

ALBERTA RECYCLING MANAGEMENT AUTHORITY

Used Oil Recycling Bylaw

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1. DEFINITIONS

1.1 In this Bylaw,

- (a) “Act” means the *Environmental Protection and Enhancement Act, R.S.A. 2000, c E-12*, or any replacement thereof as may be amended from time to time;
- (b) “Applicant” means a Supplier who applies for registration with the Authority;
- (c) “Authority” means the Alberta Recycling Management Authority;
- (d) “Bylaw” means this Used Oil Recycling Bylaw;
- (e) “Designated Material Regulation” means the *Designated Material Recycling and Management Regulation (Alta. Reg. 93/2004)* or any replacement thereof as may be amended from time to time;
- (f) “End User” means a person who purchases and uses lubricating oil material or equipment containing lubricating oil for the End User’s intended use;
- (g) “Payment on Purchase Registrant” or “POP Registrant” means a Supplier that pays the Surcharge on all supplies of designated material to their

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Suppliers who are registered with the Authority who in turn remit the Surcharge to the Authority;

- (h) “POP Registrant” has the meaning set out in section 4.8 of this Bylaw;
- (i) “Regulation” means the Lubricating Oil Material Designation Regulation (Alta. Reg. 100/2018) or any replacement thereof as may be amended from time to time;
- (j) “Remitter” means a Supplier that reports and remits the Surcharge directly to the Authority on all supplies of designated material;
- (k) “Report” means a Report filed with the Authority on a monthly basis, unless otherwise indicated, to account for the Supplier’s transactions in lubricating oil materials and of the amount of the applicable Surcharge;
- (l) “Security Interest” means a Security Interest within the meaning of the Personal Property Security Act (R.S.A. 2000, c P-7) or Bank Act (S.C. 1991, c 46) or any replacement thereof as may be amended from time to time;
- (m) “Supplier” means:
 - (i) a manufacturer of lubricating oil material who supplies the manufacturer’s own brand of lubricating oil material to a jobber, a retailer, or an End User, in or into Alberta;
 - (ii) a marketer who supplies lubricating oil material to a jobber, a retailer, or an End User, in or into Alberta, where the lubricating oil material was manufactured for the marketer by another person and the marketer owns the brand or is the licensee of the brand;
 - (iii) a wholesaler, including a retail distributor, who supplies lubricating oil material to a jobber, a retailer, or an End User in or into Alberta;
 - (iv) a jobber who supplies lubricating oil material that the jobber has imported in or into Alberta to a retailer or an End User;
 - (v) a retailer who supplies to another Supplier or End User lubricating oil material that the retailer has imported in or into Alberta;
 - (vi) a Supplier who supplies lubricating oil material in or into Alberta utilizing a third-party marketplace website, or any owner of a marketplace website through which lubricating oil materials may be supplied in or into Alberta;

- (vii) any other Supplier of lubricating oil material in or into Alberta regardless of their business arrangement with other Suppliers (i.e. pays Surcharges to their Supplier), or supply method (including retail, wholesale, online sales and otherwise);
 - (viii) a wholesale equipment Supplier who supplies equipment to its dealers, or the End User of the equipment where, as part of the transaction, lubricating oil material is also supplied; or
 - (ix) an End User who is described in section 4.6 of this Bylaw.
 - (n) "Surcharge" means a fee payable by a Supplier on all designated material supplied in or into Alberta as referred to in section 4.1;"supply" means a sale or other transfer.
- 1.2 Terms that are defined in the Regulation have the same meaning when they are used in this Bylaw.
- 1.3 For the purposes of this Bylaw, all references to "Alberta" include the whole of the City of Lloydminster.

2. REGISTRATION

- 2.1 All Suppliers shall be registered with the Authority, complete the registration process and provide updates as may be required by the Authority from time to time.
- 2.2 The Authority may cancel or suspend a Supplier's registration if the Supplier:
- (a) fails to remit to the Authority or to the person designated by the Authority all Surcharges the Supplier is required to remit under this Bylaw;
 - (b) ceases to carry on business as a Supplier;
 - (c) applies to surrender the Supplier's registration with the Authority and the Supplier does not carry on business as a Supplier;
 - (d) contravenes the Act, the Designated Material Regulation, the Regulation or this Bylaw; or
 - (e) provides inadequate, false or misleading information or representations in any application, Report or other form required by the Authority.
- 2.3 The Authority may withhold any registration until sufficient verification or

information has been provided by the Supplier in relation to any matter reasonably requested by the Authority to be verified or supplied.

- 2.4 An application for registration by a Supplier must be in a form acceptable to, or provided by, the Authority and must contain the information required by the Authority.
- 2.5 If the Authority registers an Applicant it shall assign a registration number and shall notify the Supplier in writing of the registration number and the effective date of registration.
- 2.6 A Supplier who supplies lubricating oil material prior to the Supplier's registration with the Authority is required to:
 - (a) complete any and all Reports that may be required by the Authority with respect to such supply of lubricating oil material prior to the Supplier's registration. The report shall include without limitations, all designated products sales, (including wholesale, retail, online, marketplace websites and otherwise);
 - (b) remit to the Authority any outstanding Surcharges that arise from such supply of designated products prior to the Supplier's registration, regardless of whether the Supplier has collected the Surcharges in respect of such supply; and
 - (c) pay to the Authority any interest that has accrued on any outstanding Surcharges, including those related to the supply of designated products prior to the Supplier's registration, as calculated in accordance with this Bylaw.

3. SECURITY INTEREST

- 3.1 The Authority may require an Applicant or a Supplier:
 - (a) to provide a Security Interest to the Authority; or
 - (b) to provide to the Authority evidence of a Security Interest

in a form and amount that is acceptable to the Authority for the purpose of ensuring that the Applicant or Supplier exercises the powers and carries out the duties as Supplier in accordance with the Act, the Designated Material Regulation, the Regulation, and this Bylaw.

4. SURCHARGE

- 4.1 The Surcharge to be remitted by a Supplier or End User is:
- (a) For supplies of lubricating oil material occurring on or before September 30, 2023:
 - i) for lubricating oil, \$0.05 per litre or per kilogram;
 - ii) for lubricating oil containers, \$0.05 per litre of container size; and
 - iii) for filters, \$0.50 for a filter less than 203 mm in length, and \$1.00 for a filter 203 mm or more in length.
 - (b) For supplies of lubricating oil material occurring after September 30, 2023:
 - i) for lubricating oil, \$0.06 per litre or per kilogram;
 - ii) for lubricating oil containers, \$0.12 per litre of container size for containers made of high density polyethylene (HDPE) or metal materials, and \$0.20 per litre of container size for containers made of non-HDPE or non-metal materials;
 - iii) for filters, \$0.55 for a filter less than 203 mm in length, and \$1.25 for a filter 203 mm or more in length.
- 4.2 Subject to section 5, below, the Surcharge applies to any supply of lubricating oil material regardless of where the sale, gift or transfer occurs.
- 4.3 A Supplier shall levy and collect as a Surcharge from the person to whom the lubricating oil material are supplied a Surcharge in the amount prescribed for that class or type of lubricating oil material as set out in this Bylaw.
- 4.4 A Supplier in section 4.3 of this Bylaw shall remit to the Authority with the Report required by the Authority all Surcharges the Supplier has collected or for which the Supplier is required to have collected under section 4.3 of this Bylaw.
- 4.5 A Supplier or End User who purchases lubricating oil material from someone who is not registered with the Authority is required to remit the Surcharge in the amount prescribed for that class or type of lubricating oil material as set out in this Bylaw.
- 4.6 An End User who imports lubricating oil material into Alberta for the End User's own use shall pay to the Authority the Surcharge in the amount prescribed for that class or type of lubricating oil material as set out in this Bylaw.
- 4.7 For lubricating oil material supplied in or into Alberta through a marketplace

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website or a Supplier-owned website, the Authority may, at its sole direction, hold the End User, the Supplier, or the owner of the website as responsible to report and remit the Surcharge as set out in this Bylaw. The owner of a marketplace website through which lubricating oil material is supplied in or into Alberta shall comply with any request by the Authority for information on supplies of lubricating oil material in or into Alberta, including the names of Suppliers, volumes supplied, and any other information relating to the supply of lubricating oil material through the marketplace website, as required by the Authority.

- 4.8 A Supplier may be registered by the Authority as a “Payment on Purchase” or “POP Registrant” where that Supplier meets the criteria for such registration as established by the Authority from time to time.
- 4.9 Where a Supplier is a POP Registrant, that Supplier shall pay all Surcharges to their registered Supplier. Where a POP Registrant purchases lubricating oil material from a Supplier that is not a registered Supplier, the POP Registrant shall remit all applicable Surcharges to the Authority.
- 4.10 Without limiting the generality of section 4.3 and 4.4, a Supplier who supplies to a POP Registrant described in section 4.9 of this Bylaw is liable to remit to the Authority all Surcharges applicable to supplies of lubricating oil material made to the POP Registrant.
- 4.11 A Supplier is required to remit the Surcharge to the Authority unless that Supplier supplies to another Supplier who holds a Remitter registration status with the Authority under this Bylaw and who provides evidence of their registration number.
- 4.12 A Supplier or End User in sections 4.4 or 4.6 of this Bylaw is not required to remit the Surcharge to the Authority where the Supplier or End User has paid the Surcharge to another Supplier registered with the Authority.
- 4.13 A courier, transporter, carrier, or mail service who carries or supplies lubricating oil material in or into Alberta shall be liable to remit the Surcharge in respect of the lubricating oil material where the Supplier on whose behalf or under whose direction the lubricating oil material is supplied or carried, is not registered with the Authority.
- 4.14 It is the intent of this Bylaw that the Surcharge in respect of a particular lubricating oil material be paid to the Authority only once.

5. EXEMPTIONS

- 5.1 The Authority may from time to time exempt a Supplier from the requirement to pay the Surcharge to the Authority, upon application by the Supplier and the acceptance in writing by the Authority, and other terms acceptable to the Authority.

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5.2 No Surcharge is payable in the following supply transactions:

- (a) where the supply is effected solely to create a Security Interest;
- (b) where a Supplier, located in Alberta and registered with the Authority, supplies the lubricating oil material directly to a point outside of Alberta; or
- (c) in any other transaction where the Authority determines, and which otherwise give effect to the Designated Material Regulation, the Regulation, and this Bylaw.

5.3 No Surcharge shall be collected or paid in the case of a transaction for the following types of lubricating oil:

- (a) two-cycle oil;
- (b) chain oil;
- (c) rockdrill oil;
- (d) marine oil;
- (e) metal working oil;
- (f) saw guide oil used to cool and lubricate cutting operations;
- (g) waylube oil used to lubricate metal machining operations; or
- (h) textile oil used to lubricate sewing needles.

5.4 Section 5.3 does not exempt the oil container in which the lubricating oil is contained.

6. REPORTING AND PAYMENT OF SURCHARGE

6.1 Each Supplier required to pay to the Authority the Surcharge under this Bylaw shall:

- (a) complete and file with the Authority a Report in respect of a reporting period not later than 30 days after the end of a reporting period, or as otherwise specified by the Authority and
- (b) remit to the Authority with the Report all Surcharges owing in respect of all supplies by the Supplier during the reporting period.

6.2 A Report shall be in a form acceptable to the Authority.

- 6.3 Unless the Authority directs otherwise, the reporting period for the purposes of this section is a calendar month.
- 6.4 The Authority may in writing at any time extend the time for filing a Report.
- 6.5 At its sole discretion, the Authority may apply any amount remitted by a Supplier first to the Supplier's outstanding debts to the Authority (including, without limitation, unpaid Surcharges and interest) with the amount remitted being applied to the oldest debts first, and second to the amounts owing by the Supplier for the current reporting period
- 6.6 A Supplier shall pay to the Authority, on the Authority's request, excess costs and expenses, including without limitation solicitor and own client costs, incurred in ensuring compliance of the Supplier with the Regulation and this Bylaw.

7. RECORDS

- 7.1 A Supplier shall:
- (a) keep records of the Supplier's transactions in lubricating oil material and of the amount of the applicable Surcharge; and
 - (b) make such records available:
 - (i) for inspection by the Authority and representatives of the Ministry charged with the administration of the *Environmental Protection and Enhancement Act*;
 - (ii) for audit at the times and by a person designated by the Authority; and
 - (iii) provide to the Authority on request information in respect of the Supplier's transactions in in lubricating oil material.

8. ASSESSMENTS

- 8.1 Where:
- (a) a Supplier fails to file a Report in accordance with section 6.1; or
 - (b) the Authority reasonably believes a Report that has been filed is incorrect or misleading; or

- (c) the Authority reasonably believes any person or organization required to remit the Surcharge under this Bylaw has failed to do so in whole or in part,

the Authority may assess the amount of Surcharges to be remitted by the Supplier in respect of a reporting period or reporting periods.

8.2 Where a Supplier fails to collect or remit a Surcharge with respect to a reporting period, the Authority may assess the Surcharge in an amount equal to the amount of the Surcharge that the Supplier failed to collect or remit.

8.3 Where the Authority makes an assessment under section 8.1 or 8.2, the Supplier shall remit:

- (a) the amount of the assessment; or
- (b) where a Report has been filed and a remittance made, the amount, if any, by which the amount of the assessment exceeds the amount remitted

and the remittance is due and payable from the time the Supplier receives notice of the assessment.

9. INTEREST

9.1 Interest is payable by a Supplier on Surcharges that the Supplier fails to remit as required by this Bylaw, and is payable at the rate per annum established by the Authority from time to time, from the date the unpaid amount is due until it is paid.

10. CHARGES IN TRUST

10.1 A Supplier holds all Surcharges in trust for the Authority.

11. RECOVERY OF CHARGE

11.1 A Surcharge and any interest owing in respect of it are recoverable by the Authority in an action in debt.