



# Request for Proposals

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## Supply Chain Cost Analysis for Petroleum Product Packaging

Issue Date: **June 15, 2023**

Closing Date: **September 27, 2023, 4:00 PM (British Columbia Time)**

Closing Location for Proposals: **By email to  
David Lawes – [dlawes@interchangerecycling.com](mailto:dlawes@interchangerecycling.com)**

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### Proponents' Meeting:

**Held virtually**

September 12, 2023, 10:00 AM (British Columbia Time)

*Proponents: For meeting access instructions, email your intention to attend to the Contact Person by the RSVPs/Inquiries Due Date.*

### Inquiries Contact Person:

**By email only to** David Lawes

[dlawes@interchangerecycling.com](mailto:dlawes@interchangerecycling.com)

E-mail subject line reference:

"RFP Inquiry–Supply Chain Analysis"

*All questions submitted to the Contact Person by the RSVPs/Inquiries Due Date will be addressed at the Proponents' Meeting.*



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## I. Summary of the Requirement

The [Used Oil Management Association of Canada](#) (UOMA) and the National Used Oil Material and Antifreeze Advisory Council (NUOMAAC) work together to coordinate the recycling of used oil and antifreeze materials, as well as oil filters and related packaging, across Canada. Under the UOMA, nine industry-led provincial stewardship programs work in close collaboration to achieve environmental, economic and socio-economic successes on behalf of their producer members and all Canadians.

The UOMA is issuing this Request for Proposals (RFP) for a qualified business consultant to complete a study of the full circular economy supply chain costs for petroleum product packaging in North America. The need for any follow-on initiatives will be assessed by the UOMA based on this project's findings.

The study will assist the UOMAs in rate setting and identify opportunities for members to reduce costs, and identify the more advantageous options and inefficiencies from a circular economy perspective. The project is expected to involve three distinct phases of work:

1. Research into and development of the supply chain cost mapping;
2. Review and analysis of the mapping results to identify opportunities to reduce inefficiencies and opportunities for circular economy purposes; and
3. Delivery of a comprehensive final report and a subsequent webinar on the report highlights for the UOMAs and other interested parties, potentially to include producer members, UOMA program participants and supply chain partners.

The objectives of the UOMA study are:

- To explore circular economy opportunities for the lubricating oil industry;
- To deliver a cost analysis that can be applied for purposes of setting the Environmental Handling Charges (EHCs) and the Return Incentives (RIs) for UOMA programs; and
- To identify options for packaging design and supply improvements with a focus on the high-cost / high-environmental impact packaging identified through the study.

## II. Definitions and Administrative Requirements

### 1. Definitions

Throughout this Request for Proposals, the following definitions apply.

- 1.1 **"Closing Date"** means the date and time indicated on the cover page of this RFP;
- 1.2 **"Closing Location"** means the closing location for Proposals indicated on the cover page of this RFP;



- 1.3 **“Contact Person”** means the contact person identified on the cover page of this RFP;
- 1.4 **“Contract”** means the written agreement resulting from this RFP executed by Interchange Recycling (acting on behalf of the UOMA) and the successful Proponent;
- 1.5 **“Contractor”** means a successful Proponent to this RFP who enters into a written Contract with Interchange Recycling (acting on behalf of the UOMA);
- 1.6 **“must” or “mandatory”** means a requirement that must be met in order for a Proposal to receive consideration under the RFP;
- 1.7 **“Proponent”** means an individual or a company that submits, or intends to submit, a Proposal in response to the RFP;
- 1.8 **“Proposal”** means a Proponent’s written response to the RFP;
- 1.9 **“Request for Proposals” or “RFP”** means this document and any addenda;
- 1.10 **“should” or “desirable”** means a requirement having a significant degree of importance to the objectives of the RFP; and
- 1.11 **“UOMA”** means the Used Oil Management Association of Canada.

## 2. Administrative Requirements

The Administrative Requirements applicable to this RFP are provided in [Appendix B](#).

## III. Intended Schedule

The RFP process is expected to follow the schedule below. The timing and sequence of events resulting from this RFP may vary as ultimately determined by the UOMA.

<b>Date</b>	<b>Milestone Event</b>
June 15, 2023	RFP Issued
September 8, 2023	RSVPs / Inquiries Due
September 12, 2023	Proponents’ Meeting (includes addressing emailed inquiries)
September 27, 2023	RFP Closes / Proposals Due
October 6, 2023	Proponents notified of Final Results
October 17, 2023	Contract Finalized
October 25, 2023	Contract Services Commence ( <i>following</i> meeting with key personnel)
January 31, 2024	Final Report Completed
February 28, 2024	Webinar Delivered (latest)



## IV. Background and Context

Manufacturers and retailers are developing environmental, social and governance objectives that are driving new developments and big design changes in consumer goods packaging, including petroleum packaging. In addition, the international, federal, state/provincial plastic and packaging initiatives including single-use packaging bans, post-consumer content requirements and Extended Producer Responsibility (EPR) laws are putting pressure on lubricating oil producers to reduce and recycle more of their packaging.

The nine UOMA programs in Canada ([list](#)) have been managing the collection and recycling of petroleum packaging for over 20 years. Membership under each program is made up of the retailers, wholesalers and first sellers of lubricating oil and antifreeze products. The specific products managed in each UOMA's province, and the related EHCs paid by their producer members, can be found [here](#).

Marketplace intelligence is needed to support the UOMA programs, particularly for rate setting and to enhance member services. A [National Survey and Study of the Lubricating Oil and Antifreeze Packaging Circular Economy](#) recently completed by the UOMA found that further and deeper investigation was needed into the highly integrated North American supply chain in order to better understand the costs, design decisions, supply networks and recycling options.

In the USA, the [National Lubricant Container Recycling Coalition](#) (NLCRC) is an industry-led technical coalition, established in 2021 by a committed consortium of lubricant manufacturers and associated plastic packaging manufacturers. The NLCRC unites companies that produce lubricants and related packaging to speak as a single voice for the industry; to deliver results by creating systemic, collaborative solutions for post-consumer recovery and recycling; and to prevent legislative action that will lead to value chain disruption. NLCRC members include Castrol, Valvoline, Pennzoil-Quaker State, Graham Packaging, Plastipak Packaging, and the [Petroleum Packaging Council](#).

In May 2023, the [American Petroleum Institute](#) (API) released a [technical report](#) to define terminology and identify best practices for life cycle assessments and measuring the carbon footprints of products in the lubricants industry. Its overall aim is to promote harmonization and consistency in these areas across the industry. While many concepts discussed in the report are generally applicable to both life cycle assessments and carbon footprinting, the more detailed discussion focuses on the latter. Proponents may wish to consider these best practices in proposing a methodology specific to the UOMA project.

## V. Project Scope

### *Cost Elements*

The Contractor is expected to confirm the components of the petroleum product packaging life cycle that attract cost. Examples of the anticipated components include: manufacturing and filling the packaging, warehousing the inventory of packaged products, transporting/distributing the products for marketing, storing the products for sale to end users, collecting the empty packaging after product use, and refilling, reusing or recycling the collected packaging.

### ***Product Types***

Only the packaging for lubricating oil is in scope. The focus on lubricating oil reflects that the analysis delivered is expected to also apply to the packaging used for less complex petroleum products such as antifreeze. For purposes of this project, lubricating oil is defined as “all petroleum-derived or synthetic crankcase oils, engine oils, hydraulic fluids, transmission fluids, gear oils, heat transfer fluids or other oils or fluids used for lubricating purposes in machinery or equipment.”

### ***Packaging Types***

All lubricating oil packaging currently managed under the UOMA programs is included in the study:

- Sizes: All packaging up to **205 litres**
- Types: Cans; Bottles/Jugs; Bag-in-Box; Stand-up Pouches; Pails; Tubes; Kegs and Drums; other (note: Intermediate Bulk Containers [IBCs] are excluded from this study)
- Material Segments: Metal (aluminum, tin, steel); Plastic (polyethylene [PE], polyethylene terephthalate [PET], polyvinyl chloride [PVC], polypropylene [PP]); other

## **VI. Requirements**

### ***Research and Develop Supply Chain Cost Mapping***

The Contractor is expected to conduct research, interviews, data collection and all other due diligence activities necessary to identify the lubricating oil packaging life cycle components, and to determine the costs associated with each of those components.

#### Potential Research Subjects

Product “fillers” and packaging manufacturers are often international companies, with head offices located outside of Canada – commonly in the USA – which is where decision-making power rests. The majority of potential research subjects below are based in the USA.

For reference, major players in lubricating oil production (often also the product fillers) in North America include:

BP plc (Castrol) <sup>1</sup>	Phillips 66 Lubricants <sup>1</sup>
Chevron (Havoline)	Shell plc <sup>1</sup> (Pennzoil, Quaker State)
ExxonMobil Corporation <sup>1</sup>	Valvoline Inc. <sup>1</sup>
HollyFrontier (Petro Canada lubricants) <sup>2</sup>	

<sup>1</sup> [United States Automotive Engine Oils Market Leaders](#) – an external analysis reports that these 5 producers represent roughly 75% of the USA market.

<sup>2</sup> [Canada Automotive Engine Oils Market Leaders](#) – the analysis reports that Canada’s 5 leaders include 4 from the USA top 5 (with HollyFrontier replacing Phillips 66), and represent roughly 83% of the Canadian market.



Some key suppliers of lubricating oil packaging (sometimes also the product fillers) in North America include:

BAM Packaging	Graham Packaging
Berry Plastics	Greif, Inc.
CDF Corporation	Scholle IPN
Glenroy, Inc.	Mauser Packaging Solutions
Plastipak Packaging	Star Packaging Corp.
StandUpPouches.Net	

A variety of packaging types (including Bag-in-Box and Pouches) is represented by the above suppliers.

Some key lubricating oil packaging recyclers in North America include:

Merlin Plastics	RPM Environmental
<i>(Others as identifiable by Contractor)</i>	

**Review and Analyse Results**

The Contractor is expected to analyse the mapping results to identify options for packaging design and supply improvements from a circular economy perspective, with a focus on the high-cost / high-environmental impact packaging identified through the study. The options identified are expected to reference the results of Contractor-initiated “change creativity meetings” held with sector-wide experts to explore changes that would require the participation of multiple supply chain partners.

**Deliver Findings / Opportunities**

The Contractor is expected to deliver a final report to the UOMA with details that include the project approach, methodology, data sources, packaging supply chain cost maps, and an analysis of opportunities to reduce or eliminate current packaging costs / environmental impacts.

Following the UOMA’s acceptance of the final report, the Contractor is expected to present the report highlights at a webinar attended by the UOMA programs and other interested parties such as producer members, UOMA program participants and supply chain partners.

**Project Status Reporting**

Commencing at the end of October 2023, the Contractor is expected to provide monthly reporting to the UOMA Project Manager on the activities completed and activities planned for the following month. This will help both parties to identify any matters requiring resolution, to verify that the project is on track, and to ensure that activities continually align with the project goals.



## VII. Budget, Contract and Term

A successful Proponent under this RFP is expected to enter into a Contract negotiation with a designated representative of the UOMA. Services under the Contract are estimated to commence by October 25, 2023, with the final report complete by January 31, 2024 and the webinar delivered within one month of report completion.

Prior to commencing the Contract, a meeting will be held with the personnel undertaking the project and the UOMA Project Manager to address any final clarifications needed to proceed with the services.

The budget for this initial study is \$50,000 CAD. Should the study results reveal the need for a deeper understanding of the costs, subsequent phases will be considered at that time.

## VIII. Proposal Evaluation Criteria

### 1. Mandatory Criteria

The following are mandatory requirements under this RFP. Proposals not clearly demonstrating that they meet these requirements will receive no further consideration during the evaluation process.

#### Mandatory Criteria

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The Proposal must be received at the Closing Location and by the specified Closing Date.

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The Proposal must be in English and must be submitted as an email attachment only in Word or PDF format.

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### 2. Desirable Criteria

Proposals meeting the mandatory requirements will be further assessed against the following desirable criteria. Proposals not achieving the minimum score in an individual category (where applicable) will receive no further consideration during the evaluation process.

Desirable Criteria	Points Available	Minimum score
1. Qualifications and Experience – see section IX.1	40	24
2. Project Approach / Work Plan – see section IX.2	30	18
3. Cost – see section IX.3	30	n/a
<b>TOTAL POINTS AVAILABLE</b>	<b>100</b>	



## IX. Guide to Proponent’s Response

In order to receive full consideration during evaluation of the desirable criteria, Proposals should include detailed responses on all of the following points.

### 1. Qualifications and Experience

- Provide a one or two-page overview of the Proponent’s firm, including the types of services offered, length of time in business, and significant accomplishments.
- Describe the Proponent’s experience providing services relevant to those described in this RFP. Include specific examples that best demonstrate the Proponent’s ability to deliver a supply chain analysis similar to this project.
- Identify the Project Manager and all other key resources (including contracted resources) that would be involved in the project, including their roles. Provide an overview of the qualifications and relevant experience of each of the proposed key resources.

### 2. Project Approach / Work Plan

- Explain and interpret the services required under this RFP (see [Section VI](#)).
- Describe the Proponent’s overall methodology and approach to the successful delivery of those services.
- Provide a high-level work plan / timeline for the project that includes the monthly status reporting points.

### 3. Cost

- Confirm your fixed cost (inclusive of expenses and all applicable taxes) to provide the services identified in [Section VI](#), up to the maximum budget of \$50,000 CAD. Include any assumptions you have made to arrive at the cost.

## X. Proposal Format

The following Proposal sequence and instructions should be applied in order to provide consistency in Proponent responses and ensure each Proposal receives full consideration.

- a. Respond by e-mail with subject line reference: “RFP–Supply Chain Analysis”
- b. Include the following attachments in the e-mail (may be submitted as a single attachment or multiple attachments):
  - 1) The signed Proposal covering letter, as set out in [Appendix A](#) of the RFP.
  - 2) The Proposal, beginning with a Table of Contents that includes page numbers.
  - 3) A one or two-page summary of the key features of the Proposal.



- 4) The Proposal body, preferably presented in the same order as set out in [Section IX](#) of the RFP.
- 5) Appendices: any other information determined by the Proponent to be directly relevant to the RFP requirements, each of which should be reasonable in length.



## Appendix A      Proposal Covering Letter

(Letterhead or Proponent's name and address)

Date: \_\_\_\_\_

Used Oil Management Association of Canada (UOMA)  
c/o David Lawes - [dlawes@interchangerecycling.com](mailto:dlawes@interchangerecycling.com)

**Subject: Supply Chain Cost Analysis for Petroleum Product Packaging – Request for Proposals**

The enclosed Proposal is submitted in response to the above-referenced Request for Proposals including any addenda and/or clarifying information subsequently provided.

We have carefully read and examined the Request for Proposals and have conducted such other investigations as were prudent and reasonable in preparing the Proposal. We are authorized to submit this Proposal on behalf of the Proponent.

Yours truly,

\_\_\_\_\_  
*Signature*

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

E-mail address: \_\_\_\_\_

Legal name of Proponent: \_\_\_\_\_



## **Appendix B Administrative Requirements**

### **1. Terms and Conditions**

The following terms and conditions will apply to the RFP. Submission of a Proposal in response to this RFP indicates acceptance of all the terms that follow and any terms or conditions that may be included in addenda issued by the UOMA.

### **2. Inquiries about the RFP**

All inquiries related to this RFP should be directed in writing to the Contact Person identified on the cover page of the RFP by the RSVPs/Inquiries Due Date. Proponents must not communicate directly or indirectly with any other employee, contractor or representative of the UOMA regarding the RFP.

### **3. Proponents' Meeting**

A Proponents' Meeting will be held at the time and location identified on the cover page of the RFP. All questions submitted by the RSVPs/Inquiries Due Date will be addressed by the UOMA at the Proponents' Meeting.

### **4. Modification of Terms**

The UOMA reserves the right to modify the terms of the RFP at any time at its sole discretion. This includes the right to cancel this RFP at any time prior to entering into a Contract with a successful Proponent.

### **5. Liability for Errors**

While the UOMA has used considerable efforts to ensure information in the RFP is accurate, the information is supplied solely as a guideline for Proponents. The information is not guaranteed by UOMA to be accurate, nor is it necessarily comprehensive or exhaustive.

### **6. Late Proposals**

Only complete Proposals received at the Closing Location by the Closing Date will be considered to have been received on time. Late Proposals will not be accepted and will be returned to the Proponent.

The UOMA is not responsible for Proposals that are not received as the result of technological issues, attachment size or any other failure of delivery or logistical barrier which may impede electronic submission.

### **7. Eligibility**

Proposals will not be evaluated if the Proponent's current or past corporate or other interests may, in the opinion of the UOMA, give rise to a conflict of interest in connection with the project described in this RFP.

### **8. Joint Submissions**

Where two or more Proponents having no formal corporate links propose to make a joint submission, one of these Proponents must be prepared to take overall responsibility for



successful performance of the Contract and this should be clearly defined in the Proposal. The UOMA is not obligated to enter into any contract with more than one Proponent.

## **8. Proposal Evaluations**

Proposals will be assessed based on the evaluation criteria identified in the RFP. Evaluations will be by a committee formed by the UOMA. All personnel will be bound by the same standards of confidentiality. It is the intent of the UOMA to enter into a Contract with the Proponent with the overall highest-ranking Proposal.

## **10. Changes to Proposals**

By submission of written notice, the Proponent may amend or withdraw its Proposal prior to the Closing Date. Upon closing time, all Proposals become irrevocable. The Proponent will not change the wording of its Proposal after closing and no words or comments will be added to the Proposal unless requested by the UOMA for purposes of clarification.

## **11. Proposal Validity**

Proposals will be open for acceptance for at least thirty days after the Closing Date. Proposals that do not comply with the requirements described in this RFP may be rejected in whole or in part or not considered by the UOMA.

## **12. Currency and Taxes**

Prices quoted by Proponents are to be in Canadian dollars and inclusive of the Goods and Services Tax and other applicable taxes.

## **13. Acceptance of Proposals**

This RFP is not an agreement to purchase goods or services. The UOMA is not bound to enter into a Contract with the Proponent who submits the lowest priced Proposal, or with any Proponent.

## **14. Contract**

By submission of a Proposal, the Proponent agrees that should its Proposal be successful, the Proponent will enter into a Contract negotiation with the UOMA.

## **15. Contract Negotiation**

Notice in writing to a Proponent that it has been identified as a successful Proponent and the subsequent full execution of a written Contract will constitute a Contract for the services, and until such time, no Proponent will acquire any legal or equitable rights or privileges relative to the services.

If a written Contract cannot be negotiated within thirty days of notification to a successful Proponent, the UOMA may, at its sole discretion at any time thereafter, terminate negotiations with that Proponent and either negotiate a Contract with the next qualified Proponent or choose to terminate the RFP process and not enter into a Contract with any Proponent.

## **16. Proponent Expenses**

Proponents are solely responsible for their own expenses in preparing a Proposal and for any subsequent negotiations with the UOMA. If the UOMA elects to reject all Proposals, it will not be liable to any Proponent for any claims, whether for costs or damages incurred by the



Proponent in preparing the Proposal, loss of anticipated profit in connection with a final Contract, or any other matter.

### **17. Ownership of Proposals**

All Proposals submitted become the property of the UOMA. They will be received and held in confidence by the UOMA.

### **18. Use of RFP and Information gathered**

Any information supplied by the UOMA in relation to this RFP may not be used or disclosed for any purpose other than for the submission of Proposals. By submitting a Proposal, the Proponent agrees to hold in confidence all information supplied by the UOMA in relation to this RFP.

All information gathered on behalf of the UOMA is proprietary to the UOMA. Unauthorized use or distribution of the information is strictly prohibited.

### **19. Collection and Use of Personal Information**

Proponents are solely responsible for familiarizing themselves, and ensuring that they comply, with the laws applicable to the collection and dissemination of information, including resumes and other personal information concerning employees and subcontractors. Proponents should obtain consent from employees and subcontractors proposed as resources under the RFP before sharing any of their personal information with the UOMA.

### **20. Liability**

The Proponent will not make a claim against the UOMA for any reason whatsoever or howsoever relating to this RFP and the Proponent hereby waives and releases the UOMA from any demands, liability, claim, costs, expenses, or damages incurred whatsoever or howsoever arising out of or relating to this RFP or any Proposal prepared in response to it.