

PROGRAM MANUAL YUKON

REGISTERED COLLECTORS AND PROCESSORS

April 2026



Interchange
Recycling

FOREWORD

Interchange Recycling Yukon (referred to in this manual as "**Interchange Yukon**") is incorporated under the *Canada Not-for-profit Corporations Act* by its sole-member, the British Columbia Used Oil Management Association. Interchange Yukon operates a stewardship program to collect and recover Used Oil and Antifreeze Materials and Automotive Containers (as defined below in section 1.0) in accordance with, and as described in Interchange Yukon's *Stewardship Plan Yukon - Lubricating Oil, Antifreeze, Diesel Exhaust Fluid, Automotive Containers, Oil Filters* (the "**Program**") which was approved by Extended Producer Responsibility Stewardship Plan Permit issued to Interchange Yukon by the Yukon Department of Environment pursuant to the *Extended Producer Responsibility Regulation* (Yukon) made under the *Environment Act* (Yukon).

The focus of the Program is to support only those end uses for Used Oil and Antifreeze Materials and Automotive Containers that provide landfill diversion and environmentally sound recycle/reuse/energy recovery options as described by the Department of Environment's Waste Management Hierarchy (see Appendix A).

Used Oil and used oil Filters are both classified as special wastes in the Yukon and pose an environmental problem if improperly managed. The proper recovery, management, and reporting of these Used Oil and Antifreeze Materials and Automotive Containers is the focus of Interchange Yukon's Program.

This manual is designed to provide Processors and Collectors with a broad knowledge of Interchange Yukon's Program and specific details regarding systems and procedures associated with registering for and claiming incentives.

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1.0 DEFINITIONS

- 1) **Antifreeze** - ethylene glycol or propylene glycol used as an engine coolant which is eligible to receive an Incentive when collected and delivered to a Registered Processor and/or when processed by a Registered Processor but does not include antifreeze used for plumbing; windshield washing; lock de-icing; gasoline or diesel fuel lines; or aircraft de-icing.
- 2) **Approval** - either physical signature, electronic signature/stamp or email approval from Interchange Yukon.
- 3) **ASTM** - American Society for Testing and Materials.
- 4) **Automotive Containers** - all empty containers which are manufactured and used for the purpose of containing substances designed specifically for automotive maintenance and repair and that are regulated under Schedule 1 of the *Extended Producer Responsibility Regulation* (Yukon), including Oil and Antifreeze Containers
- 5) **Carrier** - a transporter that crosses provincial/territorial borders and is registered with Transport Canada.
- 6) **Collector** - an Interchange Yukon registered carrier that picks up Used Oil and Antifreeze Materials and Automotive Containers from Generators and/or municipal facilities and delivers them to a Processor registered with Interchange Yukon.
- 7) **Commingling** - introduction of non-Interchange Yukon materials into the separate waste streams. It includes all materials on which an EHC has not been remitted.
- 8) **Compliance Review** - is the compliance review process for Processors and Collectors described in section 6.4.
- 9) **Diesel Exhaust Fluid (DEF)** - a solution used to reduce air emissions from a diesel fuel engine.
- 10) **Desk Review** - is the desk review process for Processors and Collectors described in section 6.4.
- 11) **Do-It-Yourself or DIY** - consumers who purchase their own oil and antifreeze and service their own vehicles and equipment. These consumers include private motorists, farmers and small commercial generators such as fishers and loggers.

- 12) **End-Fate** - how the recovered product was managed in accordance with Waste Management Hierarchy.
- 13) **Environmental Handling Charge (EHC)** - a levy paid to Interchange Yukon on sale or commercial use of new Lubricating Oil and Antifreeze materials in the Yukon.
- 14) **Executive Director** – is Interchange Yukon’s highest ranking executive, including the executive director or chief executive officer, as applicable.
- 15) **Feedstock** - a raw material used in processing or manufacturing industries.
- 16) **Field Review** - is the field review process for Processors and Collectors described in section 6.4.
- 17) **Filter** - all spin-on or element style fluid filters that are used in hydraulic, transmission or internal combustion engine applications or a filter that is used for oil, diesel fuel, storage tank fuel, coolant, household furnace oil, locomotive fuel, a sump type automatic transmission or an oil/air separator, but does not include any Ineligible Used Oil, Antifreeze and Automotive Container Materials, filters for gasoline, air filters, household furnace air filters and sock-type filters
- 18) **Generator** - the user of Lubricating Oil, Antifreeze, DEF, Filters and/or Automotive Containers who, through normal application of these products, generates Used Oil and Antifreeze Materials and Automotive Containers.
- 19) **Ineligible Used Oil, Antifreeze and Automotive Container Material** – Used Oil and Antifreeze Materials or Automotive Containers that are not eligible for Incentives under the Program as prescribed by Interchange Yukon from time to time, and includes all material for which an EHC is not remitted by a supplier or received from Collectors not registered with Interchange Yukon.
- 20) **Interchange Yukon** - means Interchange Recycling Yukon.
- 21) **Interchange Recycling Website** - interchangerecycling.com
- 22) **Letter of Regulatory Compliance** - is a letter certifying that a Processor or Collector has had a third-party audit for compliance with all applicable legislation and regulations.
- 23) **Lubricating Oil** - means (a) a petroleum-derived or synthetic oil that is used for the purposes of hydraulic applications, insulation, lubrication or heat transfer, such as

crankcase oil, engine oil, gear oil, hydraulic fluid, transmission fluid and heat transfer fluid, or (b) any other fluid used for lubricating purposes in machinery or equipment.

- 24) **Oil and Antifreeze Containers** - all empty containers with a capacity of 55 litres or less that are manufactured and used for containing Lubricating Oil or Antifreeze, DEF or related fluid.
- 25) **Pelletized Plastic** - small particles created by compressing Automotive Containers, which are washed and turned into plastic resin that is useable for clean marketable Feedstock.
- 26) **Processor** - an Interchange Yukon-registered receiver of one or more Used Oil and Antifreeze Materials and/or Automotive Containers that processes these materials into saleable products.
- 27) **Processing Incentive** - an incentive payment made by Interchange Yukon to Processors for the processing by Processors of eligible Used Oil and Antifreeze Materials and Automotive Containers to an approved End-Fate.
- 28) **Program** – Interchange Recycling’s *Stewardship Plan Yukon - Lubricating Oil, Antifreeze, Diesel Exhaust Fluid, Automotive Containers, Oil Filters* stewardship program for the collection and recovery of Used Oil and Antifreeze Materials and Automotive Containers in accordance with the Extended Producer Responsibility Stewardship Plan Approval Permit No. 100-03 issued to Interchange Yukon by the Yukon Department of Environment pursuant to the *Extended Producer Responsibility Regulation* (Yukon).
- 29) **Receiving Docket** - documentation of the transfer of material between Collectors and Processors or between Processors.
- 30) **Recovered Energy** - to recover and use the inherent energy of the product in a thermal process.
- 31) **Incentive** – means Transportation Incentives and/or Processing Incentives.
- 32) **Recycled** - turning used Filters and Automotive Containers into a different marketable product.
- 33) **Recycle Docket** - a document that verifies the pick-up of an eligible Program material by a Collector from a Generator.
- 34) **Reuse** - removing the impurities in Used Oil and Antifreeze so it can be used again.

- 35) **Shredded Flake** - Small particles created by shredding plastic Automotive Containers, which are reusable for marketable Feedstock.
- 36) **Stockpile** - allowing unprocessed and processed material to accumulate in a Processors yard.
- 37) **Tare Weight** - the weight of an empty truck/trailer. It does not include the weight of pallets or any other objects used to load, unload or transport used oil materials.
- 38) **Transportation Incentive** - an incentive payment made by Interchange Yukon to Processors for the collection, transportation and delivery of eligible Used Oil and Antifreeze Materials and Automotive Containers from Generators and/or municipal facilities to a Processor .
- 39) **UOMA** - is Used Oil Management Associations, which include: Alberta Recycling Management Authority (ARMA); Interchange Recycling; Saskatchewan Association for Resource Recovery Corporation (SARRC); Manitoba Association for Resource Recovery Corporation (MARRC); Société de gestion des huiles usagées (SOGHU); Stewardship Ontario; Société de gestion des huiles usages – Used Oil Management Association - New Brunswick (SOGHUOMA NB) and Société de gestion des huiles usages – Used Oil Management Association - Prince Edward Island (SOGHUOMA PE); Atlantic Used Oil Management Association (UOMA NL) & (UOMA NS).
- 40) **Used Antifreeze** - automotive Antifreeze after it has been used for its initial purpose but does not include Ineligible Used Oil, Antifreeze and Automotive Container Material.
- 41) **Used Oil** - Lubricating Oil after it has been used for its initial purpose but does not include Ineligible Used Oil, Antifreeze and Automotive Container Material.
- 42) **Used Oil and Antifreeze Materials** – Used Oil, Antifreeze, DEF, Filters, and Oil, DEF and Antifreeze containers of 55 litres or less after they have been used for their initial purpose but does not include Ineligible Used Oil, Antifreeze and Automotive Container Material.
- 43) **Waste-to-Energy** - A facility that turns waste into energy.
- 44) **Waste Streams** - The flow of Used Oil and Antifreeze Materials and Automotive Containers from use to final disposition (*i.e.* disposal or processing into an approved end use).

2.0 PROGRAM OVERVIEW

2.1 Program Objective

The Program's objective is to encourage cost effective, environmentally responsible handling of Used Oil and Antifreeze Materials and Automotive Containers in the Yukon to approved End-Fates in accordance with the Department of Environment Waste Management Hierarchy (see Appendix A.) This will be achieved by paying a Transportation Incentive and a Processing Incentive to the Processors of such materials.

The Program is designed to achieve the optimum combination of:

- effectiveness, including optimal environmental processes and outcomes;
- efficiency, including the generation of accurate and clear records on collections, processing and end-use volumes; and
- accountability and clarity to industry, government and consumer stakeholders.

3.0 OPERATING GUIDELINES

3.1 General Guidelines

- The flow of material is from the Generators and/or municipal facilities to the Collectors, through to the Processors with a final End-Fate as described by the Department of Environment's Waste Management Hierarchy (See Appendix A).
- The Program stimulates the recycling of Used Oil and Antifreeze Materials and Automotive Containers by providing a Transportation Incentive to Processors to support the collection, transportation and delivery of eligible materials by Collectors to Processors and a Processing Incentive to Processors to support the processing of eligible materials to an approved End-Fate at an amount that should allow, under most market conditions, the collection, transportation and processing of the materials. The Incentives will change from time to time depending on market and other conditions.
- For Used Oil and Antifreeze Material and Automotive Containers to be eligible for Incentive payments, it must be an EHC-applicable material (see the Yukon page on the Interchange Recycling website for definitions regarding EHC eligibility) and must meet the following criteria:
 - EHC was applied on the original sale or distribution of the product and paid to Interchange Yukon;
 - the product was sold or distributed; i.e., not the remains of unsold inventory, leftovers from an oil container "bottling" operation;
 - the product was collected from a Collector registered with Interchange Yukon; and
 - the product is not contaminated; i.e., mixed with solvents, PCBs, paint, etc.
- Interchange Yukon Used Oil and Antifreeze Materials and Automotive Containers are to be kept separate from other Used Oil and Antifreeze Materials and Automotive Containers for volume and weight measurements. Where this is operationally unattainable proration will be allowed provided it is approved to meet Interchange Yukon's reporting requirements. Claims for qualifying products sold in provinces or territories other than the Yukon must be claimed with the respective UOMA where applicable.
- Processors and Collectors are expected to comply with all applicable federal, provincial, territorial and municipal laws and regulations.

4.0 INCENTIVE PROGRAM REQUIREMENTS

4.1 Registration Requirements

- All Processors and Collectors are subject to and must comply with all applicable federal, territorial, provincial and municipal laws and regulations, including, without limitation, business and transport licensing, insurance, storage/processing facility approvals.
- All Processors and Collectors must register with Interchange Yukon by completing and submitting the Interchange Recycling Yukon - Processor and Collector Registration Application Form (available on the Interchange Recycling Website) along with the required documentation listed on the form. The Processor and/or Collector must indicate on the application form which Used Oil and Antifreeze Materials and Automotive Containers it will collect and process.
- All applications must include a Letter of Regulatory Compliance (see Section 6.1).
- Upon receipt of the registration application forms, Interchange Yukon will review the application. If approved, Interchange Yukon will assign a unique registration number for each Processor and Collector.
- All Processors and Collectors must renew their registration with Interchange Yukon by completing the Processor and Collector Registration Renewal Form and Letter of Regulatory Compliance (available on the Interchange Recycling Website.) The date of renewal will be 2 years after the last Letter of Regulatory Compliance was approved.
- Interchange Yukon maintains an active database of registered Processors and Collectors who provide the services required for Interchange Yukon to fulfill the mandate of the Program. The list of registered Processors and Collectors is posted on the Interchange Recycling Website.

4.2 Equipment Requirements

Volume Measurements – Used Oil and Used Antifreeze

Volume measurements for Used Oil and Used Antifreeze using digital gauges in trucks and containers or volumes confirmed with metered sticks and corresponding volume charts are acceptable.

Digital gauges and water testing apparatuses (*i.e.* retort machines) must be regularly checked for calibration as per manufacturer instructions. Proof of calibration must be provided upon request. Registered Processors must calibrate gauges and water testing apparatuses within 10 business days of any request made by Interchange Yukon.

Weigh Scales – Filters and Automotive Containers

Interchange Yukon will accept only weigh scale tickets that are printed from a scale that is registered with Measurement Canada. Scales which are used to provide supporting documentation for an Incentive claim must be regularly checked for calibration, no less than annually or at more frequent intervals as required by Measurement Canada. The latest copy of the Scale Calibration Certificate must be provided with the registration package and the renewal package every 2 years.

Calibration of weigh scales may be requested periodically by Interchange Yukon and must be completed within 10 business days upon any request.

Hand-written weights, scale tickets from uncertified scales, or any weigh scale ticket whose validity is questionable will be disallowed.

4.3 Processor Requirements

Oil Processor

Interchange Yukon-registered facility or combination of facilities that processes Used Oil to meet the following specifications:

- Government, American Society for Testing Materials (ASTM) or equivalent approved specifications for sale as a re-refined Lubricating Oil; or
- for sale in the manufacture of asphalt concrete (pavement), as outlined in the *Special Waste Regulations* (Yukon) or applicable government standards in other states or provinces/territories; or
- for sale to a cement kiln as a fuel as outlined in the *Special Waste Regulations* (Yukon) or applicable government standards in other states or provinces/territories; or
- for sale to a government-approved fuel use other than for cement kilns, as outlined in the *Special Waste Regulations* (Yukon) or applicable government standards in other states or provinces/territories; or
- for other uses that meet the intent of the *Special Waste Regulations* (Yukon) or applicable government standards in other states or provinces/territories such as for mining explosives or exploration drilling.

In all cases above, the Used Oil received for processing must be analyzed for water at point of delivery using one of the following methods as per the American Society for Testing Materials (ASTM):

D86 – Karl Fisher

D95 – Retort

D96 – Dean Stark Method or equivalent

Used Oil samples should be a minimum of 100 ml in size and must be a composite sample that reflects the whole load. Samples should either be taken by "Coliwasa Tube" from the top of the tank down to the bottom or should be taken from a tap during off loading, ensuring some comes from the beginning, middle and end of the offload.

Best Practice – all Processors should keep a testing log available for inspection.

Application of Used Oil to any land for the purpose of road construction, repair, or dust suppression is prohibited by the *Special Waste Regulations* (Yukon) and is not an Interchange Yukon approved use. The application of Used Oil in oil-fired furnaces is not an Interchange Yukon approved use.

Organizations that purchase the “bulked Oil” must provide a management signed letter (known as End-Fate Confirmation Letter) that at minimum contains:

- Confirmation of the End-Fate of the product;
- Agreement that they will submit to Interchange Yukon onsite Field Reviews and review for confirmation of usage for Interchange Yukon-incentivized products; and
- Agreement to notify the processor and Interchange Yukon immediately of any changes to said letter.

Antifreeze Processor

Interchange Yukon-registered facility or combination of facilities that processes the Used Antifreeze to meet the following specifications:

- American Society for Testing Materials (ASTM) – ASTM D7713 - 11 standard for sale as a coolant in automotive engines; or
- American Society for Testing Materials (ASTM) – ASTM E1119 - 97 standard for sale as an approved industrial grade coolant.

The Used Antifreeze must be analyzed in accordance with government-approved methods and shown to meet the required industry and/or government specifications.

Best Practice – all Processors should keep a testing log available for inspection.

Organizations that purchase the “bulked Antifreeze” must provide a management signed letter (known as End-Fate Confirmation Letter) that at minimum contains:

- Confirmation of the End-Fate of the product;
- Agreement that they will submit to Interchange Yukon onsite Field Reviews and review for confirmation of usage for Interchange Yukon-incentivized products; and
- Agreement to notify the processor and Interchange Yukon immediately of any changes to said letter.

Filter Processor

Interchange Yukon-registered facility or combination of facilities that removes the oil and other impurities from the Filters so that the steel is accepted at a provincial/territorial or state government-approved steel smelter for processing into recycled steel. Metal oil containers such as those used in the aircraft industry must be processed along with the metal Filters.

Paper filters that are segregated from the metal Filters must be separately crushed to the point where there is less than 3 percent oil in the paper Filters and must be shipped to an approved waste to energy facility.

Best Practice – non-Interchange Yukon metal should be sent to the metal recycler in a separate bin.

Organizations that purchase the “Crushed Oil Filters” must provide a management signed letter (known as End-Fate Confirmation Letter) that at minimum contains:

- Confirmation of the End-Fate of the product;
- Agreement that they will submit to Interchange Yukon onsite Field Reviews and review for confirmation of usage for Interchange Yukon-incentivized products; and
- Agreement to notify the processor and Interchange Yukon immediately of any changes to said letter.

Automotive Container Processor

Interchange Yukon-registered facility or combination of facilities, based in Canada or the United States, that sorts Automotive Containers into the following categories:

- HDPE
- Non-HDPE
- Metal
- Aerosols
- Bag-in-box

And subsequently:

- shreds the plastic containers and removes residual product from the plastic and pelletizes it into reusable plastic resin;
- or*
- shreds the plastic containers and removes the residual product from the plastic creating the product known as Shredded Flake. The Shredded Flake must be sold for uses that meet the requirement of an approved End-Fate. Organizations that purchase the Shredded Flake must provide a management signed letter (known as "**End-Fate Confirmation Letter**") that at minimum contains:
 - Confirmation of the End-Fate of the product

- Agreement that they will submit to Interchange Yukon onsite Field Reviews and review for confirmation of usage for Interchange Yukon-incentivized products
- Agreement to notify the processor and Interchange Yukon immediately of any changes to said letter

and/or

- processes automotive aerosol containers by safely de-pressurizing, removing residual gases and liquids and shredding/crushing the aluminum or steel containers so the material will be accepted at a provincial/territorial or state government-approved smelter for processing into recycled aluminum/steel;

and/or

- processes metal Automotive Containers by removing the residual product and shredding/crushing the aluminum or steel containers so the material will be accepted at a provincial/territorial or state government-approved smelter for processing into recycled aluminum/steel.

Organizations that purchase the “shredded flake” must provide a management signed letter (known as End-Fate Confirmation Letter) that at minimum contains:

- Confirmation of the End-Fate of the product;
- Agreement that they will submit to Interchange Yukon onsite Field Reviews and review for confirmation of usage for Interchange Yukon-incentivized products; and
- Agreement to notify the processor and Interchange Yukon immediately of any changes to said letter.

4.4 Program Confidentiality

- Under the Interchange Recycling Program, information with respect to specific Generators/municipal facilities, Collectors, Processors and other companies will be kept confidential. The volume of used oil and antifreeze and their related materials processed and the financial reimbursement to individual processors will not be disclosed except to any party designated by Interchange Recycling, in its sole discretion, to assist Interchange Recycling in the administration of its Program (including in respect of an Interchange Recycling Audit pursuant to Section 6.1, below). This information may be released to certain parties in case of an investigation or a review.

5.0 INCENTIVE CLAIM PROCESS

5.1 Incentive Claim Requirements

General Requirements

Processors are the recipients of Incentive payments and will be held financially responsible for the accuracy and completeness of all information submitted to Interchange Yukon regarding collected and processed Used Oil and Antifreeze Material and Automotive Containers.

Processors are eligible to claim a Transportation Incentive for the collection, transportation and delivery of eligible Used Oil and Antifreeze Materials and Automotive Containers by Collectors to Processors.

Processors are eligible to claim a Processing Incentive for the processing of eligible Used Oil and Antifreeze Materials and Automotive Containers to an approved End-Fate.

Incentive reporting shall be submitted monthly. If no eligible Incentives are payable, the Registered Processor must notify Interchange Yukon that no Incentives are being claimed for the reporting period. As part of monthly incentive reporting, the Registered Processor must submit information including, but not limited to:

- Incoming Used Oil and Antifreeze Materials and Automotive Containers, including identifying eligible and Ineligible Used Oil, Antifreeze and Automotive Container Material, as well as material received from outside Yukon;
- Outgoing Used Oil and Antifreeze Materials and Automotive Containers, including identifying eligible and Ineligible Used Oil, Antifreeze and Automotive Container Material and any material outgoing to safe/approved disposal; and
- Estimated closing inventory of processed and unprocessed Used Oil and Antifreeze Materials and Automotive Containers, including identifying eligible and Ineligible Used Oil, Antifreeze and Automotive Container Material.

Interchange Yukon uses the following measurement units for reporting on the amount of Used Oil and Antifreeze Materials and Automotive Containers:

- Used Oil – litres;
- Used Antifreeze – litres;
- Filters and metal Automotive Containers – kilograms;
- Automotive Containers – kilograms

Claim Verification Requirements

Background information to support an Incentive claim is to be retained by the Processor or Collector and is subject to Desk Review and Compliance Review. Background information must include the following:

- 1) Collector name;
- 2) Pickup date;
- 3) Generator information including the following:
 - a) Generator name (first and last,) address, phone number including area code, and email address;
 - b) Generator signature and printed name for manned sites;
 - c) Signed letter from Generator for pickups at unmanned sites;
- 4) Container counts (as applicable);
- 5) Information about the type and quantity of Used Oil and Antifreeze Materials and Automotive Containers collected:
 - a) Used Oil (L);
 - b) Used Antifreeze (L);
 - c) Filters (kg);
 - d) Automotive Containers (kg);
- 6) Weigh scale tickets of both the unprocessed and processed weight of the materials (Filters and Automotive Containers);
- 7) Water/glycol tests; and
- 8) Transfer documentation for material moved between Collectors and Processors or between Processors can be in the form of Receiving Dockets, manifests, bills of lading, invoices etc.

Upon request, documents are to be submitted for the purpose of Desk Reviews conducted at the Interchange Yukon office. Results of the Desk Review will be communicated and the documentation will be returned to the Processor and Collector as applicable.

When Used Oil and Antifreeze Materials and Automotive Containers are transported between Collectors, the original Generator information/signatures must remain in the custody of the final Collector who delivers the Used Oil and Antifreeze Material and Automotive Containers to the Processor.

Claims Submission Requirements

Interchange Yukon requires that claims are submitted using Interchange's online Vault Claims Portal.

Each monthly claim must be completed and submitted within 35 days of the first of the month e.g. the April claim must be completed by May 6th.

Incentive claims submitted to Interchange Yukon must include the following information to substantiate the claim:

- Scale ticket numbers;
- BOL, manifest, recycle docket numbers;
- Water and glycol test results;
- Any other information requested by Interchange Yukon.

By submitting a claim using the Vault Claims Portal, the Processor represents that all information provided to Interchange Yukon is accurate and complete.

Collectors will retain the Recycle Dockets with Generator signatures confirming volumes, or Collectors have the option to pass the Recycle Dockets to the Processor. Processors will retain copies of all documentation sent to Interchange Yukon, including documentation listed in Section 5.2.

Annual Reporting Requirements

Interchange Yukon will require Processors to prepare Annual Sales and Inventory Forms (see Interchange Recycling Website) to be completed and approved each year at December 31 for each type of Program material processed. With prior Approval of Interchange Yukon's Executive Director, Processors will have the option to use a fiscal year end other than a December 31 fiscal year end.

This information will be used to meet the reporting requirements to the Department of Environment which includes how the recovered product was managed in accordance with the Waste Management Hierarchy.

Documentation Retention Requirements

All original supporting documents from Processors and Collectors must be kept for a minimum of seven years and provided to Interchange Yukon upon request. The documentation requirement applies notwithstanding the cancellation of the Processor's or Collector's registration in the Program.

5.2 Specific Material Claims Information

Used Oil Claims

Interchange Yukon will pay Processors a Transportation Incentive for eligible Used Oil delivered by registered Collectors to Processors.

Processors will be responsible for verifying volumes and quality of Used Oil received from Collectors. Processors must sample and test all incoming loads of Used Oil for water and

provide results with the signed Receiving Docket. Volume measurements using digital gauges in trucks and containers or volumes confirmed with metered sticks and corresponding volume charts are acceptable. Bottom sediment tests may be required by Interchange Yukon.

All Used Oil samples for testing must be representative of the entire load being received and use one of the two following methods in accordance with ASTM standards: tube sampling (all levels sample) method composite sample from the sampling from the top of the tank with a "Coliwasa Tube", or sampling with a valve on the discharge line taken at the beginning, middle and end of the discharge, or approved equivalent.

If the Used Oil tank truck has more than one compartment, a separate sample must be taken for each compartment.

All Used Oil samples must be kept for a period of 6 months by the Processor.

Interchange Yukon will pay the Processing Incentive on the net volume of Used Oil based on the following water content:

- a. Between 0% - 35% water – there is an Incentive reduction of 1% for every 1% increase in the water content, and
- b. Over 35% water – Not Incentive eligible

Used Oil that is contaminated with other products, such as paint, PCB liquid, solvents, etc., are not eligible for Incentive payments. In respect of PCB liquids, Interchange Yukon follows the federal regulation allowing up to 2 ppm.

Interchange Yukon will pay the Transportation Incentive on the adjusted volume of Used Oil delivered by a Collector to a Processor. The Transportation Incentive will only be paid once the Processor has confirmed, to the satisfaction of Interchange Yukon, that the material has been processed to an approved End-Fate.

Used Antifreeze Claims

Interchange Yukon will pay registered Processors: (a) Transportation Incentive for eligible Used Antifreeze delivered by registered Collectors to Processors; and (b) a Processing Incentive for acceptable Used Antifreeze processed according to the Waste Management Hierarchy.

Processors will be responsible for verification of the volumes and quality of Used Antifreeze received from Collectors. Processors must sample and test all incoming tank loads and/or drums of Used Antifreeze for percentage of glycol and provide results with the signed Receiving Docket.

All Used Antifreeze samples for testing must be representative of the entire load being received and use the tube sampling (all levels sample) method in accordance with ASTM D4057, or a composite sample from the sampling valve on the discharge line taken at the beginning, middle and end of the discharge, or approved equivalent. If the Used Antifreeze tank truck has more than one compartment, a separate sample must be taken for each compartment.

All Used Antifreeze samples should be kept by the processor for a minimum of 6 months. Glycol content in Used Antifreeze must be determined by the Processor by the ASTM D3321, or approved equivalent. Interchange Yukon limits contaminants in used Antifreeze eligible for a Processing Incentives on the following glycol content:

- a. 42% glycol or greater– Incentive eligible with no volume discount.
- b. Between 42% - 25% glycol – for Incentive eligible glycol between 42% and 25%, there is a reduction of 4% for every 1% decrease in the glycol content.
- c. Less than 25% glycol – Not Incentive eligible

Used Antifreeze contaminated with other products (i.e. oil, paint, solvents, PCBs, etc.) is not eligible for the Incentive.

Interchange Yukon will pay the Transportation Incentive on the adjusted volume of Used Antifreeze delivered by a Collector to a Processor.

Filter Claims

Interchange Yukon will pay registered Processors a Processing Incentive on the weight in kilograms of the crushed weight of the Filters as determined by the signed metal broker/steel mill weight scale ticket. The Incentive rate used for calculating the Processing Incentive payment will be applied to the processed weight.

The conversion factor of 2.2046 is used to convert pounds (lb.) to kilograms (kg).

Paper Filters can be separated out and once they have been drained and crushed to meet the requirement of less than 3% oil they can be sent to a Waste-To-Energy facility. Once a scale ticket is obtained, they can be added to the Filter Processing Incentive claim. Prior to sending paper Filters to a Waste-to-Energy facility, there should be a sign-off from the Interchange Yukon approved Waste-to-Energy facility that they accept the crushed paper Filters as a fuel source from the Processor.

Interchange Yukon will pay the Transportation Incentive on the net weight of uncrushed Filters delivered by a Collector to a Processor.

Automotive Container Claims

Interchange Yukon will pay registered Processors a Processing Incentive for acceptable Automotive Containers based on the processed weight of Automotive Containers with all residual product removed. The Processing Incentive rate used for calculating the Processing Incentive payment will be applied to the processed weight. Automotive Containers must be separated into HDPE, Non-HDPE, Aerosols, Metal, and Bag-in-box, as each material has a different Processing Incentive rate to account for the varying processing requirements. Prior to sending Used Oil bladder bags to a Waste-to-Energy facility, the Processor must get a sign-off from the Interchange Yukon approved Waste-to-Energy facility that accepts bladder bags as a fuel source.

Interchange Yukon will pay the Transportation Incentive on the net weight of unprocessed Automotive Containers delivered by a Collector to a Processor. The Transportation Incentive is the same for all Automotive Container material categories.

5.3 Incentive Premium

To offset additional costs of collecting Used Oil and Antifreeze Materials and Automotive Containers from municipal and unincorporated waste management facilities, Interchange Recycling has established an Incentive Premium that can be claimed for each liter of consumer generated oil and antifreeze or kilogram of Automotive Containers and oil filters picked up from one of these locations. This Incentive Premium will be paid in return for a guarantee that no further stop charges or other pick-up fees will be assessed at these municipal landfills or solid waste facilities.

If a Processor/Collector opts to receive the Incentive Premium they must offer a guarantee that stop charges and any other pick-up fees will not be assessed at any of the locations listed in the table below; they cannot “cherry pick” when to use it and when to not use it. Once the Processor/Collector opts into the Program they must agree to give written notice of 6-months before they wish to terminate. Throughout the duration of payment of the Incentive Premium, no stop charges or pick-up fees can be charged at any of the below locations:

Carmacks	Mayo	Champagne	Mount Lorne	Tagish
Dawson	Watson Lake	Deep Creek	Old Crow	Teslin
Faro	Beaver Creek	Destruction Bay	Pelly Crossing	
Haines Junction	Carcross	Marsh Lake	Ross River	

5.4 Claim Submission and Payments Schedule

Claims for all eligible activities undertaken must be prepared and submitted for each calendar month. Registered Processors are required to submit claims monthly. If no activities eligible for incentives have occurred within a given month, the processor must indicate there is nothing to report for the specific monthly reporting period.

Registered Processors acknowledge that no payment of Incentives will be made until such time as a complete and accurate claim for payment has been accepted by Interchange Yukon.

Registered Processors must promptly provide any additional documentation or information requested by Interchange Yukon respecting a claim within five (5) business days of Interchange Yukon's request. Where a Registered Processor is unable to submit documentation or information within this timeframe to Interchange Yukon's satisfaction, or where the documentation or information provided by the Registered Processor is insufficient to support evaluation of the claim, claim review will be considered delayed and payment of incentive amounts may be delayed or declined as a result.

All payments will be made by electronic funds transfer.

6.0 REVIEW REQUIREMENTS

6.1 Requirement for a Letter of Regulatory Compliance

All Interchange Yukon registered Processors and Collectors are required to provide Interchange Yukon with a Letter of Regulatory Compliance at registration time and every two years thereafter during their renewal time.

The site visit must be dated within 60 days of the registration application date or expiry of current regulatory compliance and submitted with the completed Processor and Collector Registration Form or Renewal application.

The submitted audit report should include, but not be limited to: list of regulations & legislation checked against, list of deficiencies and the urgency for correction, a statement that deficiencies have been corrected, and a statement from the auditor that both the collection and processing sides of the operations were checked.

Forms are available on the Interchange Recycling Website.

The Letter of Regulatory Compliance is to certify that the Processor and/or Collector have had a third-party audit of its entire operation being compliant with all applicable legislations and regulations. The required legislations and regulations would be those that pertain to but not limited to registration, licensing, transportation, collection activities, storage, operational and contingency plans. The Letter of Regulatory Compliance shall be signed and/or sealed by a member of a duly recognized professional association or society that sets member qualifications and has appropriate audit standards and protocols, such as:

- Canadian Environmental Certification Approvals Board – <http://www.cecab.org>,
- Engineers Yukon - <https://www.apey.yk.ca/>

The list of Legislation and their related Regulations to be reviewed must include, where applicable, but not be limited to, Canadian Environmental Protection Act, Canadian Transportation of Dangerous Goods Act, National Fire Code of Canada, Yukon Environmental Management Act (including the Yukon Special Waste Regulation), Yukon Dangerous Goods Transportation Act, Yukon Motor Vehicles Act, Yukon Fire Prevention Act, Yukon Dangerous Goods Transportation Act, Yukon Workers' Safety and Compensation Act, and any and all other applicable federal, territorial, provincial, and municipal laws and regulations.

The frequency of the Letter of Regulatory Compliance may be changed for any or all Processors and Collectors, as the Interchange Yukon Board deems appropriate.

Interchange Yukon will provide a 30-day grace period for receipt of the Letter of Regulatory Compliance for registration renewal, and during this time all Incentive Claims will be held in abeyance. At the end of the grace period, if the Letter of Regulatory Compliance remains incomplete, the Processor will forfeit these claims and will be de-registered automatically.

6.2 Incentive Claims Review Program

Interchange Yukon will administer an Incentive Claim Review Program of Processors and Collectors to ensure compliance with Program requirements and to demonstrate Interchange Yukon's accountability to its members and stakeholders, including the Department of Environment, regarding Program stewardship.

Interchange Yukon's Incentive Claim Review Program will consist of the following:

- **Desk Reviews** – for ongoing monitoring of the completeness and accuracy of Incentive claims filed by Processors
- **Field Reviews** – to confirm operational assumptions and ascertain if there are any operational issues to be addressed
- **Compliance Reviews** – to ascertain the compliance of Processors and Collectors to Program requirements including documentation, accounting, reporting, and records retention

Incentive Claim Reviews may result in any or all of the following:

- request for additional supporting documentation or information to be submitted
- claim overpayments/underpayments will be reconciled between the Processor and Interchange Yukon
- refusal by Interchange Yukon to continue to accept claims from a Processor
- cancellation or suspension of the registration of a Processor/Collector and declaration of the Processor/Collector as ineligible for further funding
- the Processor/Collector to take remedial action as may be appropriate in the circumstances to rectify any issues in a timely fashion
- any other steps deemed reasonable by Interchange Yukon.

6.3 Incentive Claim Review Program Requirements

Information and Data

Processors are fully responsible and accountable for all of the information, data and documentation required to support their Incentive claims. Collectors must cooperate in providing Processors with all required documentation in support of the Incentive claim. Interchange Yukon acknowledges that Processors will have unique systems to secure, store, and report the information relating to their Incentive claims.

However, Interchange Yukon requires that all information and data provided by registered Processors must:

- be objective and verifiable (*i.e.* a 3rd party could re-perform Incentive claims and obtain the same result);
- ensure that transaction information is complete and accurate;
- ensure any information, data and records are kept and can be made available to 3rd parties for inspection; and
- ensure site operations contain sufficient physical and procedural controls to ensure that weights and measures are quantified objectively and accurately.

Interchange Yukon will require Processors and Collectors to assist and co-operate in providing information, access to records related to the Program, as well as all related non-Interchange Yukon materials, and otherwise allowing reviewers to determine the Processors' and Collectors' compliance with the Incentive Claim Review Program.

6.4 Review Types

Desk Review

Processors and Collectors will be contacted periodically and advised that their Incentive Claim, or part of, have been selected for a Desk Review. Supporting documentation pertaining to the claim details shall be requested to be submitted to Interchange Yukon for review.

Claims will be randomly selected for Desk Reviews. The more errors and anomalies found on Desk Review will result in a greater number of further claims of the Processor/Collector being selected for review.

Review procedures include but are not limited to:

- verification of supporting documents by verifying/examining:
 - Generator location;
 - signatures, signatory names;
 - material Program qualification (ie if a generator is producing Used Oil/Antifreeze Materials and containers from products that would fall outside of Interchange Yukon's Program);
 - weights/volumes; and
 - water/glycol test results
- validation of the occurrence of the pickup of Used Oil Material from the Generator; and re-performance of calculations and evaluation of any proration methodology.

Upon completion of the Desk Review, the result of the Desk Review will be communicated to the Processor/Collector. All supporting documentation will be returned to the Processor/Collector as applicable.

Field Review

Field Reviews will be performed on-site by Interchange Yukon to examine if the processed material is Used Oil Material eligible for Incentive claims as well as if the systems, procedures and equipment in place are reliable and accurate.

Field Reviews will happen approximately twice a year per processor/collector site. The frequency will vary based on findings from prior Field Reviews, Desk Reviews and Compliance Reviews.

Review procedures include but are not limited to the following areas:

- review of procedures for collecting information to ensure they are reasonable, accurate, and are being followed;
- ensuring testing/weighing equipment is accurate and meets government requirements;
- Ineligible Used Oil, Antifreeze and Automotive Container Materials contamination is within tolerances;
- inspection of storage areas to ensure they are properly maintained; and
- inspection to verify there is no stockpiling/inventory build-up.

Upon completion of the Field Review, the result of the Field Review will be communicated to the Processor/Collector.

Compliance Review

Compliance Reviews on Processors will be by a combination of on-site visits and email correspondence to examine the accuracy and completeness of the submitted Incentive claims verses the accounting and tracking systems of the Processor.

Compliance Reviews will be performed on an as needed basis resulting from issues identified during the claim check in, Desk Review and Field Review processes.

Review procedures include but are not limited to:

- reconciliation of received volumes/weights received by the Processor, for both Interchange Yukon and non-Interchange Yukon material, against submitted claims;
- reconciliation of sale volumes/weights shipped from the Processor, for both Interchange Yukon and non-Interchange Yukon material, against submitted claims;
- reconciliation of Collector information against Processor information;
- checking for duplicate claims, dockets, invoices;
- assessment of “Opening & Closing Inventories” methodologies and back-up; and confirmation of approved End-Fate documentation and calculations.

Upon completion of the Compliance Review, the result of the Compliance Review will be communicated to the Processor. All supporting documentation will be returned to the Processor as applicable.

7.0 DISPUTE RESOLUTION

This dispute resolution process applies to all disputes arising between Interchange Yukon and a Processor/Collector (each referred to in this section as a “**Party**” and together the “**Parties**”). A dispute may be initiated by a Processor or Collector by delivering a written notice of dispute (a “**Dispute Notice**”) to Interchange Yukon's Executive Director. The Dispute Notice must clearly set out:

- The nature of the dispute;
- The relevant facts and supporting documentation;
- The steps taken to resolve the matter to date; and
- The outcome sought.

Upon receipt of a Dispute Notice, the Executive Director (or designated person) shall acknowledge receipt in writing within five (5) business days and commence the dispute resolution process as set out below by forwarding the Dispute Notice to the appropriate Interchange Yukon staff member.

Each step in this process must be addressed within 30 days of the concern being formally submitted in writing to the other Party.

7.1 Dispute resolution process

Step 1 - Initial resolution efforts

The Parties shall first seek to resolve any dispute through direct, good-faith discussions. A Party identifying a dispute is encouraged to raise the issue, together with any supporting documentation, directly with an appropriate Interchange Yukon staff contact by telephone or email. The Parties shall endeavour to resolve the matter collaboratively and informally.

Step 2 - Escalation to the Executive Director

If a dispute cannot be resolved by the Parties' direct communication with the relevant Interchange personnel, any Party may request further review by delivering written notice to Interchange's Executive Director. The Executive Director shall engage in dialogue with the relevant parties, review pertinent documents, and use best efforts to facilitate a resolution within a reasonable period of time.

Step 3 - Escalation to the Interchange Advisory Committee

If the dispute remains unresolved following the Executive Director's involvement, any Party may escalate the dispute to the Interchange Advisory Committee by submitting a written request clearly outlining the issue, the steps taken thus far, and the reasons resolution has not been achieved. The Advisory Committee may request additional written submissions, hold additional conversations with the Parties, or convene any meetings it deems necessary. The Advisory Committee shall provide recommendations or otherwise seek to facilitate a mutually acceptable resolution. A Party may elect to skip the Advisory

Committee step and proceed directly to arbitration if a party there are concerns regarding bias.

Step 4 - Arbitration

If the dispute remains unresolved after exhausting the steps 1 through 4, above, either Party may, upon providing written notice to the other Party, submit the matter to arbitration under the Yukon *Arbitration Act* or such other arbitral rules the Parties may agree upon in writing. The arbitral tribunal's decision shall be final and binding on the Parties, except to the extent otherwise provided by law. Each Party shall bear its own costs of arbitration unless the arbitrator directs otherwise. All discussions and negotiations related to arbitration between the Parties will be kept confidential and will not be disclosed to any other persons except those persons authorized by both Parties.

7.2 Continuity of Services

Pending final resolution of any dispute under this section, each Party shall continue to perform its obligations under this Manual without delay, except to the extent such compliance is not reasonably possible, unless otherwise agreed in writing by the Parties.

7.3 Effect on Other Rights

Nothing in this section restricts or diminishes any Party's right to pursue any other remedy or relief to which it may be entitled in law or equity, provided that the Parties have first complied with the dispute resolution mechanisms set out in this section 7.0.

8.0 APPENDICES

Appendix A - Waste Management Hierarchy

Appendix A – WASTE MANAGEMENT HIERARCHY

Interchange Yukon Waste Management Hierarchy (WMH) Reporting Procedures

Interchange Yukon is required to produce an annual report on the performance of its Program, including how the recovered product was managed in accordance with Waste Management Hierarchy. Key definitions and procedures to support this reporting are provided below.

Operating Definitions of Pollution Prevention Hierarchy terms

The waste management hierarchy is as follows in descending order of preference, such that a waste management option is not undertaken at one level unless all feasible options at a higher level have been exhausted:

Reduce the environmental impact of producing a designated material by eliminating toxic components and increasing energy and resource efficiency;

Redesign the designated material to improve reusability or recyclability;

Eliminate or reduce the generation of unused portions of the designated material that is consumable;

Reuse the designated material;

Recycle the designated material;

Recover some or all of the components of, or energy from, the designated material;

Dispose of the waste from the designated material.

Procedures for PPH Reporting

Used Oil – The amount of uncontaminated used oil recovered, less the water content, that is received at a used oil refinery is reported as **Reuse**. The amount of uncontaminated used oil, less the water content, that is received at a facility that is not a refinery and treated and sold for use as a new product (e.g. asphalt, energy) that meets applicable use standards is reported as **Recycled**.

Used Antifreeze - The amount of used antifreeze that is received at a used antifreeze processing facility, that has a glycol content of 42% or greater and is uncontaminated,

and is refined and sold as an antifreeze product that meets applicable use standards is reported as **Reuse**.

Filters – The amount of metal filters processed and received at a steel recycler will be reported as **Recycled**. The amount of paper Filters sent for thermal treatment where a portion of the inherent energy is recovered will be reported as **Recovered Energy**.

Automotive Containers – The amount of containers received at a facility that manufactures plastic resin (pellets) or a steel recycler will be reported as **Recycled**. The amount of containers received at a facility that recovers a portion of the inherent energy from the containers will be reported as **Recovered Energy**.