finished products (payout pellets at lower rate than finished products)
- **Add Calcium Carbonate End-User** – split CC subsidy (e.g. 10 cents/lb for Tier 1 and for Tier 2)
- **Add Tile-Specific End-User** – support high recyclability and carpet-to-carpet application of Tile
- **Differential subsidy amounts** for (extra X cents/lb):
  - Closed-Loop/Upcycled Carpet-to-Carpet Products (e.g. Tile, Depoly fiber to fiber, carpet pad?, CC back to carpet backing)
  - Closed Loop/Upcycled Non-Carpet Products (e.g. non-carpet products that are recyclable over and over again, could include engineered molded plastics, carpet pad?, other)
  - Must label product as recyclable with info and offer take-back program to be eligible

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Subsidy Tactics (Proposed)

**OTHER**
- **Mills** – Recyclable Backing Technologies; pay X cents/lb paid sold into CA
  - Accelerate adopted of new backing technologies (e.g. Niaga)
- **Retailers** – Recycled Content/Recyclable Carpet; pay X cents/lb paid sold in CA
  - Support increased recycled carpet content products sold in marketplace
- **Disposal Sites** – subsidize tipping fees at X cents/lb collected for recycling
  - Benefits installers
Grant Tactics  (*Current*)

- **A - Capital Grants** – Infrastructure/Capital equipment/investment
  - (Collection, (Tier-1) recycling, and (Tier-2) recycled product manufacturing)
  - Increase capacity and throughput, phasing out non-CA funding
  - Continue, Increase Annual Allocation

- **B - Product Testing** – New product research, development and testing
  - (Tier-1 and Tier-2)
  - Increase # and diversity of recycled products
  - Continue, Increase Annual Allocation

- **C - Recycled Product Procurement** – CA public agency procurement
  - (CA Public agencies)
  - Increase purchase of and confidence in recycled carpet products
  - Continue, Allow for adjustment over next 5 years
Grant Tactics (Proposed)

- **D – Design Grants – Innovation in Design**
  - (Mills, Tier-2 recycled product manufacturing, Universities)
  - Support design R&D leading to major recyclability and recycled content use
  - Accelerate industry adoption of new innovations (e.g. Niaga-like backing, construction, etc.)

- **E – Research & Development – New product R&D and testing**
  - (Mills, Tier-1 processors, Tier-2 manufacturers, Universities)
  - Support fundamental R&D leading to increased recyclability & recycled content use
  - Improve RO quality and yield

- **F – Micro-Grants – Reuse/Collection Adoption**
  - (Reuse Centers, Collectors, Retailers, Haulers, Disposal Sites, Agencies, Tier-1, Schools/Universities)
  - Support small-medium equipment and promotion to establish reuse and collection
R&D Tactics (Current)

- Product Testing Grants (Grants)
  - Cycle 1B Awards March 2016
- Market Development Support (Technical Assistance)
  - Mike Tinney – Development focused in CA
  - Endrenyi – Development focused Nationally
  - Product development and recycled output processing
  - New technology sharing CARE annual conference
- Economic Model Development (Systems)
  - Increase understanding of macroeconomic factors

R&D Tactics (Proposed)

- Rebate Incubation
  - Feasibility study & stakeholder workshops 2017-2018
  - Recommendations leading to future development 2019-20XX
  - Launch rebate program based on recommendations (Year 3-5)
- Convenient Collection
  - Feasibility study & stakeholder workshops 2017-2018
  - Consider geography, population, distance radius, urban/rural, etc.
  - Recommendations leading to future development 2019-20XX
- Reuse Opportunities
  - Study opportunities, barriers to, sanitation issues, and BMPs for increasing reuse
R&D Tactics (Proposed)

- Closed-Loop, Biomimicry, Cradle-to-Cradle, Green-Chemistry Design
  - Feasibility Study, Recommendations leading to future development 2017-2019
  - Mill/Manufacturer Consultation & Technical Assistance (Year 3-5)
  - Support innovations in recyclability, use of recycled content, source reduction
- Polymer/Construction Analysis
  - ID of current input feedstocks, alternative uses, recycled content use, recyclability
  - Recommendations leading to future development 2019-20XX
- Waste Characterization Study
  - ID of construction components, fiber types, backing materials and components and recyclability/compostability of current waste stream
  - Compostability of natural fibers (wool, seagrass, etc.)

Technical Assistance
Technical Assistance Tactics (Current)

- **Market Development* (Tinney & Endrenyi)**
  - Improve **RO quality and quantity**; scale existing secondary markets; identify new secondary markets/products; support testing/infrastructure
  - Increase **# and type of secondary products** using RO, increase upcycling, take-back and carpet-to-carpet closed loop products; support testing/infrastructure

- **Collection* (CARE Staff)**
  - Support **public drop-off collection** in rural and urban counties

Technical Assistance Tactics (Proposed)

- Increase staffing for improved technical assistance in all program areas
  - Support **recyclability advances**, accelerate adoption of new technologies (e.g. Niaga), support R&D for innovation, closed-loop, upcycling, biomimetic design, green chemistry, etc.
  - Establish **reuse programs** with reuse centers, non-profits, disposal sites, and CSEs/processors
  - Support **retailers in obtaining collection service** from service providers (assumes available at or below landfill with subsidies, education/support for easy yes)
  - Increase **public drop-off** locations at disposal sites
  - Improve **RO quality and quantity**; scale existing secondary markets; identify new secondary markets/products; support testing/infrastructure
  - Increase **# and type of secondary products** using RO, increase upcycling, take-back and carpet-to-carpet closed loop products; support testing/infrastructure
  - Promote **procurement of recycled content** / recyclable products, EPP polices, SABRC, etc.
Education & Outreach Tactics *(Current)*

- Identify key audience and establish communication among each:
  - Retailers, Installers, Collection Sites, Local Governments
- Counteract negative impressions of CARE built up over years
  - Based on initial market research results (Q4 2014)
  - Establish e-news, blogs, social media
  - Develop collateral, improve website, materials, stakeholder support
- Raise awareness of CARE/AB 2398 via increase staff and outreach
- Measure and increase compliance with requirements among retailers
Education & Outreach Tactics (Proposed)

- Further **raise awareness** and change behavior
- Expand **target audiences**, impact and reach
- Expand communications **channels**; increase **sophistication**
- **Support program initiatives** new and existing (subsidies, services, resources) with print, digital and social media content
- Improve **customer service** and responsiveness
- General **public (consumer)** more prominent as ↑ recycled products, ↑ collection service, ↑ reuse opportunities are available (Years 3-5)

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<table>
<thead>
<tr>
<th>Goal</th>
<th>Audience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase Carpet Recyclability</td>
<td>Mills, Consumers*</td>
</tr>
<tr>
<td>Increase Post-Consumer Carpet (PCC) Reuse</td>
<td>Contractors, Installers, NGOs, Consumers*</td>
</tr>
<tr>
<td>Increase PCC Collection</td>
<td>Collection Sites, Retailers, Installers, Collector/Sorters, Consumers*</td>
</tr>
<tr>
<td>Increase PCC Recycling/Diversion</td>
<td>Collection Sites, Retailers, Installers, Processors, Local Government, Consumers*</td>
</tr>
<tr>
<td>Increase PCC Market Development</td>
<td>Manufacturers, Mills, Local Government, Builders, Consumers*</td>
</tr>
</tbody>
</table>

*Precise consumers may change in each context; anyone who purchases carpet or recycled carpet content products for residential or commercial purposes*
# Sample Tactics by Audience

<table>
<thead>
<tr>
<th>Goal</th>
<th>Focus</th>
<th>Audience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retailers</td>
<td>Compliance Resources, Collateral Collection / Recyclability, Recycled Products</td>
<td>Continue retailer outreach site visits, Leverage (large) retailers to connect with installers, Leverage mills sales teams to connect with retailers</td>
</tr>
<tr>
<td>Installers/Builders</td>
<td>Tear-Out Procedures Collection / Drop-Off Sites</td>
<td>Grow installer communications, trade associations, Refine and distribute training curriculum, collateral, Include multi-languages</td>
</tr>
<tr>
<td>Local Government</td>
<td>Recycling Coordinators, RMDZ, Capital Projects, Procurement Officers</td>
<td>Promote/inform SABRC, EPPP, recycled products, Collaborate to establish/promote collection sites, Provide regular promotions (Recycle Guides, E-news, blog, social media, content for hauler bill inserts, etc.)</td>
</tr>
</tbody>
</table>

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## Education & Outreach Tactics (Proposed)

### Sample Tactics by Audience

<table>
<thead>
<tr>
<th>Goal</th>
<th>Focus</th>
<th>Audience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection (Drop-Off) Sites</td>
<td>Tear-Out Procedures Collection / Drop-Off Sites</td>
<td>Signage, brochures, customer educational materials, Training, service set up, site support</td>
</tr>
<tr>
<td>General Public/NGOs</td>
<td>Reuse, Recycling Collection / Drop-Off Sites Recycled Products</td>
<td>Research barriers to carpet recycling, Focus on areas with viable, convenient recycling, Promote cleaning carpet to prolong life, reuse, recycling, recycled content and product recyclability</td>
</tr>
<tr>
<td>Mills</td>
<td>Retailers &amp; Consumers Recycled Products, Recyclability</td>
<td>Work with mill representatives and sales teams, Web portal reuse, recyclable and recycled products, Promote back-stamping and take-back programs</td>
</tr>
<tr>
<td>Cross-Audiences</td>
<td>Promote Overall Program</td>
<td>Audience specific communications, e-news, social media, webinars, web content, workshops, tabling, presentations, earned media, selective advertising</td>
</tr>
</tbody>
</table>
Convenient Collection Tactics *(Current)*

- Min (1) collection site per county by July 2017 (58 Counties)
  - Technical assistance to identify, set-up and promote site
  - Local Governments and site support
  - Educational materials, signage, promotion
  - Retailers visits as new on-board
  - Cover cost of storage, transport, tipping fees for receiving CSE/processor
  - Encourage sites to offer reduced tipping fees (not required)
Convenient Collection Tactics (Proposed)

- Expand # collection site per county beyond 2017
  - Technical assistance to identify, set-up and promote site
  - Local Governments and site support
  - Educational materials, signage, promotion
  - Retailers visits as new new on-board
  - Cover cost of storage, transport, tipping fees for receiving CSE/processor
  - REQUIRE sites to offer reduced tipping fees

- Expand # retailers with collection service per county beyond 2017
  - Set subsidies sufficient for service providers to service at or below cost of landfill
  - Technical assistance to identify, set-up and promote site
  - Coordinate with Haulers & Local Governments – set up collection routes (assume subsidies)
  - Coordinate with CSEs, Processors – set up direct service (using existing subsidies)
  - Educational materials, signage, promotion
  - Retailer visits used as lead generator

Infrastructure & Staffing
Infrastructure & Systems Tactics *(Current)*

**Infrastructure**
- Support existing CSEs, Processors, Manufacturers – subsidy program
- Support Mills (Manufacturers) and Retailers – compliance, assessment
- Rural County Collection Program – expanded to all counties
- Compliance, Reporting, Administration, BMPs – CalRecycle/Stakeholder relations

**Program Systems**
- Monthly Subsidy Reporting; Quarterly Assessment Reporting
- 12 month + current Qtr Guarantee
- Reduced Reserve to 1 Qtr of Payouts
- (2) CA Staff
- Increased Assessment
- New CA Council on Carpet Recycling
- New Economic Model

Infrastructure Tactics *(Proposed)*

- Leverage Existing Networks & Cyclic Processes
  - Solid Waste Haulers, Disposal Sites (TS, LF, C&D, MRF)
  - Local Governments, Retailers, Mills Sales Teams
- Scale, Build for Resiliency
  - Redundancy, Variation and Decentralization
  - Nested and Modular Development
- Strategic Storage Network
- Sort/Transport for Recycling & Dispose in Place

*Supports All Goals*
Systems Tactics (Proposed)

- Sufficient staff to support successful program delivery, responsiveness, monitoring & improvement
  - **Compliance**, reporting, data analysis, administration
  - **Financial assurances**, fiduciary oversight, funds management/analysis
  - **Economic** analysis, market monitoring, brokering
  - **Collections** service, dispatch, operations, logistics, oversight
  - **Grants** management, oversight and administration
  - **Subsidies** management, oversight and administration
  - **Rebate** program management, oversight and administration (if initiated)
  - **Government** relations, state and local
  - **Installer**, contractor, builder, facilities relations
  - **Retailer/Mill** relations
  - **Communications**, marketing, education and outreach
  - **Consumer** relations, **Council** management, **Customer** service

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Program Budget
## Budget Breakdown *(current)*

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Budget (M$)</th>
<th>Budget (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidies</td>
<td>$17.4</td>
<td>72%</td>
</tr>
<tr>
<td>Grants</td>
<td>$2.5</td>
<td>10%</td>
</tr>
<tr>
<td>Technical Assistance</td>
<td>$0.5</td>
<td>2%</td>
</tr>
<tr>
<td>R&amp;D</td>
<td>$0.3</td>
<td>1%</td>
</tr>
<tr>
<td>Education/Outreach</td>
<td>$0.6</td>
<td>2%</td>
</tr>
<tr>
<td>Service/Infrastructure</td>
<td>$0.6</td>
<td>2%</td>
</tr>
<tr>
<td>Systems/Staffing</td>
<td>$1.2</td>
<td>5%</td>
</tr>
<tr>
<td>CalRecycle Administration (5% by Statute)</td>
<td>$1.1</td>
<td>5%</td>
</tr>
<tr>
<td>Sum</td>
<td>$24.2</td>
<td>100%</td>
</tr>
</tbody>
</table>

Next Steps
Next Steps

JUNE 22nd Council Meeting
- Present Final Pillars and get feedback
- Economic Model Review (Louis Berger)
- Prioritize proposed strategies and tactics

JULY 6th SPC Workshop
- Finalize all Plan elements
- Budgetary and impact analysis
- Utilize Fund Balance Model
- Utilize Economic Model

Throughout July
- Build out concepts and write Plan

JUNE

JULY

AUGUST

AUGUST 8th
Final Plan sign-off with SPC/SFOC

AUGUST 12th
Final document for submittal

AUGUST 15th
Submit to CalRecycle

Questions & Discussion