



NSW CDS Summary of Key Scheme Metrics to Assist with September 2018 True Up Calculations

1. Introduction

The invoice generated on 1st November 2018 contains a monthly true up associated with adjustments for the difference between the forecast and actual container collections by the Network Operator in September 2018 and historical changes in market share for previous months.

This paper is designed to provide suppliers with an overview of the key inputs used to calculate the true up adjustments that may be present on your November invoice.

Please note: all monetary values provided in this paper are presented excluding GST

2. Monthly True Up Adjustments

2.1 The total costs of the scheme for the purposes of the September monthly True Up were:

Container Material Type	Cost (\$) Sep 2018
Aluminium	\$ 11,535,837
Glass	\$ 8,471,012
HDPE	\$ 528,722
PET	\$ 8,004,138
Liquid Paper Board	\$ 973,297
Steel	\$ 12,731
Other Plastics	\$ 3,263
Other materials	\$ 4,703
Total	\$ 29,533,704





2.2 The total containers supplied by all suppliers in September were:

Container Material Type	Volume Sep 2018
Aluminium	113,660,889
Glass	75,534,569
HDPE	5,994,716
PET	83,498,179
Liquid Paper Board	15,946,393
Steel	159,855
Other Plastics	161,609
Other materials	22,911
Total	294,979,121

The volumes shown in this table reflect the volumes reported by all suppliers at the time the invoice was generated. As noted elsewhere in this section, these figures are subject to change whenever suppliers adjust their September volumes via the reporting portal.

2.3 Actual prices per container type for September

The actual prices per container are not used to calculate the cost of the scheme to each first supplier. They are a by-product of the calculations and are wholly dependent on the total volume of containers of each type supplied into the NSW market during the month.

The table below shows the actual container pricing based on the scheme costs calculated for September which are further based on the actual container volumes reported for September at the time the true up calculation was generated.

Container Material Type	Price per Container Sep 2018
Aluminium	\$ 0.1014934623
Glass	\$ 0.1121474921
HDPE	\$ 0.0881979833
PET	\$ 0.0958600330
Liquid Paper Board	\$ 0.0610355454
Steel	\$ 0.0796424478
Other Plastics	\$ 0.0201925321
Other materials	\$ 0.2052703748





2.4 The total number of containers collected during the month of September by collection stream and in total were as follows:

Container Material Type	Network Operator Actual Volume Sep 2018	MRF Operator Forecast Volume Sep 2018	True Up Container Volumes Sep 2018
Aluminium	44,180,506	29,228,204	73,408,710
Glass	30,678,978	22,444,726	53,123,704
HDPE	1,621,020	1,912,299	3,533,319
PET	27,772,613	23,583,334	51,355,947
Liquid Paper Board	1,830,699	4,843,646	6,674,345
Steel	39,287	38,656	77,943
Other Plastics	1,404	12,027	13,431
Other materials	23,007	4,629	27,636
Total	106,147,514	82,067,521	188,215,035

The MRF volumes have been italicised as the Q3 volumes will not be finalised until mid-November. As such, these values reflect the original forecasts used to set the per container pricing for September.

2.5 September Non-Volume Provisions

As with previous months, Exchange for Change is continuing to maintain a provision for exports at 7.5% until the export claims have been processed in the upcoming months.

As previously described, the true up process is designed to return any unutilised funding collected through advanced contributions once the actual costs for the period are known. As the eligibility period for claiming exports for September 2018 has not yet lapsed, a provision is required to ensure that the funds contributed by suppliers are not returned prematurely making them unavailable to pay to exporters when the claims are processed.

The value of these provisions is summarised in the table below:

Non Volume Costs	Cost (\$) Sep 2018
Provision for Exports	2,138,848

These provisions are included within the costs shown in the table in section 2.1





2.6 True ups for multiple months

As noted in previous newsletters and true up summaries, the NSW CDS permits suppliers to alter their historic volumes at any point in time, currently without a sunset date.

As a consequence, the total supply volume in a given month may have changed resulting in an adjustment to the market share of all suppliers as each supplier's relative contribution to the total supply volume has changed. The November invoice contained a true up for each scheme month for which changes to actual volumes have been reported by suppliers.

In addition to changes made by existing suppliers, when newly registered suppliers join the scheme and provide their volumes, this may also lead to a change in the total volumes reported in a given month.

2.7 Restated volumes for previously reported periods

As noted in previous true up papers, changes in the volumes reported by suppliers will affect the relative market share of all participants that supply that container material type.

The table overleaf has been provided to show the restated volumes for the previous 3 months that were used to calculate the true up adjustments in the November invoice.

November 2018 Invoice Volumes

Container Material Type	Volume June 2018	Volume July 2018	Volume August 2018
Aluminium	92,984,629	87,020,560	86,860,897
Glass	64,130,061	70,541,698	68,407,274
HDPE	6,965,737	6,747,179	6,058,504
PET	77,865,436	72,814,273	76,561,682
Liquid Paper Board	13,737,318	18,116,584	17,406,538
Steel	147,187	184,709	160,077
Other Plastics	48,464	68,030	84,888
Other materials	13,264	24,058	15,871
Total	255,892,096	255,517,091	255,555,731

These volumes are the volumes that were stored in the reporting portal when the November invoice was generated and remain subject to change at any time in accordance with the current scheme rules.

