



BC Used Oil Management Association

Review of the Return Collection Facility Incentive Program

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INTRODUCTION

About the BCUOMA and the Return Collection Facility Incentive Program

The British Columbia Used Oil Management Association (“BCUOMA”) is a not-for-profit society with a mandate of ensuring the responsible collection and management of used oil, antifreeze, filters and containers under the BC Recycling Regulation.¹ The BCUOMA is funded by its retail and wholesale members through an Environmental Handling Charge (“EHC”) on the sale, distribution or commercial use of lubricating oil, automotive antifreeze, and filters in the province.

Since 2003, the BCUOMA has managed a collection and recycling program for used oil, antifreeze, filters and containers in British Columbia. Through the program, previously sold lubricating oil is collected, refined and reused; metal filters are collected and recycled into other products; inherent energy is recovered from paper filters that cannot feasibly be recycled; containers are recycled into new plastic or metal products; and antifreeze is refined for reuse.²

Working towards its provincial mandate, the Return Collection Facility (“RCF”) incentive program was started in 2011 as a means to ensure sufficient options were available across the province for the general public to return used oil and antifreeze materials at no charge. In order to achieve this objective, BCUOMA pays an incentive to a number of pre-approved return collection facilities (“RCFs”), including retailers, oil change stations, local governments and non-profit recycling organizations, for the collection of oil and antifreeze at various locations in British Columbia. As of 2014, there were 509 RCFs participating in the program, and in 2015, approximately 180 of those had submitted claims. For the most recent program year (2015), the RCF incentive program had a total budget of \$660,000.

Purpose and Scope of the Review

MNP was engaged by the BCUOMA to undertake a review of the RCF incentive program since its inception (2011 to 2015). The purpose of the review was to address the following key questions:

- Has the RCF program met its key objectives of providing sufficient options throughout the province for the public to return used oil and anti-freeze at no cost?
- Does the coverage of RCFs in the province align with the benchmark Stewardship Agencies of BC standard for collection facilities?
- What has contributed to the success of, and what are the risks facing, the program; and, what can be done to manage these better in the future?
- What have been the outcomes achieved by the program relative to the resources available?
- Are there any program changes along with key performance measures that serve to better align program results with the intended objectives?

¹ BCUOMA 2015-2020 Stewardship Plan. May 2015.

² BCUOMA 2015-2020 Stewardship Plan. May 2015.

Approach to the Review

As part of the engagement, MNP carried out the following activities:

- Reviewed program administrative data and relevant background documents;
- Conducted interviews with a sample of RCFs and Collectors to gather information on overall satisfaction with the program, amount of used oil and antifreeze collected by drop offs versus self-generated, factors that have contributed to the success of the program, and improvement opportunities;
- Created a digital “coverage map” of RCFs in BC;
- Analyzed the interview responses and administrative data to assess the extent to which the program has achieved its intended objective; and
- Developed recommendations related to program changes and potential measures of performance to better align the program’s results with its intended objective.

OUR UNDERSTANDING OF THE SYSTEM TODAY

Program Overview

As noted earlier, the RCF incentive program began in 2011 as a means to ensure free and sufficient access to drop off facilities for used oil and antifreeze materials in the province of BC. The program is funded by an environmental handling fee charged on the initial sale of these products, and according to the BCUOMA³, provides the following benefits:

- Allows more oil, filters, and containers to be recovered from the DIY population;
- Decreases the amount of pollution caused by improper disposal;
- Extends the life of a non-renewable resource;
- Decreases the amount of non-biodegradable materials in our landfills; and
- Provides the recycling industry with a source of used oil, plastic, and steel.

RCFs participating in the program include lube shops, Canadian Tire stores, car dealers and auto repair shops, landfills, transfer stations and depots, gas stations, card lock and bulk suppliers, as well as other establishments not included in one of these classifications. As of 2014, there were 509 RCFs participating in the program, and in 2015, just over 180 of those had submitted claims.

Compensation is offered to participating facilities equal to \$0.10 per litre of oil and \$0.15 per litre of antifreeze. The incentive is based on the total volumes of used oil and antifreeze picked up at each participating facility. This incentive rate applies to the collection of materials from public drop offs, as well as used oil and antifreeze that is self-generated by the facility (e.g., generated through oil changes provided on site by the retailer). Total payments and total volumes of used oil and antifreeze collected through the RCF incentive program are highlighted in Table 1.⁴ Through the various drop off facilities in British Columbia, incentives have been paid on over 23 million litres of oil and 1.7 million litres of antifreeze since the program began in 2011.

Table 1: Summary of Program Administrative Data (2011 to 2015 YTD)⁵

Type of Facility	Incentive Paid	Volume Collected (Litres)	Number of Facilities
Lube Shops	\$1,308,646	12,574,896	68
Canadian Tire	\$656,173	6,412,467	51
Car Dealers and Auto Repair	\$374,371	3,601,448	281
Landfills/Transfer Stations/Depots	\$135,881	1,309,573	50
Gas Stations/Card Lock/Bulk Suppliers	\$70,050	700,192	30
Other	\$32,960	329,341	29
Total	\$2,578,081	24,927,917	509

As indicated in Table 1, since 2011, just over half of the total payments made through the RCF incentive program went to lube shops, with Canadian Tire stores accounting for another quarter of the total amount. Further, car dealers and auto repair shops represent over half of the RCFs participating in the program.

³ BCUOMA website, retrieved from <http://bcusedoil.com/faq/>.

⁴ Note that incentive payments for only the first six months of 2015 are reflected.

⁵ Provided by BCUOMA.

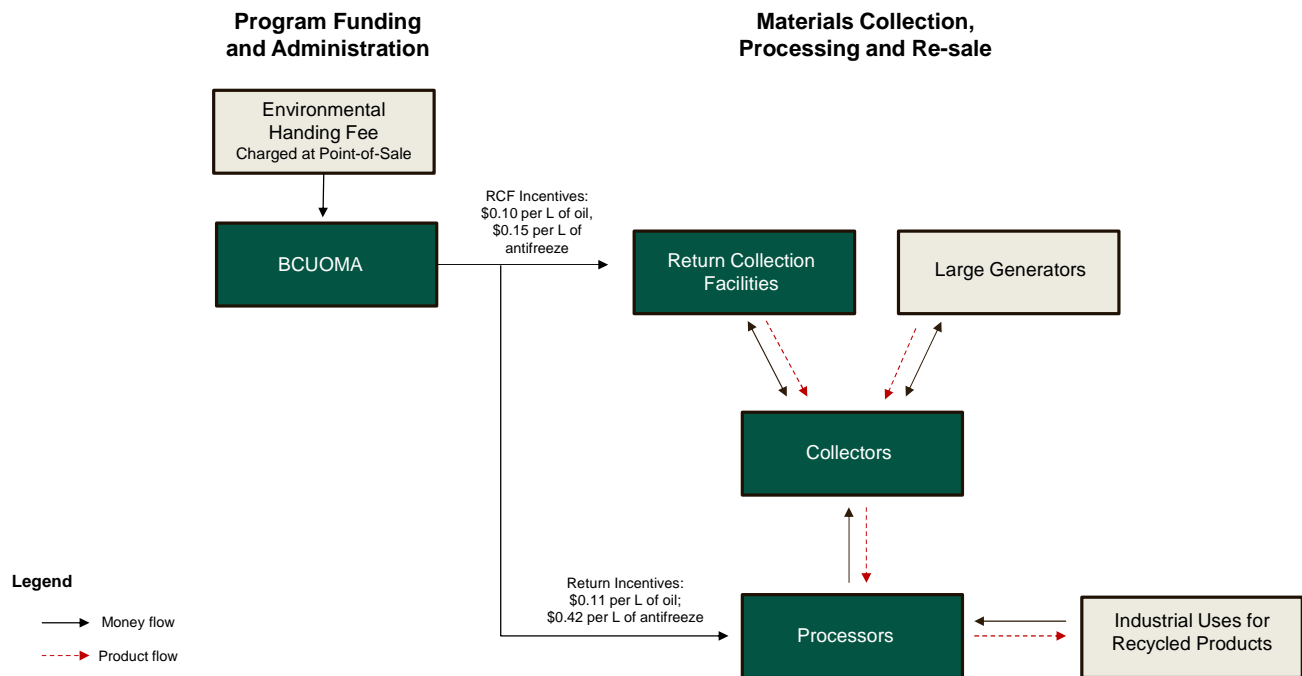
Role of the Market for Recycled Products

Used oil and antifreeze is collected from participating RCFs by a government-approved carrier registered with the BCUOMA (referred to as a “Collector”) that transports the used oil and antifreeze materials to a facility for processing (“Processors”). Collectors receive payment from Processors for delivering these materials and, depending on the market price, may provide an additional payment to RCFs for the collection of these materials.

Historically, the additional sourcing of revenue from the market for these recycled products has helped RCFs and Collectors offset the administrative costs involved with the program. However, given current economic conditions, the market for re-refined and recycled oil has been impacted such that this source of revenue has fallen significantly in the current program year, raising concern for the viability of the program. At this point in time, many RCFs and Collectors are reportedly unable to recover their costs at the current incentive level offered by the BCUOMA.

The following diagram shows our understanding of the current economic system in which the RCF incentive program is operating. As highlighted in the diagram, the market for re-refined and recycled oil as well as recycled steel plays an important role in supporting (and funding) the activities of the RCF incentive program.

Figure 1: BCUOMA Activities in relation to Market for Recycled Products



FINDINGS OF THE REVIEW

Strengths of the Program

Prior to the low oil prices that exist today, the additional revenue received by Collectors (and passed on to RCFs) from the sale of used oil and antifreeze materials apparently helped to offset the costs associated with the program and increase the volumes of used oil returned as a result. The interviews confirmed this observation, namely that the value of used oil, at least historically, helped to contribute to the success of the program by providing a sufficient return for those involved with delivery.

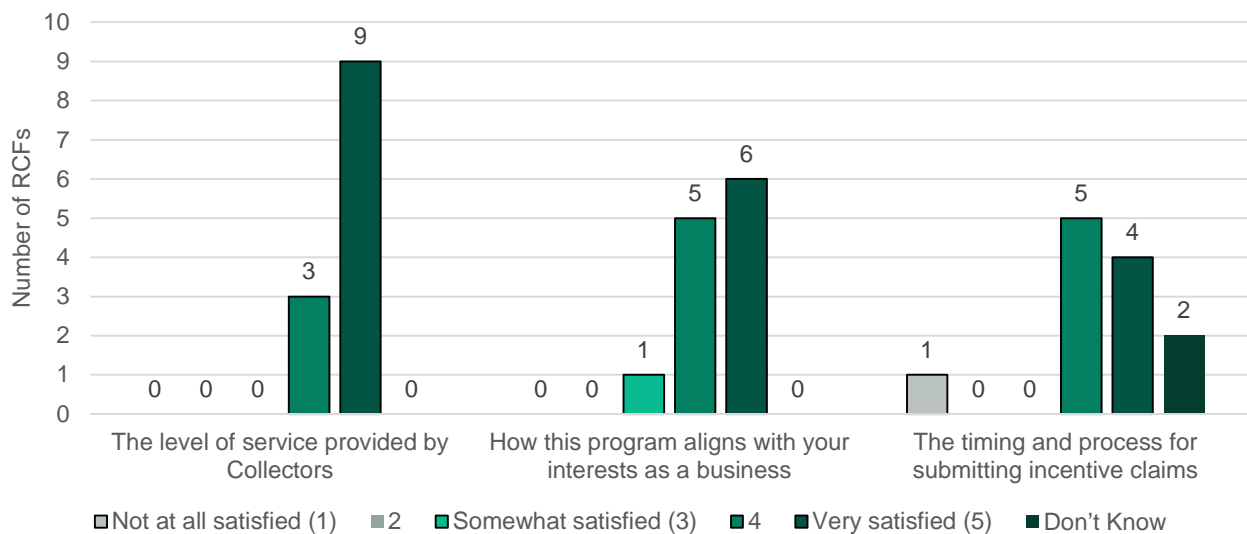
Similarly, the interviews carried out for the study indicated that the incentive for serving as a drop off facility was a key factor contributing to the success of the program to date. However, in addition to these financial aspects, RCFs and Collectors identified the following as having contributed to the success of the program:

- General awareness along with concern among the population about the natural environment and related issues.
- Ease of drop offs, including close as well as free access to facilities.
- Communication of the program by RCFs, through their own advertising, signage, or being “known” in the community.
- Communication of the program by BCUOMA, such as stickers for windows and the summer ambassador program.

In addition, as indicated in Figure 2, those RCFs interviewed were generally satisfied or very satisfied with the following aspects of the program:

- The service provided by Collectors (100 percent satisfied or very satisfied).
- The alignment of the program with their interests as a business (92 percent satisfied or very satisfied).
- The claims submission process (90 percent satisfied or very satisfied).

Figure 2: Aspects of the Program with Highest Levels of Satisfaction among RCFs



Satisfaction in the Delivery of the Program

As indicated in Figure 3, the majority of RCFs interviewed were generally satisfied or very satisfied with the overall administration of the program (73 percent). Areas for improvement however, included the following:

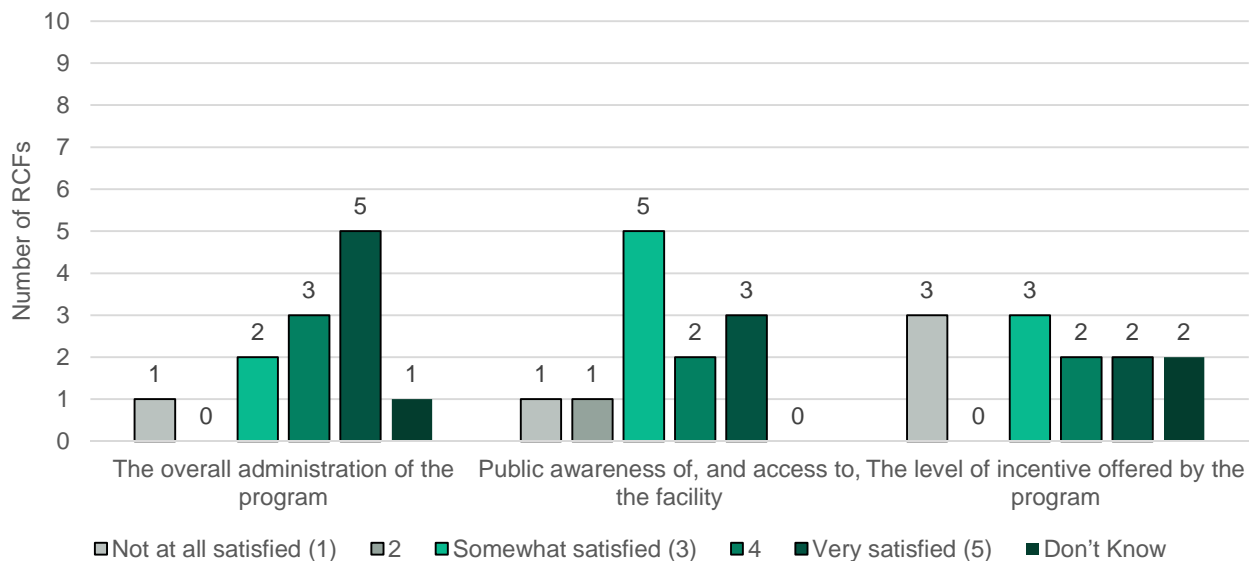
- Public awareness of, and access to, facilities (67 percent not at all satisfied to somewhat satisfied).

The interviewed RCFs stated a lack of public awareness or compliance with program rules, such as drop offs of other hazardous materials and outside business hours. These findings are consistent with a survey conducted of RCFs in the summer of 2015 through the Summer Ambassador Tour.⁶ In this survey, approximately 50 percent of participating RCFs encountered issues with after-hours drop offs, including the need to clean-up spills.

- The level of incentive offered by the program (60 percent not at all satisfied to somewhat satisfied).

In the most recent program year (2015), RCFs have seen a drop in the total payment received for the collection of used oil, largely as a result of lower payments from Collectors. A specific example raised was that the total incentive payments received from the BCUOMA and the Collector fell from 39 cents per litre of oil in 2014 (10 cents from the BCUOMA and 29 cents from the Collector) to 14 cents per litre of oil in 2015 (10 cents from the BCUOMA and 4 cents from Collector). There was a resulting loss of revenue in this case of over \$10,000 in 2015 over 2014, even though total volumes increased and the BCUOMA incentive remained the same.

Figure 3: Satisfaction among RCFs with Program Delivery



These findings were consistent with the views of Collectors. As indicated in Figure 4, there is a general satisfaction expressed among those Collectors consulted with the overall administration of the program.

⁶ This survey was comprehensive in its coverage representing approximately 359 RCFs participating in the program.

Areas for improvement however, included the following:

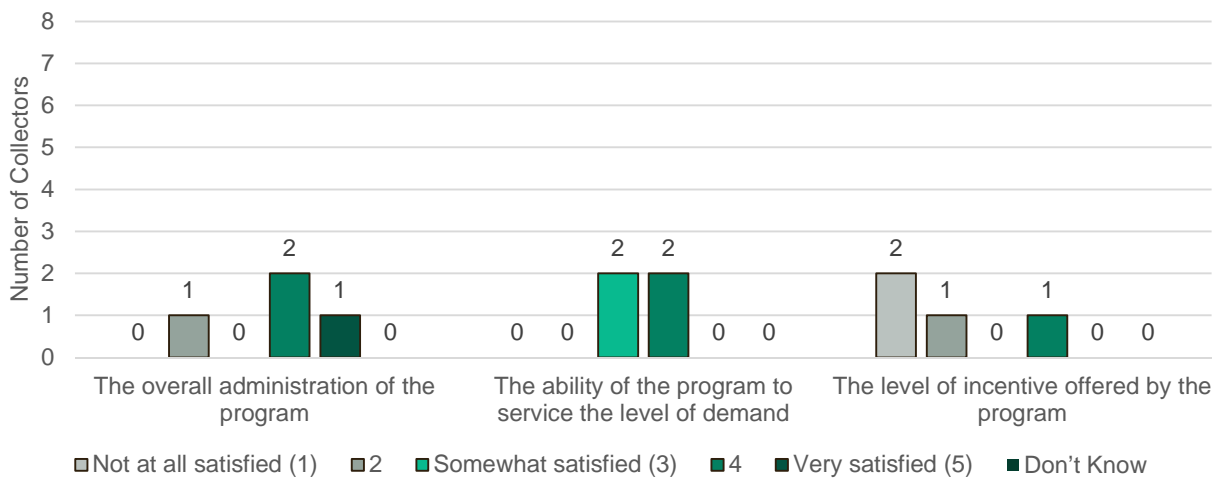
- Ability of the program to service the level of demand.

Interviewed Collectors stated that it is becoming more difficult for them to service the level of demand from the program, as it is less financially viable.

- The level of incentive offered by the program.

It was reported that retailers and generators may have the belief that the EHC covers the cost of collection. Yet, as noted earlier, Collectors feel the incentive provided by the BCUOMA is not enough for them to recover their costs (i.e., a highlighted example of this was that in the market for used oil, a Collector received payment of only \$312 for 300,000 litres of oil). The interviewed Collectors shared a desire to provide the BCUOMA with a summary of these cost pressures and also to have the incentive keep pace with inflation, especially for those servicing rural areas with high freight costs. These same Collectors acknowledged that the increase in the return incentive has helped recently, however it does not compare to the amount previously received from the market for used oil.

Figure 4: Satisfaction among Collectors with Program Delivery



Key Risks to the Continued Success of the Program

Based on our interviews with RCFs and Collectors, we identified two key risks to the continued success of the program. These risks include (1) the liability associated with the collection of used oil and the drop off of other hazardous materials at collection facilities; and (2) the state of the market for used oil reducing the value for RCFs and Collectors to continue to participate in the program.

In terms of the liability associated with the program, the following areas of concern were identified:

- Leakage of oil from containers that are dropped off after hours.
- Contaminated oil or other hazardous materials dropped off at the facilities.
- Used oil dropped off in unsuitable containers, resulting in spills.

There was also concern raised by interviewed RCFs related to the costs associated with the clean-up of spills and for handling large overnight drop offs suspected to come from other small businesses.

Building on the earlier findings, the market for used oil and the recent reduction in payments provided to RCFs by Collectors is a second area of risk faced by the program. Without the added revenue that was previously provided by Collectors, RCFs are finding it more difficult to recover costs associated with the handling of public drop offs. A number of RCFs stated that based purely on the financials, the BCUOMA incentive is not enough to ensure the program infrastructure stays in place. As noted by multiple facilities, participation is reliant in these circumstances on a sense of corporate responsibility to serve the public as well as a belief that their other, non-financial interests as an organization (e.g., non-profit or municipal recycling facility) are being met.

The combined effect of higher costs associated with public drop offs and the lower combined (BCUOMA and Collector) incentive is seen an important issue that needs to be resolved for the continued viability of the program.

In addition to these concerns, a suspicion was raised in the interviews that a number of RCFs are collecting used oil and burning it for heating. This implies there is an opportunity for monitoring of this activity from those facilities that advertise through the program and are listed as an RCF on the BCUOMA website, but do not submit claims to the BCUOMA.

Improvement Opportunities

There were a number of improvement opportunities raised by the interviewed RCFs related to the administration of the program. In order of importance, the most common improvement opportunities identified include: (1) increasing public awareness of the program, (2) increasing the level of incentive offered by the program, and (3) standardizing the collection of used oil and antifreeze at each participating facility.

The following specifics were highlighted as it relates to increasing public awareness:

- Provide education on where other chemicals can be returned and collected.
- Strengthen program communications on the ability to drop off used oil at no cost, and during business hours, with the aim of avoiding overnight drop offs and to prevent spills.
- Provide better signage for facilities participating in the program.

Related to the level of incentive offered by the program, a number of the RCFs consulted made the suggestion that the incentive should be variable based on the payment provided by Collectors. That is, the BCUOMA incentive could be based on a sliding scale to allow for a more consistent combined payment year over year. It was also suggested that the EHC be increased to allow for higher incentives. An illustration of this point was that the price of lubricating oil has increased over time from \$1.30 per litre to \$3.00 per litre, yet the EHC has stayed at its current level. Multiple Collectors proposed that a greater portion of the program funds be allocated to those RCFs with a larger share of collections from public drop offs. This was seen to encourage facilities to continue to accept drop offs, and as more adequately accounting for the additional costs incurred by these same facilities. It was also raised by the interviewed Collectors that the current, flat RCF incentive structure was an unfair way to distribute program funds, and that the incentive rate should vary based on the source of the materials (i.e. drop off versus self-generated).

Further to these findings, the following suggestions were provided to help standardize drop off procedures and to assist organizations serving as public collection facilities:

- Provide assistance to RCFs with spills or clean-up (i.e., currently spills are rectified by the facility at their own cost).
- Provide resources to RCFs to prevent or contain spills (e.g. collection bins, spill mats).
- Provide better signage for the program (some are currently relying on their own signage and promotion).
- Provide holding tanks as part of the program (this was raised as being particularly relevant for non-profit or municipal drop off facilities).
- Standardize the design and appearance of drop off sites (e.g. containment bins or units).

In addition to the improvement opportunities identified above, the consulted RCFs and Collectors suggested expanding the program to the collection of other materials (such as brake fluid and other automotive liquids or chemicals), as well as increasing the timeframe for submission of claims.

Coverage of the Program in the Province

According to the Stewardship Agencies of BC 2013 Action Plan⁷, the following benchmark applies to collection facility coverage for product stewardship plans:

- For rural communities with a population of 4,000 or more, it should be no more than a 45 minute drive to a collection facility.
- For urban communities with a population of 4,000 or more, at most there should be a 30 minute drive to a collection facility.

For the purpose of this benchmark, rural and urban communities are defined as follows:

- Rural communities are cities, towns, resort municipalities, and district municipalities with a population of between 4,000 and 29,999 outside the Metro Vancouver and Capital Regional Districts; and
- Urban communities are cities, district municipalities and towns within the Metro Vancouver and Capital Regional Districts with a population of 4,000 or more; and cities and district municipalities with a population of 30,000 or more in the remainder of the province.

While half of the RCFs interviewed were unable to comment on the coverage in their area, four of the remaining six stated that they were satisfied or very satisfied with the regional coverage.

To further assess the adequacy of RCF coverage in BC, MNP combined Statistics Canada population data at the census subdivision level⁸ with administrative data on the location of facilities to develop a coverage map. The map includes all communities defined as rural or urban based on the above standard, and each participating RCF. A 45 km or 60 km radius around each facility was mapped to represent approximate driving times (45 km for urban facilities to represent a 30 minute driving distance, and 60 km for rural facilities to

⁷ Retrieved from http://www.bcrecycles.ca/assets/pdf/SABC_Action_Plan_Oct_16_Final.pdf

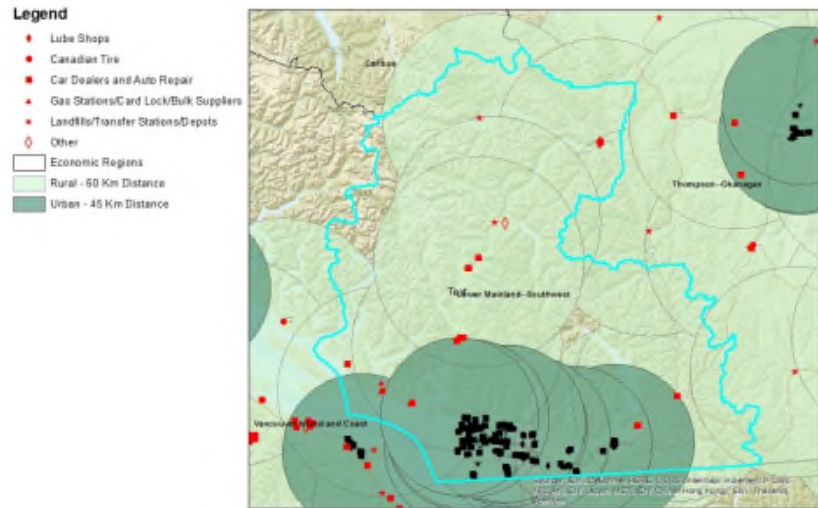
⁸ According to Statistics Canada, a Census subdivision is the general term for municipalities (as determined by provincial/territorial legislation) or areas treated as municipal equivalents for statistical purposes (e.g., Indian reserves, Indian settlements and unorganized territories). Source: Statistics Canada, Geographic Attribute File, Reference Guide, Census Year 2011, Catalogue no. 92-151-G.

represent a 45 minute driving distance). The results of this mapping exercise are presented in Figure A-2 in Appendix A, and in Figure 5 for the Lower Mainland/Southwest region of BC.

As shown in Figure A-2, all urban communities and almost all rural communities in BC are adequately covered by a collection facility within the Stewardship Agencies of BC guidelines, providing access for 99.5 percent of the total population for which this standard applies. The only exception appears in Northern BC, where a census subdivision with a population of over 4,000 is spread across a much larger geographical area.

However, as indicated in Figure 5, in certain areas of BC there appear to be more than a sufficient number of facilities. In the Lower Mainland and Southwest economic development region (and specifically in Greater Vancouver) there are a large number of facilities collecting used oil and antifreeze through the RCF incentive program.

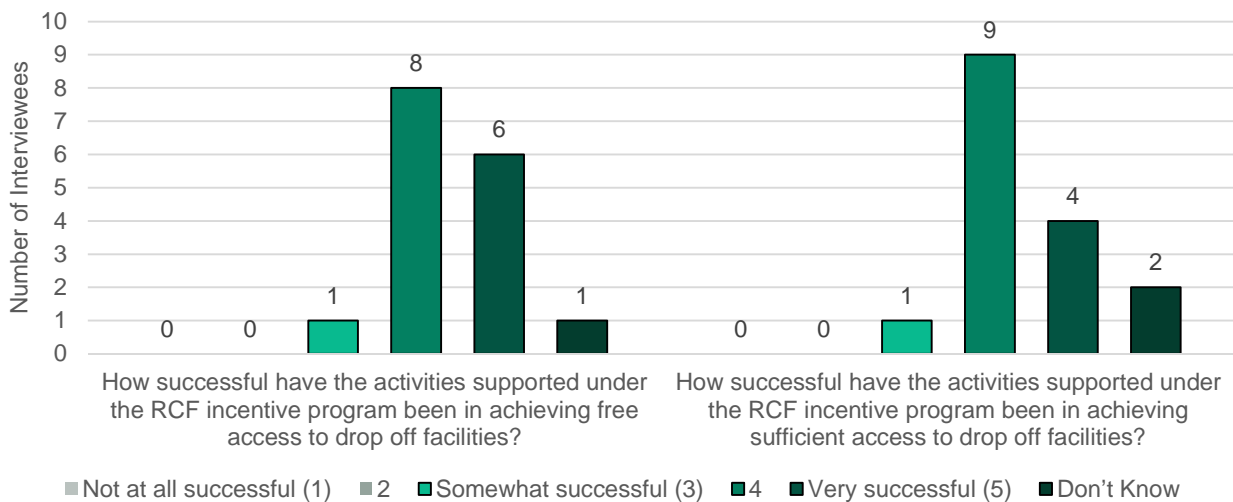
Figure 5: Coverage of Return Collection Facilities in the Lower Mainland



Outcomes Achieved by the Program

The key objective of the RCF incentive program is to provide the general public with sufficient access to free drop off facilities for used oil and antifreeze materials. As indicated in Figure 6, almost all of the RCFs and Collectors interviewed as part of the review ranked the program as being successful or very successful in achieving these objectives.

Figure 6: Success of the RCF Incentive Program in Achieving its Objectives



While the program is viewed to be a success, to date there has been little information reported on the total volume of used oil and antifreeze collected from drop offs versus materials that were self-generated at each facility. Those RCFs and Collectors interviewed were asked to approximate the amount of used oil and antifreeze materials collected from drop offs. A summary of responses are presented in Table 2 below.⁹

Table 2: Percent of Used Oil and Antifreeze Collected by Public Drop Offs

<i>Type of Facility</i>	<i>Reported by RCFs</i>	<i>Reported by Collectors</i>
<i>Lube Shops</i>	"very little", "varies by location", 1 to 2%	5%, 10 to 20%
<i>Canadian Tire stores</i>	40 to 50%, 70%, 75%	25%, 75%
<i>Car Dealers and Auto Repair</i>	1%, 10%	"no public drop offs", "maybe 1%", 20 to 25%
<i>Landfills/Transfer Stations/Depots</i>	100%, 100%	100%
<i>Gas Stations/Card Lock/Bulk Suppliers</i>	20%	
<i>Other</i>		

As indicated in Table 2, the amount of used oil and antifreeze estimated to be collected through public drop offs varies significantly by type of facility. While the sample size for our interviews was limited, the results are generally consistent across responses by type of facility. There was general agreement among those interviewed that a higher proportion of public drop-off used oil and antifreeze is being collected at Canadian Tire stores and landfills, transfer stations and recycling depots compared with other types of facilities.

Although the information presented in Table 2 is from a small sample size and is largely a "best guess" from participating facilities and Collectors, the following table presents an estimated range of used oil and antifreeze that may have been collected from public drop offs. This table assumes that drop offs represent 1 to 10 percent of total volumes from lube shops, 40 to 75 percent of total volumes from Canadian Tire stores, 1 to 10 percent of total volumes from car dealers and auto repair shops, 100 percent of total volumes from landfills, transfer stations and depots, and 20 percent of total volumes from gas stations, card lock, bulk suppliers and other facilities.

Table 3: Estimated Volume of Used Oil and Antifreeze Collected from Public Drop Offs (2011 to 2015 YTD)

	<i>Volume of Used Oil</i>	<i>Volume of Antifreeze</i>
<i>Amount from drop offs</i>	4,011,044 to 7,489,104	231,186 to 453,360
<i>Total amount</i>	23,222,130	1,705,787
<i>Percentage of Total</i>	17.3% to 32.2%	13.6% to 26.6%

Based on this analysis, it is estimated that approximately 15 to 30 percent of the total volume of used oil and antifreeze collected through the RCF incentive program was from public drop offs. Note that these estimates are based on limited self-reported data, and are for illustrative purposes only.

⁹ While the majority of participants do not closely track this information, some were able to approximate the amount of oil that was self-generated through data made available on the number of oil changes performed at the facility. In other cases, such as recycling depots and non-profit collection facilities, the view was that all of the oil collected is generated from public drop offs.

Outcomes Achieved Relative to Resources Available

Based on the estimated amounts of used oil and antifreeze collected from public drop offs versus self-generated by the facilities, along with the total incentive payments made to each type of facility, **Error! Reference source not found.** Table 4 presents the estimated amount paid by the BCUOMA to each facility type per litre of oil collected from public drop offs.

Table 4: Amount Paid per Litre of Used Oil or Antifreeze Collected from Public Drop Offs by Type of Facility

<i>Type of Facility</i>	<i>Incentive paid per litre of oil collected from drop offs</i>	<i>Incentive paid per litre of antifreeze collected from drop offs</i>
<i>Lube Shops</i>	\$1 to \$10 per litre	\$1.50 to \$15 per litre
<i>Canadian Tire stores</i>	\$0.13 to \$0.25 per litre	\$0.20 to \$0.38 per litre
<i>Car Dealers and Auto Repair</i>	\$1 to \$10 per litre	\$1.50 to \$15 per litre
<i>Landfills/Transfer Stations/Depots</i>	\$0.10 per litre	\$0.15 per litre
<i>Gas Stations/Card Lock/Bulk Suppliers</i>	\$0.50 per litre	\$0.75 per litre
<i>Other</i>	\$0.50 per litre	\$0.75 per litre

As indicated in Table 4, facilities that self-generate the vast majority of materials picked up from their facility by Collectors may be receiving up to \$10 in incentives for each litre of used oil that is dropped off at their facility. This would specifically apply to facilities that generate 99 percent of the used oil that is picked up from their facility (with the remaining 1 percent from public drop offs).

As the program currently has a budget of approximately \$660,000 per year to provide incentives to RCFs that are collecting used oil and antifreeze, it may be beneficial to reallocate some of the program budget in order to increase the incentive provided for the collection and handling of used oil and antifreeze collected through drop offs.

Based on a review of other provincial stewardship initiatives¹⁰, it seems as though the program in BC offers an incentive that is in line, or slightly lower than, incentives made available in other provinces. As a result, it does not appear as though the program, overall, is spending more than is necessary to generate results.

¹⁰ See Appendix B for a review of the incentives offered in other jurisdictions.

CONCLUSIONS AND RECOMMENDATIONS

While the program has been largely successful in providing free and sufficient access to drop off facilities for used oil and antifreeze materials in BC, a reliance on the market for re-refined and recycled oil has escalated as a risk to continued success. In addition to this, a number of opportunities were identified to improve the delivery of the program and to further align activities with intended results. These opportunities and recommendations are highlighted below.

Recommendation #1: Adjust RCF Incentives to Serve the Program Objective

Currently, facilities that are handling a higher proportion of drop offs are not able to recover the costs associated with providing this service. Many of these same facilities reported that their participation is driven from “good will”, because the mandate of the program aligns with their interests as an organization, or because they see their participation in the program as a way to give back to the community as a good corporate citizen.

Given the current level of program funding, and to reduce the reliance on corporate good-will, the BCUOMA should consider allocating a greater share of program dollars to the collection of oil and antifreeze resulting from public drop offs. This would require enhanced reporting through claim submissions, notably the inclusion of the total amount of oil collected from public drop offs during the claims period. There might also be higher administrative costs if an audit procedure is put in place, although an option is to adopt a less rigorous approach by identifying outliers through a comparison of facilities with similar characteristics.

Recommendation #2: Address Liability Concerns and Develop Standards for Participating RCFs

Those RCFs and Collectors consulted identified the need for more defined program rules or guidelines on site requirements, as well as greater support to handle spills and drop offs of unknown or hazardous materials. Further, the program would benefit from generated public awareness around the types of materials that are accepted at drop off facilities, at no cost, as well as the hours of operation.

It was also identified through the review that there are significant differences in the drop off experience across facilities, with little support provided by the BCUOMA to participating RCFs to administer the program, such as signage, proper containment bins, or spill mats.

Recommendation #3: Improve Monitoring and Reporting of Program Results

Structuring the claims submission to include an indication of the amount of used oil or antifreeze collected from public drop offs would allow the program to report on this as a separate performance measure. Further, it is suggested that the number of facilities listed as “active”, but not submitting claims, be revisited to ensure that there is in fact adequate coverage across the province. A related option would be the implementation of an annual declaration to renew and confirm participation in the program.

Furthermore, while the RCF incentive program appears to have adequate coverage in the province according to the Stewardship Agencies of BC guidelines, this standard has not been formally adopted by the BCUOMA. Formal adoption of this standard would allow for more definitive reporting of program results.

APPENDIX A

Coverage of Return Collection Facilities in BC

Figure A-1 highlights the location of return collection facilities throughout BC.

Figure A-1: Map of Return Collection Facilities

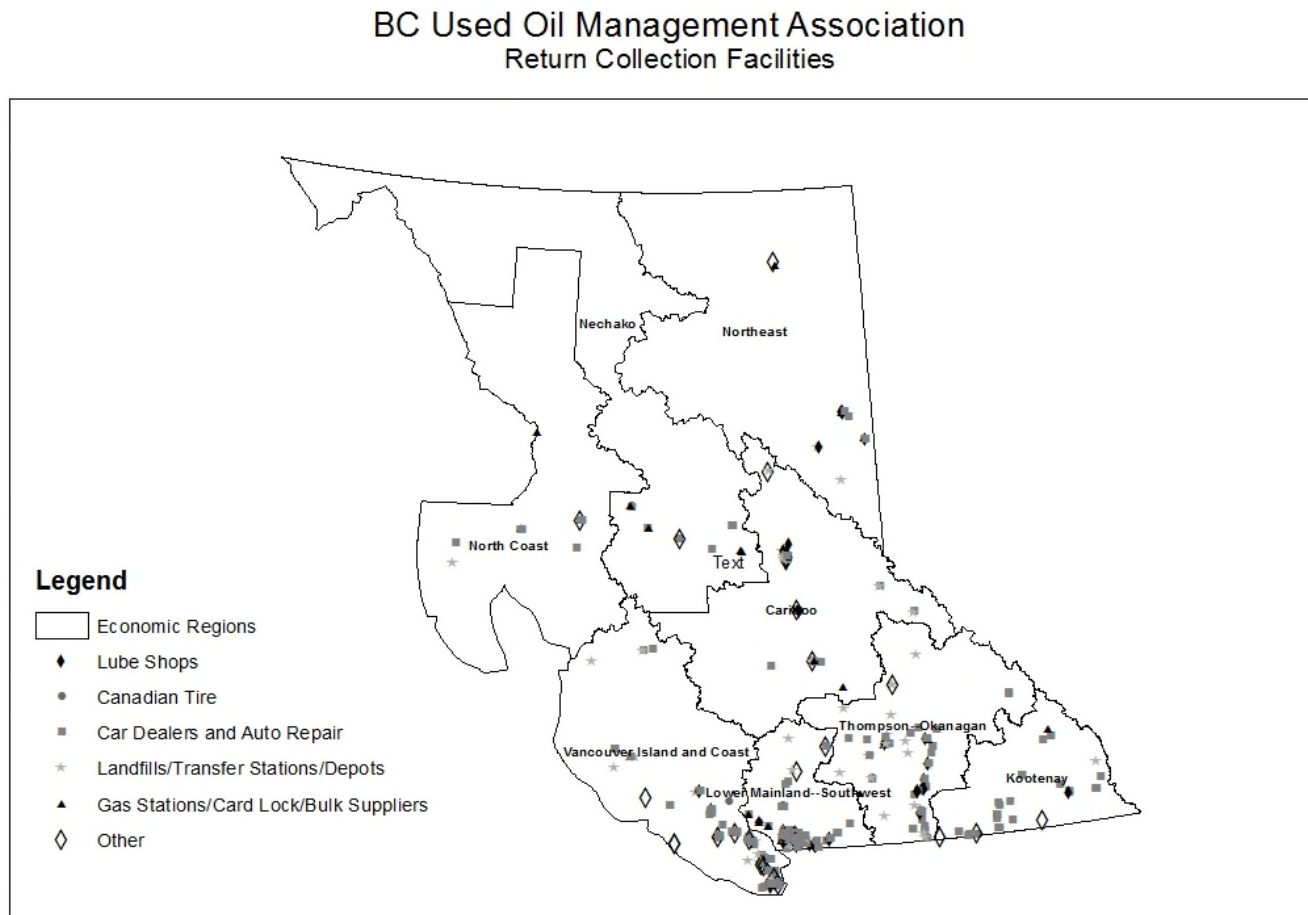
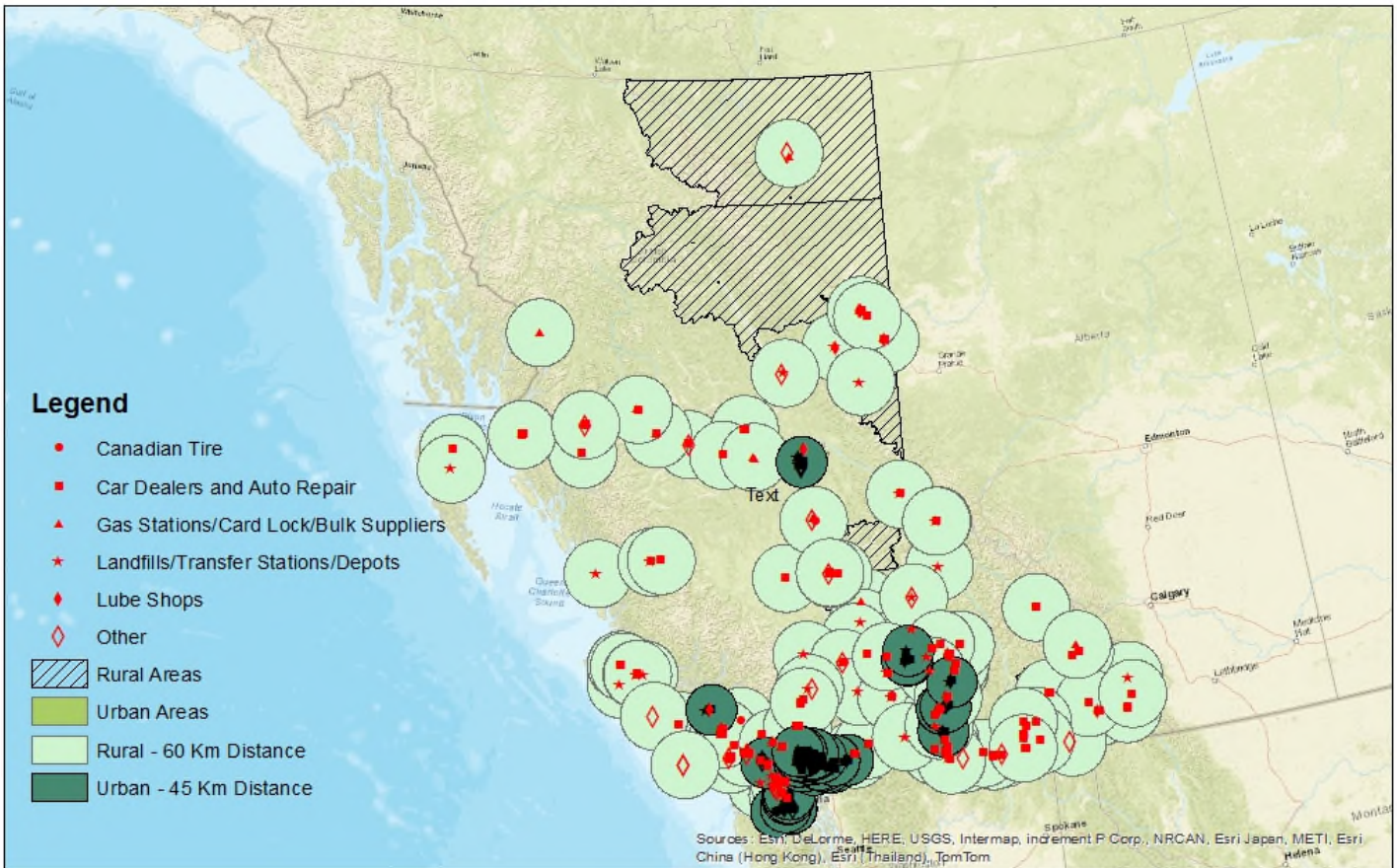


Figure A-2 highlights the coverage of RCFs in BC according to proximity to rural and urban communities. Each community in BC with a population of over 4,000 has been included on the map. On top of each of these communities we have mapped a 45 km or 60 km radius around each return collection facility to determine whether there is adequate coverage across urban and rural communities in BC.

Figure A-2: RCF Coverage of Urban and Rural Communities in BC

BC Used Oil Management Association Return Collection Facility Coverage



APPENDIX B

Jurisdictional Review

The following table presents information gathered on other provincial stewardship programs related to used oil and antifreeze.

Figure B-1: Comparison of Other Provincial Stewardship Programs

Province	Used Oil Collected 2014 (millions of litres)	Used Antifreeze Collected 2014 (millions of litres)	Other Collection (containers, filters, etc.) (million kg)	Level of Incentive	Program Coverage
BC	48.05	2.71	1.517 million kg oil and antifreeze containers	\$0.10/L of oil and \$0.15/L of antifreeze for participating RCFs; \$0.11/L of oil and \$0.42/L of antifreeze for Processors	As of 2014, there were over 500 RCFs participating in the program; collection primarily occurs through the over 4,000 generators in BC.
Alberta¹¹	101.5	n/a	8.75 used oil filters; 2.13 used oil containers; 2.36 used plastic containers	Average \$0.09/L of oil; \$1.74/kg of oil containers; \$0.98/kg of oil filter ¹²	Collectors are private sector enterprises working throughout the province's six zones collecting used oil materials. Collection coverage through Alberta is assured by Freight Equalized Zone Pricing.
Sask.¹³	18.96	168,000 litres since April to December 2014	0.44 million kg of oil, antifreeze and diesel exhaust fluid containers; 2.09 million oil filters	\$0.16/L of oil; 0.71/L of antifreeze; \$1.21/kg of oil filters; \$2.36/kg of containers ¹⁴	Saskatchewan has a network of nearly 200 year-round collection facilities and EcoCentres in almost 200 communities.
Manitoba¹⁵	19.5	2.12	1.57 of oil filters;	\$0.12/L of oil; \$0.94/kg of filters;	MARRC has established a province-wide network of 53 collection depots

¹¹ Alberta Used Oil Management Association, AUOMA Business Plan 2015 - 2017.

¹² Retrieved from http://usedoilrecyclingab.com/webcura/files/287726_return_incentive_rate_schedule_jul_2015.pdf

¹³ Saskatchewan Association for Resource Recovery Corp., 2014 Annual Report.

¹⁴ Retrieved from http://usedoilrecyclingsk.com/webcura/files/287757_sarrc-return-incentive-rates-july-1-2015.pdf

¹⁵ Manitoba Association for Resource Recovery Corp., 2014 Annual Report.

			0.69 of oil containers; 86.1 k kg antifreeze containers	\$1.87/kg of oil containers; \$0.41/L of antifreeze; \$1.87/kg of antifreeze containers ¹⁶	called EcoCentres which exceeds the requirements of the Used Oil, Oil Filters and Containers Stewardship Regulations
Quebec¹⁷	74.97	7	3.68 of filters; 2.38 of oil containers; 243 k kg of antifreeze containers	\$0.12/L of oils; \$0.91/kg of filters; \$2.55/kg of containers; \$0.35/L of antifreeze	
New Brunswick¹⁸	10	0.97	397 k kg oil containers; 460k kg filters; 50 k kg of antifreeze containers	\$0.08/L of oil; \$0.95/kg of filters; \$2.27/kg of containers; \$0.43/L of antifreeze	

¹⁶ Retrieved from <http://www.usedoilrecycling.com/resources/file/Manitoba/R1%20Rates%20inc%20%20Antifreeze.pdf>

¹⁷ SOGHU 2014 Annual Report.

¹⁸ Ibid.

APPENDIX C – DATA COLLECTION TOOLS

Interview Guide – Return Collection Facilities

INTRODUCTION

Hello _____.

My name is _____ and I am from MNP LLP (MNP). As you may know, we have been hired by the BC Used Oil Management Association to conduct a review of the Return Collection Facility (RCF) Incentive Program.

The purpose of this review is to determine the extent to which the RCF program is providing sufficient options throughout the province for the drop off of used oil and anti-freeze materials at no-charge, and to also determine whether any program changes or enhancements could better align the program with its intended results.

As part of the review, we are conducting a range of interviews with key stakeholders including return collection facilities and collectors involved in the administration of the program. Your feedback is instrumental to informing the review and we appreciate you taking the time to provide us with your feedback. The interview will take approximately 15 to 20 minutes to complete.

Before we proceed, I should note that all information we collect from you will be treated as confidential and will be reported only in summary form with the responses of other individuals we interview.

CONTACT INFORMATION

Name	
Position	
Organization	
Phone	
Date	

TYPE OF FACILITY AND INVOLVEMENT WITH RCF PROGRAM

Note to interviewer: Prior to conducting interview, confirm the type of facility (e.g. dealership, lube shop, non-profit), location of facility, and current service offerings affiliated with the program.

1. How long has your organization been involved in the RCF Incentive Program? What originally motivated your organization to participate in the program?

2. (If organization is not submitting claims) What key factors have led to your organization not submitting claims?

- a. In your opinion, what changes to the program (if any) would lead to your organization submitting claims in the future?

LEVELS OF SATISFACTION WITH THE PROGRAM

3. Based on your experiences, what is your overall satisfaction with the following:
 (On a scale of 1 to 5, where 1 is not at all satisfied, 3 is somewhat satisfied and 5 is very satisfied.)

How satisfied are you with:		Scale					
		Not at all satisfied	2	Somewhat satisfied	4	Very satisfied	Don't Know
a	The timing and process for submitting incentive claims.	1	2	3	4	5	Don't Know
	<i>What aspects of the claims process would you like to see continue in the future? Is there anything you would suggest to improve the claims process? If so, please elaborate.</i>						
b	The coverage of return collection facilities in your region.	1	2	3	4	5	Don't Know
	<i>Do you feel as though the public has sufficient access to return collection facilities in your region? Do you feel as though the coverage of return collection facilities could be improved in your region to meet unmet needs? If so, please elaborate.</i>						
c	Public awareness of, and access to, the facility.	1	2	3	4	5	Don't Know
	<i>What do you currently have by way of signage? Do you have any rules on the acceptance of drop offs? Do these rules distinguish between members of the public and small commercial drop offs?</i>						
d	The level of service provided by Collectors (e.g. frequency, timeliness).	1	2	3	4	5	Don't Know
	<i>What aspects of the service provided by the Collectors would you like to see continue in the future? Is there anything you would like to see change with respect to the service provided by Collectors?</i>						
e	The level of incentive offered by the program. <i>Note to Interviewer: The incentive rate is currently \$0.10/L of oil, \$0.15/L if anti-freeze</i>	1	2	3	4	5	Don't Know

How satisfied are you with:		Scale					
		Not at all satisfied	2	Somewhat satisfied	4	Very satisfied	Don't Know
	<i>Does the current level of incentive satisfy your facilities needs to recover costs? Would a change in the level of incentive impact your decision to participate in the program in the future?</i>						
f	The overall administration of the program.	1	2	3	4	5	Don't Know
	<i>What aspects of the program as it exists today would you like to see continue in the future? Do you have any recommendations for changes you would like to see made to the program going forward?</i>						
g	How this program aligns with your interests as a business.	1	2	3	4	5	Don't Know
	<i>Does serving as a return collection facility add value to your business? If so, in what way?</i>						

MEASUREMENT AND REPORTING

The purpose of the next set of questions is to obtain your feedback on the reporting of the results of the RCF Incentive Program.

4. Do you currently track the amount of used oil and anti-freeze that is collected by your facility from drop offs? If so, how is this information tracked?

- a. (If yes to Q4) Approximately what percentage of used oil and anti-freeze would you say is collected by your facility from drop offs? What sources account for the remainder of used oil and anti-freeze collected by your facility?

- b. (If yes to Q4) Would you be willing to share data from your organization related to the amount of used oil and anti-freeze that is collected by your facility from drop offs?

- c. (If no to Q4) Based on your experience, what percentage of used oil and anti-freeze would you say is collected by your facility from drop offs? From your experience, what sources would account for the remainder of used oil and anti-freeze collected by your facility?

REALIZATION OF RESULTS BY THE RCF PROGRAM

The purpose of the next set of questions is to obtain your feedback on the RCF Incentive Program's realization of desired results to date.

5. The objective of the RCF Incentive Program is two-fold:
- i. to provide **free access** to drop off facilities for used oil and anti-freeze in the province.
 - ii. to provide **sufficient access** to drop off facilities for used oil and anti-freeze in the province.
- In your opinion, how successful have the activities supported under the RCF Incentive Program been in achieving these objectives? (On a scale of 1 to 5, where 1 is not at all successful, 3 is somewhat successful and 5 is very successful.)

How successful have the activities supported under the RCF Incentive Program been in:		Scale					
		Not at all successful	2	Somewhat successful	4	Very successful	Don't Know
a	Providing free access to drop off facilities for used oil and anti-freeze in the province.	1	2	3	4	5	Don't Know
	<i>Please elaborate.</i>						
b	Providing sufficient access to drop off facilities for used oil and anti-freeze in the province.	1	2	3	4	5	Don't Know
	<i>Please elaborate.</i>						

6. In your opinion, what factors have contributed to the program's success?

7. Looking forward, what do you believe are the key risks to the continued success of the program? For example, do you see future needs changing with respect to the recycling of used oil and anti-freeze? What would these changes mean for the program?

8. In addition to what was discussed earlier, do you have any other suggestions for improvement opportunities to address risks to the program, or to continue with the strengths of the program?

CLOSING

9. Is there anything else that you would like to add or speak to as it relates to the RCF Incentive Program?

Interview Guide – Collectors

INTRODUCTION

Hello _____.

My name is _____ and I am from MNP LLP (MNP). As you may know, we have been hired by the BC Used Oil Management Association to conduct a review of the Return Collection Facility (RCF) Incentive Program.

The purpose of this review is to determine the extent to which the RCF program is providing sufficient options throughout the province for the drop off of used oil and anti-freeze materials at no-charge, and to also determine whether any program changes or enhancements could better align the program with its intended results.

As part of the review, we are conducting a range of interviews with key stakeholders including return collection facilities and collectors involved in the administration of the program. Your feedback is instrumental to informing the review and we appreciate you taking the time to provide us with your feedback. The interview will take approximately 15 to 20 minutes to complete.

Before we proceed, I should note that all information we collect from you will be treated as confidential and will be reported only in summary form with the responses of other individuals we interview.

CONTACT INFORMATION

Name	
Position	
Organization	
Phone	
Date	

INVOLVEMENT WITH RCF PROGRAM

1. How long has your company been involved in the RCF Incentive Program? What originally motivated your company to participate in the program?

LEVELS OF SATISFACTION WITH THE PROGRAM

The following questions are to obtain your feedback on the ability of the program to meet the needs of those involved with the program.

2. Based on your experiences, what is your overall satisfaction with the following:
(On a scale of 1 to 5, where 1 is not at all satisfied, 3 is somewhat satisfied and 5 is very satisfied.)

How satisfied are you with:		Scale					
		Not at all satisfied	2	Somewhat satisfied	4	Very satisfied	Don't Know
a	The ability of the program to service the level of demand.	1	2	3	4	5	Don't Know

How satisfied are you with:		Scale					
		Not at all satisfied	2	Somewhat satisfied	4	Very satisfied	Don't Know
	<i>From your experience, are there specific areas or regions of the province without adequate coverage of return collection facilities, or other unmet needs? If so, do you have any recommendations for improving the ability of the program to meet these needs?</i>						
b	The drop off experience (access to site, signage).	1	2	3	4	5	Don't Know
	<i>Do you find that there is easy access to the sites for those dropping off used oil and anti-freeze? Is your sense that there are enough containers on site to receive drop offs?</i>						
c	The level of incentive offered by the program.	1	2	3	4	5	Don't Know
	<i>Is the current level of incentive sufficient for you to recover your costs? Would a change in the level of incentive impact your participation in the program in the future? If so, in what way?</i>						
d	The overall administration of the program.	1	2	3	4	5	Don't Know
	<i>What aspects of the program as it exists today would you like to see continue in the future? Do you have any recommendations for changes you would like to see made to the program going forward?</i>						

3. What have you found to be the biggest challenges in meeting the needs of the community(s)? If there are needs that you feel you cannot meet today, what are the biggest constraints?

MEASUREMENT AND REPORTING

The purpose of the next set of questions is to obtain your feedback on the measurement of used oil and anti-freeze that is collected from drop offs.

4. From your experience, what amount of the used oil and anti-freeze collected from each type of facility (i.e. Lube Shops; Canadian Tire; Car Dealers and Auto Repair; Landfills, Transfer Stations and Depots; Gas Stations, Card Lock and Bulk Suppliers; and Other facilities) would you say is from drop offs? Please provide a percentage amount, or suggest "some", "most", or "almost all".
- Lube shops
 - Canadian Tire
 - Car Dealers and Auto Repair
 - Landfills/Transfer Stations/Depots
 - Gas Stations/Card Lock/Bulk Suppliers
 - Other

What is this based on?

REALIZATION OF RESULTS BY THE RCF PROGRAM

The purpose of the next set of questions is to obtain your feedback on the RCF Incentive Program's realization of desired results to date.

5. The objective of the RCF Incentive Program is two-fold:
- to provide **free access** to drop off facilities for used oil and anti-freeze in the province.
 - to provide **sufficient access** to drop off facilities for used oil and anti-freeze in the province.
- In your opinion, how successful have the activities supported under the RCF Incentive Program been in achieving these objectives? (On a scale of 1 to 5, where 1 is not at all successful, 3 is somewhat successful and 5 is very successful.)

How successful have the activities supported under the RCF Incentive Program been in:		Scale					
		Not at all successful	2	Somewhat successful	4	Very successful	Don't Know
a	Providing free access to drop off facilities for used oil and anti-freeze in the province.	1	2	3	4	5	Don't Know
	Please elaborate.						

How successful have the activities supported under the RCF Incentive Program been in:		Scale					
		Not at all successful	2	Somewhat successful	4	Very successful	Don't Know
b	Providing sufficient access to drop off facilities for used oil and anti-freeze in the province.	1	2	3	4	5	Don't Know
	<i>Please elaborate.</i>						

6. In your opinion, what factors have contributed to the program's success?

7. Looking forward, what do you believe are the key risks to the continued success of the program? *For example, do you see future needs changing with respect to the recycling of used oil and anti-freeze? What would these changes mean for the program?*

8. In addition to what was discussed earlier, do you have any other suggestions for improvement opportunities to address risks to the program, or to continue with the strengths of the program?

CLOSING

9. Is there anything else that you would like to add or speak to as it relates to the RCF Incentive Program?



ABOUT MNP

MNP is one of the largest chartered accountancy and business consulting firms in Canada, with offices in urban and rural centres across the country positioned to serve you better. Working with local team members, you have access to our national network of professionals as well as strategic local insight to help you meet the challenges you face every day and realize what's possible.

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