MRFs: Second quarter brings higher values and lower costs

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by Jared Paben

Northeastern MRFs say the recyclables they produced during the second quarter were worth more than they were during the first three months of the year.

A survey of MRFs by the Northeast Recycling Council (NERC) showed the value of a blended ton of recyclables (including the cost of disposing of residue) was $46.56 during the second quarter, up 21% over the first quarter. Not counting the cost of handling residuals, the value was $53.85, up 19%.

This is the fifth time NERC has conducted the survey. The first iteration covered the second quarter of 2019, providing the ability to do a year-over-year comparison with the latest results. On a year-over-year basis, the blended bale values were roughly flat.

The latest results, released Aug. 12, also showed that, for the first time since the surveys began, OCC makes up about one-quarter of outbound tons from MRFs, according to NERC’s formula.

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According to NERC’s formula, OCC alone makes up about one-quarter of outbound tons. For the second quarter, the processing cost averaged $91 per ton, down 5% from the first quarter. That average shot up to $85 during the second quarter. In May, alone, the national average for OCC was $107.

North America’s largest haulers – including Casella Waste Systems, which predominantly serves the Northeast region – reported higher OCC prices increased in price this month, and the value of natural HDPE bales has jumped by 23%.

NERC’s calculations are based on the weighted percentage of outbound tons. So if a plentiful recyclable – OCC or mixed paper, for example – has a moderate price movement, it can affect the blended value more than if a relatively rare material, such as polypropylene, has a more dramatic one.

According to NERC’s formula, OCC alone makes up about one-quarter of outbound tons. According to data provided by RecyclingMarkets.net, OCC averaged about $34 a ton during the first quarter, but that average shot up to $85 during the second quarter. In May, alone, the national average for OCC was $107.

An ambitious recycling policy proposal could go local

Two members of Congress who have pushed for EPR, a national deposit system and more are now encouraging state and municipal lawmakers to introduce their own versions of the legislation.

Oregon deposit rate increased in 2019

Consumers in Oregon last year returned 86% of all beverage containers covered under the state’s container deposit program, according to newly released figures.

Haulers enjoyed second-quarter OCC prices

For many of the largest garbage and recycling companies in the U.S., recycling proved a bright spot during an otherwise dismal second quarter.

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