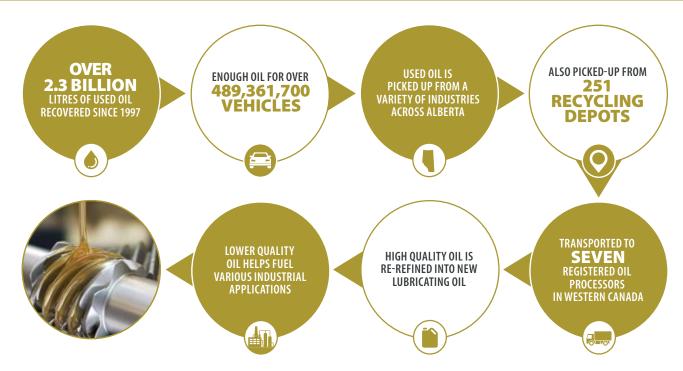
STEWARDSHIP USED OIL & MATERIALS RECYCLING 2023 – 2024 PROGRESS REPORT







MAKING RECYCLING **MORE CONVENIENT**

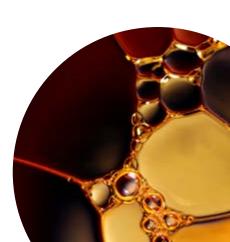
Municipalities and Indigenous communities are committed to this program and have established 251 recycling depots and held 28 roundups in 2023 – 2024 for the collection of used oil materials.

USED OIL RECOVERY RESULTS

Oil material volumes collected in 2023 – 2024 increased over the previous year, consistent with higher sales. This chart presents results over the last three years for used oil recovery.

USED OIL COLLECTED	LITRES COLLECTED* (MILLIONS)	LITRES PER CAPITA COLLECTED
2021/22 Result	78.08	17.43
2022/23 Result	83.28	17.92
2023/24 Target	83.68	18.31
2023/24 Result	90.30	18.81

*Based on an average weight per litre of 0.87 kg.





COLLECTION AND PROCESSING RESULTS FOR **FILTERS**

The chart presents results over the last three years for used oil filters collected and processed.

FILTERS COLLECTED AND PROCESSED	KG. (MILLIONS)COLLECTED PROCESSED		KG. PER CAPITA COLLECTED	RECOVERY RATE COLLECTED
2021/22 Result	3.98	2.90	0.89	71%
2022/23 Result	4.00	2.92	0.86	75%
2023/24 Target	4.28	3.28	0.98	86%
2023/24 Result	4.48	3.27	0.93	82%

COLLECTION AND PROCESSING RESULTS FOR **CONTAINERS**

This chart presents results over the last three years for containers collected and processed.

CONTAINERS COLLECTED	— KG. (MILLIONS) —		KG. PER CAPITA	RECOVERY RATE
AND PROCESSED	COLLECTED	PROCESSED	COLLECTED	COLLECTED
2021/22 Result	2.14	1.77	0.48	86%
2022/23 Result	2.15	1.57**	0.45	87%
2023/24 Target	2.18	1.77	0.48	87%
2023/24 Result	2.31	1.98	0.48	96%

^{**2022 – 2023} container processing volumes were negatively impacted by equipment issues at a processing site.

ENVIRONMENTAL COMPLIANCE

An objective of the program is to ensure that all used oil materials are collected and processed by registered recyclers in an environmentally and socially responsible manner. Monthly inspections by ARMA and an environmental audit every three years, confirm if the recyclers are following the requirements of the program.



PROGRAM SUSTAINABILITY

The environmental fees Albertans pay for new oil materials are used to help fund the collection and recycling of leftover material along with other program-related costs. Registered producers and suppliers remit fees on eligible products sold. ARMA values their commitment as part of the front line of the program.

In 2022 – 2023 an incentive review study was initiated and was finalized in 2023 – 2024. This review was an encompassing look at ARMA's stewardship programs to assess the overall incentive model and make recommendations on necessary adjustments to incentive program activities, incentive structure, and associated incentive rates.

The primary objective of this review was to optimize the programs with the following goals in mind:

- Ensure materials are managed appropriately at end-of-life.
- 2. Maximize environmental outcomes.
- 3. Optimize the collection network to support high recovery rates and access of Albertans.
- 4. Consider the impacts of recycling by-products with volatile market prices.
- 5. Provide an adequate level of funding to ensure sustainable collection, transportation, and processing at a reasonable cost (environmental fees) to Albertans.
- 6. Encourage in-province solutions to support Alberta job creation and economic diversification.

- 7. Support the advancement of the circular economy in Alberta by encouraging entrepreneurship, investment, and innovation.
- 8. Ensure an optimal transportation model.
- Ensure the program incentive model minimizes disruption to the operation of free markets

Periodically, sustainability reviews of processor operations are conducted by an independent third-party to assess if program funding levels are appropriate. In 2023 – 2024, two programs were identified as requiring funding adjustments, prompting sustainability reviews to be completed in early 2024 – 2025 and forming the basis for fee amendments in the Tires and Paint recycling programs in the fall of 2024.

FEE MANAGEMENT

RECYCLING EXPENDITURES 87% Collection and recycling of used oil materials RECYCLING DEVELOPMENT 1% R&D; Program awareness PROGRAM DELIVERY EXPENDITURES 7% Costs to deliver the program CORPORATE ADMINISTRATION 5% Corporate costs



WHAT HAPPENS TO YOUR EMPTY **CONTAINERS AND USED FILTERS**

Plastic oil containers and metal oil filters are an equally important part of the Used Oil Materials Recycling Program as the environmental fees paid at the time of purchase help fund the collection and recycling of these materials.

The containers are pelletized and used as feedstock for new plastic products such as composite lumber, fence posts, and parking curbs. Oil filters are crushed (with the residual oil captured) and processed into industrial materials such as rebar.



PROPOSED **PROGRAM EXPANSION**

In 2021 – 2022, ARMA received direction from Alberta Environment and Protected Areas to consult with industry associations and other stakeholder organizations regarding expanding the program to include:

- Diesel Exhaust Fluid (DEF) containers,
- Glycol/Antifreeze concentrate and pre-mix,
- Glycol/Antifreeze containers,
- Brake fluid containers,
- Aerosol containers for brake cleaner, automotive parts cleaner, and lubricant, and
- · Windshield washer fluid containers.

The proposed expansion also focused on increasing the maximum container size in the program from 30L to 210L. The consultations received industry support for the materials listed above to be included in a program expansion.

These recommendations were submitted to the province in 2022 – 2023 and are under review.











