



May 27, 2025

Brian Phillips
Executive Director
Circular CRV Association
1005 12th Street Lower 1
Sacramento, CA 95814

Sent via e-mail

Re: Additional Information Necessary Regarding Circular CRV Association's Stewardship Plan

Dear Brian Phillips,

On April 28, 2025, Circular CRV Association submitted its stewardship plan, titled *Dealer Cooperative Stewardship Plan*, to the Department of Resources Recycling and Recovery (CalRecycle) for review. CalRecycle determined that additional information is necessary to corroborate or clarify the information provided in the stewardship plan. Circular CRV Association has 10 days (until June 6, 2025) to provide additional information to CalRecycle to address the requirements identified in the attached document pursuant to Title 14 of the California Code of Regulations (14 CCR) section 2376(a).

If you have any questions or would like to discuss the contents of this letter, please reach out to CalRecycle at DealerCoops@CalRecycle.ca.gov.

Sincerely,

Karen Kayfetz
Branch Chief, Product Stewardship Branch
CalRecycle

Cc: Gregory Song, Circular CRV Association

Enclosed: Summary of Additional Information Necessary Regarding Circular CRV Association's Dealer Cooperative Stewardship Plan

**Summary of Additional Information Necessary Regarding Circular CRV Association's
Dealer Cooperative Stewardship Plan**

Requirement	Additional Information Necessary
14 CCR section 2370(g): “Redemption contractor” means a person redeeming empty beverage containers pursuant to a stewardship plan on behalf of a dealer cooperative.	Clarify the meaning of the terms “recycling operator,” “recycler operator,” “redemption site operator,” and “operator,” or, if applicable, specify that these parties are a “redemption contractor.”
14 CCR section 2370(h): “Redemption location” or “redemption site” means a place at which beverage containers are redeemed on behalf of a dealer cooperative, including, but not limited to, an innovative method of redemption. A redemption location or redemption site is not required to obtain a certification or registration number from the department in order to operate as part of a stewardship program.	Clarify the meaning of the terms “redemption solution,” “recycling site,” and “recycling solution,” or, if applicable, specify that these terms mean “redemption location” or “redemption site.”
14 CCR section 2375.2(d): Verification of current exemption from taxation under section 501(c)(3) of the federal Internal Revenue Code of 1986.	Provide the Internal Revenue Service’s determination letter verifying Circular CRV Association’s current tax-exempt status or provide documentation that corroborates when Circular CRV Association submitted its Form 1023 to the Internal Revenue Service.
14 CCR section 2375.2(f): A list of all dealer members in the dealer cooperative, including each dealer's registration number issued pursuant to section 2371.	<p>Provide the dealer registration numbers for the following four dealer members:</p> <p>(1) Surf Supermarket located at 39250 CA 1 in Gualala, (2) Ralphs Grocer Co. located at 12842 Ventura Blvd. in Studio City, (3) Grocery Outlet located at 1833 Broadway in Redwood City, and (4) Trader Joe’s located at 14119 Riverside Drive in Sherman Oaks.</p> <p>Correct the dealer registration numbers for the following seven dealer members:</p> <p>(1) Ralph’s Grocery Co. located at 1233 N. La Brea in West Hollywood should be DR101509.001, (2) Trader Joe’s located at 2300 Wilshire Blvd. #101 in Santa Monica should be DR299978.001, (3) Trader Joe’s located at 11755 W. Olympic Blvd. in Los Angeles should be DR139018.001, (4) Trader Joe’s located at 475 W. Foothill Blvd. in Claremont should be DR114592.001, (5) Trader Joe’s located at 17640 Burbank Blvd. in Encino should be DR107680.001, (6) Trader Joe’s located at 10850 National Blvd. in Los Angeles should be DR89071.001, and (7) Trader Joe’s located at 363 Carmen Drive in Camarillo should be DR107678.001.</p>

**Summary of Additional Information Necessary Regarding Circular CRV Association's
Dealer Cooperative Stewardship Plan**

Requirement	Additional Information Necessary
14 CCR section 2375.2(g): A list of unserved convenience zones in which the dealer cooperative will provide redemption.	Provide the zone status of each dealer member's convenience zone.
14 CCR section 2375.2(j): A timeline for the stewardship plan becoming fully operational once the stewardship plan is approved by the department.	Clarify the events or milestones that will occur for the stewardship plan to become fully operational, and conditions under which Circular CRV Association will notify CalRecycle that full operational status has been achieved.
14 CCR section 2375.4(a): Each method of redemption offered by the dealer cooperative.	Clarify or correct the citation to 14 CCR section 2375.4(e) in the context of the establishment of daily redemption limits for single-feed reverse vending machines.
14 CCR section 2375.4(b)(2)(B)(ii): Redemption site contact telephone numbers.	Confirm that Circular CRV Association's internet website will include contact telephone numbers for redemption sites.

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<p>14 CCR section 2375.4(f)(3): How the dealer cooperative will provide “consumer convenience that is comparable to the requirements of section 14571 and section 14571.9 of the Act,” as defined in section 2370.</p> <p>14 CCR section 2375.4(f)(4): Not all redemption locations are required to redeem all beverage container material types; however, at least one redemption location in each unserved convenience zone covered by the stewardship plan shall redeem all beverage container material types with immediate payment of the refund value a minimum of 10 hours per week, with no less than five of those hours on a Saturday or Sunday between the hours of 9 a.m. and 5 p.m.</p> <p>14 CCR section 2375.4(f)(6): The stewardship plan may establish a redemption limit per customer per day per redemption method; however, at least one redemption location in each unserved convenience zone covered by the stewardship plan shall redeem all beverage container material types with immediate payment of the refund value up to the daily load limits established in section 2535(f) a minimum of 10 hours per week, with no less than five of those hours on a Saturday or Sunday between the hours of 9 a.m. and 5 p.m.</p>	<p>Commit to providing consumer convenience in each unserved convenience zone in which Circular CRV Association’s dealer members operate by ensuring redemption opportunities meet or exceed the operating hour requirements of 14 CCR section 2370(a)(1) or (2).</p> <p>Clarify that Circular CRV Association will offer redemption access to consumers for a minimum of five hours per week during periods other than from Monday to Friday, from 9 a.m. to 5 p.m., in addition to the minimum requirement of operating at least eight hours per week during a Saturday or Sunday.</p> <p>Confirm that Circular CRV Association will provide at least one redemption location in each unserved zone that provides immediate payment of the refund value for a minimum of 10 hours per week, including at least five hours on a Saturday or Sunday between 9 a.m. to 5 p.m. and accepting loads up to the daily redemption limits set forth in 14 CCR section 2535(f).</p>
<p>14 CCR section 2375.6(a): The geographic spread of redemption sites and an explanation for the geographic spread. This shall include the number of redemption sites in each unserved convenience zone in which any of the dealer members operate per person.</p>	<p>Clarify that all redemption sites will be located within unserved convenience zones in which dealer members operate.</p> <p>Additionally, clarify how, for each unserved zone in which Circular CRV Association will operate, the geographic spread performance standard will be calculated and reported.</p>

**Summary of Additional Information Necessary Regarding Circular CRV Association's
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Requirement	Additional Information Necessary
<p>14 CCR section 2375.6(b): The beverage container redemption capacity per quarter for each unserved convenience zone in which any of the dealer members operate. The overall beverage container volume capacity of the dealer cooperative shall, at a minimum, be sufficient to redeem an amount of beverage containers equal to 100 percent of the beverage containers sold by dealer members into unserved convenience zones in which any of the dealer members operate pursuant to section 2375.4(f)(2). The redemption capacity specified in the stewardship plan may incorporate redemption limits established pursuant to section 2375.4(f)(6).</p>	<p>Describe how Circular CRV Association will measure and report achievement of its redemption capacity performance standard per quarter for each unserved convenience zone in which its dealer members operate.</p>
<p>14 CCR section 2375.8(a): An itemized list of anticipated costs associated with the administration and implementation of the stewardship plan. The list shall include the monetary amount and purpose on which the funds will be spent. The list shall include, at a minimum, anticipated costs for the categories listed in section 2381(c)(6) for the first four quarters the dealer cooperative will operate.</p>	<p>Confirm the accuracy of the 2026 year-to-date total anticipated costs for professional services or provide the accurate amount. Provide a more detailed description of the types of expenses that will be tracked in each cost category.</p>
<p>14 CCR section 2375.8(b): A recommended funding level necessary to cover the stewardship plan's budgeted costs and to operate the stewardship program in a prudent and responsible manner. This shall include the target amount for the dealer cooperative's monetary reserves, and the operating deficit amounts that the target monetary reserves will be able to cover, and a description of how surplus funds and operating deficits that exceed those amounts will be addressed by the dealer cooperative during the operation of the stewardship plan.</p>	<p>Describe how Circular CRV Association will address operating deficits that require additional revenue in excess of the identified \$500,000 reserve amount during the operation of the stewardship plan.</p>

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14 CCR section 2380(f)(1): A dealer cooperative shall provide immediate access to the department to any original record required by the Act or this chapter. Immediate access may include physical inspection of the record at any redemption site or location identified in the approved stewardship plan.	Commit to provide immediate access to the department to original records of each beverage container redemption transaction at redemption sites or identify an alternative location(s) where immediate access to original records will be provided.