



Interchange
Recycling

Extended Producer Responsibility Plan

*Lubricating Oil, Oil Filter Products, Antifreeze Products,
Oil Containers and Automotive Containers*

**Consultation Draft
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Supplementary Documents

- Appendix A: [Performance Measures, Targets and Reporting Commitments](#)
- Appendix B: [Consultation Processes, Feedback and Attendees](#)
- Appendix C: [Product Design and Use Trends](#)
- Appendix D: [Recycle BC – Future State Overview](#)
- Appendix E: [UOMA Position on Windshield Washer Fluid Containers](#)

1 Acronyms

The following acronyms and abbreviations are commonly used throughout this document.

EHC	Environmental Handling Charge
EPR	Extended Producer Responsibility
FNRI	First Nations Recycling Initiative
Interchange	Interchange Recycling, formerly the BC Used Oil Management Association (BCUOMA)
IZWTAG	Indigenous Zero Waste Technical Advisory Group
PPH	Pollution Prevention Hierarchy
PRO	Producer Responsibility Organization
RCBC	Recycling Council of BC
RCF	Return Collection Facility
Regulation	BC Recycling Regulation
RI	Return Incentive
SABC	Stewardship Agencies of BC
UOMA	Used Oil Management Associations of Canada

2 Overview

Interchange Recycling (Interchange) is a not-for-profit society formed under the British Columbia Society Act in 2003. Interchange's mandate is to ensure the responsible collection and management of used oil, antifreeze, filters and containers required under the [BC Recycling Regulation](#) (Regulation).

Since its inception, Interchange has improved collection and recycling performance in all regions of the province – and across all product categories. The commitment to continuous improvement remains a major focus in this Extended Producer Responsibility (EPR) Plan.

Interchange has operated a province-wide collection and recycling program for used oil, oil filters and used oil containers since August 2003 and for antifreeze since 2011. In early 2026, the program was further expanded to include additional automotive containers. The collection program includes the do-it-yourself market as well as the commercial and industrial markets.

Interchange's program is funded by its producer members through an [Environmental Handling Charge](#) (EHC) on the sale or commercial use of new products. Each Interchange member determines if and how it will recover its costs for the Interchange charge. Interchange produces audited annual financial statements outlining the fee revenue and program expenditures.

3 Legal Requirements

The [Regulation](#), replacing the Post-Consumer Residual Stewardship Program Regulation, was brought into law on October 7, 2004. Under authority of the [Environmental Management Act](#), the regulation sets out the requirements for EPR in British Columbia. Referred to as members, Interchange represents the producers of designated products appointed to carry out their legal obligations in accordance with the approved plan. This EPR Plan is submitted in conformity with Schedule 2 of the Regulation.

The list of members that have appointed Interchange to carry out the duties of the producer under Part 2 of the Regulation is available [here](#) on the Interchange website.

3.1 Products Included under the Plan

[Schedule 2](#) of the Regulation identifies the three product categories applicable to the materials included under the Interchange plan.

1. **Lubricating Oil Products:** The Regulation includes all petroleum-derived or synthetic crankcase, engine and gear oils; hydraulic, transmission and heat transfer fluids; fluids used for lubricating purposes in machinery or equipment; and the related containers for each, up to 30 litres.

Interchange scope:

- Interchange will collect and recycle all regulated lubricating oils in this category, being fluids which are not consumed in use.
- Interchange will collect and recycle all regulated Lubricating Oil Product containers in this category, up to 50 litres. Any residual oils received will be collected and redirected for recycling.

2. **Automotive Products:** The Regulation includes automotive antifreeze and automotive fluids, gels, greases, waxes, creams and aerosols designed for use in the maintenance or repair of a motor vehicle (including those below), and the related Automotive Product containers, up to 210 litres.

Diesel exhaust fluid	Sealers
Windshield washer fluid	Engine conditioners
Brake fluid	Boosters
Lubricants	Solvents
Stabilizers	Degreasers
Sealants	Fuel system cleaners

Excluded: Products designed for use in the cleaning or aesthetic maintenance of the interior surfaces, upholstery or exterior surfaces of a motor vehicle.

Interchange scope:

- Interchange will collect and recycle the automotive antifreeze, being a fluid which is not consumed in use. The other regulated fluids in this category are consumed in use and any residual amounts received will be accepted but redirected to an approved producer responsibility organization (PRO) through a commercial relationship.
- Interchange will collect and recycle the regulated Automotive Product containers in this category, up to 50 litres, as well as industrial formats (e.g., 210 litre drums).

3. **Oil Filter Products:** The Regulation covers spin-on-style or element-style fluid filters used in hydraulic, transmission or internal combustion engine applications; oil, diesel fuel, storage tank fuel, coolant and household furnace oil filters. *Excluded:* Gasoline, air or household furnace air filters.

Interchange scope:

- Interchange will collect and recycle the regulated filters in this category.

For member and operational clarity, in its [Applicable Products List](#), Interchange provides further specificity on the products included and not included in the Interchange program.

4 Governance and Financing

Interchange's producer members, through networks of both company-owned and independently owned retail and wholesale facilities, bring lubricating oil, filters, automotive antifreeze and other automotive products into the province for sale or distribution. Retail facilities range from self-serve gas bars to mass merchandise marketers, quick lube shops, radiator shops, and automotive, farm, marine and commercial equipment dealers. Wholesale lubricating oil facilities comprise both branded bulk plants, and independently owned and brand owner warehouses.

4.1 Governance

A multi-sector Board of Directors manages Interchange, with representatives from the manufacturing, retail, local government and public sectors. The Chief Executive Officer reports to the Board and is responsible for operations management, financial management, communications, staff management and general administrative oversight. Interchange also works closely with other Used Oil Management Associations of Canada (UOMA) members to harmonise operations and minimize costs.

A listing of all [Board Members](#) and their affiliations is provided on the Interchange website and reported in the Annual Report.

4.2 Bylaws

[Interchange bylaws](#) outline how the organization will operate. The bylaws are available on the Interchange website in the members' section.

4.3 Annual General Meeting and Annual Reporting

Interchange holds an Annual General Meeting (AGM) that is open to the public to attend. At the meeting, Interchange's producer members vote on items such as Director appointments, bylaw changes, and governance structure. The members also use the AGM to select an independent financial auditor for the next year.

An [Annual Report](#) is released to the members and the public at the AGM. The report outlines the financial and operational performance of Interchange over the last year and includes an Audited Financial Statement and an Independent Non-financial Information Review Report. The report is submitted to the Ministry of Environment for review against the requirements in the [Regulation](#) and approved EPR Plan.

4.4 Program Financing

Interchange collects EHCs from its producer members. Varying by product type, size and material recyclability, the EHCs are set by the Board of Directors and approved by the members. The fee may or may not be passed on to the consumer as a separate charge by the member or downstream seller.

5 Product Available for Collection

Interchange seeks to identify and use the best available information, gathered from producer members and by qualified external consultants, to estimate the amount of each type of material available to collect, often partnering with other used oil associations in Canada to ensure there is consistency at a national level.

The methodology used in calculating the product available for collection for each material type is detailed in the table below, and examples of the types of product uses that are considered consumed in use and repurposed are further described following the table.

Product (unit of measure)	Sold	Consumed in Use	Re-purposed	Available for Collection
Used Oil (Millions of Litres)	Reported litres	Average percentage of used oil consumed through normal usage across major	Estimated number of litres of used oil directed to uses outside of the	Reported litres sold less consumed in use less re-purposed

Product (unit of measure)	Sold	Consumed in Use	Re-purposed	Available for Collection
		categories of use as supported by the most recent third-party study	Interchange program annually as supported by the most recent third-party study*	
Filters (Units)	Reported units	n/a	n/a	Reported units
Containers (Millions of Kgs)	Reported litres of containers converted to kgs	n/a	n/a	Reported litres of containers converted to kgs
Used Antifreeze (Millions of Litres)	Reported litres	Average percentage of used antifreeze consumed through normal usage across major categories of use as supported by the most recent third-party study	Estimated number of litres or % of litres sold of used antifreeze directed to uses outside of the Interchange program annually as supported by the most recent third-party study**	Reported litres sold less consumed in use less re-purposed

* Based on the most recent study results, it is likely that the quantity of used oil re-purposed annually is more accurately estimated to be a constant quantity than a fixed percentage of the quantity sold each year.

** As of the date of this Plan submission, Interchange has not developed an accurate estimate of re-purposed antifreeze and has not deducted any quantities of used antifreeze in its available for collection estimates.

Lubricating Oil

- A portion of the lubricating oil supplied into BC is consumed in use and not available for collection. Interchange uses “Consumed in Use” studies as an input to inform/update its formula to estimate the volume of oil available for collection. An example of a lubricating oil use where there is a significant consumed in use factor is for automotive uses. Oil that is consumed is typically burned off during vehicle operation, lost in small leaks or drips, or lost in a vehicle accident or engine malfunction.
- Another factor impacting the used oil available for collection in BC is re-purposing by the owners. Interchange studies identify that volumes of used oil are directed by the owner of the material to purposes such as burner fuel, explosive manufacturing, cement/lime manufacturing and fish/pleasure boats. “Unaccounted Used Oil” studies are also completed periodically to update the available for collection estimates.
- Landfill audits and illegal dumping studies done by local governments demonstrate that there is very little, if any, used oil being disposed.

Antifreeze

- Antifreeze is sold in concentrated and diluted form. Interchange tracks the quantities of each form sold to calculate the volume sold and available for collection.
- Interchange has been operating an antifreeze program since 2011, and other provinces have since started programs. Although fewer reports and studies are available for user stage analysis of antifreeze than for oil, the product can be lost in use through leaks, vehicle accidents, engine malfunctions (e.g., hose breaks) and some re-purposing for other uses that are not part of the Interchange program. It can be assumed that most if not all of the antifreeze sold off the retail shelf is “top-up” antifreeze that is replacing antifreeze lost in use and not available for collection. Interchange has engaged with other provincial programs to continue to study the estimated “Unrecoverable Antifreeze” and is also conducting its own studies.
- Interchange is committed to continuing to conduct usage studies to further refine consumed in use estimates and to obtain information on the purposes and quantities of used antifreeze that are re-purposed with the goal of increasing capture rates for used antifreeze.
- Completing by fall 2027, Interchange is conducting a follow-up to its 2020/2021 BC-specific study of the estimated amount of antifreeze that is repurposed, consumed in use, or lost in service and therefore unrecoverable, and to delve deeper into any improperly disposed quantities which are bypassing the recovery stream. The information from this study will inform the measures used to determine Interchange’s antifreeze collection performance, as detailed in [Appendix A](#).
- As more information on where uncollected used antifreeze quantities are being directed becomes available, Interchange will continue to develop education and program initiatives to increase antifreeze capture rates. Landfill audits and illegal dumping studies done by local governments demonstrate that there is very little, if any, used antifreeze being disposed.
- As part of the communications and awareness strategy, Interchange will work to better educate the public on the environmental and economic benefits of returning their used antifreeze for recycling, at no charge, to one of the program’s many public collection facilities around the province.

Oil Filters

- It is assumed that all included oil filters sold into the marketplace are available for collection. Small quantities of used filters may be lost as damaged in use or lost in vehicle accidents, but estimates of these quantities are not currently deducted from the Interchange estimates of oil filters available for collection.

Containers

- It is assumed that all included containers sold into the marketplace are available for collection. Interchange’s varying fee approach will continue to reflect the complexity and cost to manage each product type.

- Many Interchange producer members are partners of the [Canada Plastics Pact](#) and, as such, have already committed to improving the recyclability of their plastic packaging. Interchange will continue to support its members in their ongoing efforts.

Interchange commits to the continuing completion of studies that inform the “available for collection” used in calculating its recovery rates for the various products the program includes. These studies are posted in the [Resources & Reports](#) section of the Interchange website. Interchange commits to maintaining or improving the baseline capture rates as presented in [Appendix A](#) to this Plan.

The table below indicates the planned update cycle for these key studies. Where appropriate, due to the particular nature of the material or its sales or usage in BC, studies will be conducted provincially; otherwise studies will be conducted nationally or internationally in conjunction with other used oil management organizations.

Product	Consumed in Use Study Update Frequency	Re-purposed Update Frequency	Unit/weight Conversion Factors Update Frequency
Used Oil	5 years	5 years	n/a
Used Antifreeze	5 years	5 years	n/a
Filters	n/a	n/a	5 years
Containers	n/a	n/a	5 years

6 Collection

Of all the oil and antifreeze collected in BC, most (approximately 95%) is collected from commercial facilities such as service stations, lube shops and large commercial operations (e.g., mining, forestry and agriculture). These commercial facilities are typically serviced by an Interchange [Registered Collector](#) that has a service agreement with the facility. Approximately 5% of the oil and antifreeze collected in BC comes from consumers that change their own oil/antifreeze or small commercial operators that choose to use the Registered Return Collection Facilities (RCFs) offered for free consumer drop-offs, which are also serviced by Interchange’s Registered Collectors.

6.1 Commercial Collection (~95%)

The commercial collection system includes roughly 4,000 generators around the province. This system provides the cleanest material and leads to the best environmental outcome for that material. In a commercial setting, oil and antifreeze recovered from a personal or commercial vehicle can be stored and kept clean and free of contaminants, such as water, gasoline and solids. Oil/antifreeze that is kept clean is more likely to be processed and re-refined as new lubricating oil or antifreeze.

Commercial facilities choose the Registered Collector with which they want to enter into a service agreement. These agreements often outline the collection frequency, collection requirements and any payments or charges. These agreements are between the facility and the collector and do not involve Interchange, although Interchange does provide financial incentives to collectors and processors based on collection volumes and locations. The collectors have supply arrangements with processors that manage the included products.

Some small commercial operations choose to use the consumer recycling system and transport their included products to an RCF. Access to an RCF is therefore significantly less important for commercial collection than for consumer collection. While Interchange does not put volume restrictions on drop-offs, the recycling facilities typically do. If a large volume will be dropped off, it is recommended that the RCF be contacted in advance to ensure they have the capacity to accept it.

Given that the vast majority of Interchange products are collected through the commercial system, the product capture rate (see [section 7.3](#)) is considered the measure that best reflects Interchange's performance in this stream.

6.2 Consumer Do-it-Yourself (DIY) Collection (~5%)

For DIY consumers who choose to change their own oil or antifreeze, Interchange has a province-wide network of approximately 300 registered recycling centres that provide consumers with free access for recycling. These RCFs are conveniently located at facilities that accept a variety of stewardship program products such as privately operated multi-material depots (bottle depots), local government operated recycling and landfill sites, eco depots, and retail and industrial sites.

In addition, there are over 1,000 professional lube shops located across BC where consumers can take their vehicle to have their oil, oil filter and antifreeze changed. These facilities are located to coincide with the demand. Materials collected at professional lube shops are taken directly from the vehicle and placed in storage infrastructure. These materials are picked up by a Registered Collector on a frequent basis and are less contaminated, making them more suitable for re-refining.

Given the low product volumes represented by consumer collection, accessibility to recycling is considered the measure that best reflects Interchange's performance in the consumer/DIY stream. Interchange has completed multiple studies to analyze the collection network, measure accessibility, and customize an accessibility approach that supports the user types. The past work done by Interchange to understand and develop a return network to service its specific user needs is unmatched by any program in Canada. Interchange's customized accessibility approach will be applied, providing an enhanced and aspirational level of service across BC.

In its [Annual Report](#), Interchange will report accessibility performance, addressing any service gaps (e.g., remote areas) as determined appropriate.

6.2.1 Interchange Recycling Centers

In recent years, Interchange made significant changes to its [consumer collection program](#) to improve the consumer experience and environmental performance at the facilities. Interchange invested in new infrastructure such as modified sea containers with spill containment, collection tanks and consumer friendly signage and has developed standardized training for facility operators. Interchange also increased the Return Incentive (RI) rate provided to facilities for the litres of consumer oil/antifreeze collected and introduced an RI for the kilograms of empty containers collected.

Interchange offers [Infrastructure Grants](#) to registered local governments, private businesses, non-profit organizations and other sectors that require additional infrastructure for their public RCFs.

Interchange is also working with the residential curbside collection system in BC ([see section 6.2.4](#)) to ensure that the expected few Automotive Product containers discarded by consumers at residential premises into the curbside system are collected and managed. It is preferred that consumers bring their containers to Interchange recycling centers as containers discarded in curbside systems may cause contamination and other environmental issues.

A current list of RCFs by municipality is provided in each [Annual Report](#) and the search tool on the Interchange website.

6.2.2 Additional Consumer Collection Approaches

Interchange offers mobile (to the household) collection services in specific areas where a permanent consumer collection site may be in transition or under development. Mobile collection options are communicated through the RCF search tool for specific communities, and individual collections are scheduled through Interchange's booking system.

Interchange also provides financial support for community collection events operated by Regional Districts, municipalities, and community groups. The events are often multi-material events that are supported by other stewardship programs and provide residents with an opportunity to recycle several products at the same location. Organizations are invited to apply for the Interchange [Round Up Event Grant](#), offered with the goal to help increase the number of free collection options available to residents across BC.

These events are geared to communities that are interested in having an event in place of a facility, or as a consumer awareness initiative in communities that already meet the service level. Interchange's support of collection events is supplemental or community-optional to meeting Interchange's accessibility standard.

In a partnership with the Indigenous Zero Waste Technical Advisory Group (IZWTAG) and the First Nations Recycling Initiative (FNRI), and in addition to establishing permanent collection infrastructure in Indigenous communities, Interchange also supports one-off collection of included products in Indigenous communities. IZWTAG and FNRI take the lead in determining the appropriate approach and frequency for servicing these communities, and Interchange provides logistical and financial support to ensure the safe and timely collection of their program materials.

Each Interchange [Annual Report](#) includes a reporting of the community collection events supported by grants and describes the frequency and use of other collection methods used as alternatives to a physical location (e.g., mobile collections) in providing collection services to consumers.

6.2.3 Accessible Consumer Collection Calculation

The Interchange methodology for determining the percentage of the BC population adequately served by an Interchange accessibility standard is determined as follows:

1. All of the British Columbia population is assigned to a Census Subdivision (CSD) according to Statistics Canada (SC) definitions and data.
2. Interchange groups the CSD definitions into the following community types:
 - a. City – as defined by SC
 - b. Town – as defined by SC
 - c. Village – as defined by SC
 - d. Other – all other CSDs as defined by SC
3. City and Town are subdivided by Interchange into High Industrial and Low Industrial based on population and industrial activity from select used material-producing sectors in the community (see table below).
4. The service standard is assessed for each community (see table below).
5. Collection facility locations are entered/maintained in the model on an ongoing basis.
6. The % of the BC population that is adequately served by the RCF collection network is calculated by adding up the population total from the communities meeting the standard.

Community Type	Population Characteristics	Business Establishment Characteristics	Interchange Service Level for current Plan (see Notes)
City, High Industrial	> 5,000	> 20 per 10,000	One facility per 100,000 people

Community Type	Population Characteristics	Business Establishment Characteristics	Interchange Service Level for current Plan (see Notes)
City, Low Industrial	> 5,000	20 or less per 10,000	One facility per 200,000 people or one facility within a 15-minute drive if the population is <200,000
Town, High Industrial	2,501 - 5,000	> 50 in total	Minimum one facility
Town, Low Industrial	2,501 - 5,000	50 or less in total	Minimum one facility or one facility within a 15-minute drive or collection event
Village	1,000 - 2,500	N/A	Minimum one facility or one facility within a 30-minute drive or collection event
Other	< 1,000	N/A	Minimum one facility or one facility within a 30-minute drive or collection event

Notes:

- When a facility is not within a 30-minute drive, communities with fewer than 1,000 residents will have the option of one collection event per year.
- Interchange will initiate, at a minimum, annual outreach to communities that have previously participated in collection events.

Key inputs to the Interchange model are updated as indicated below.

Input	Source	Update Frequency
BC Population Estimates	Statistics Canada, updated annually based on BC Stats data until new Census data becomes available	Updated annually based on BC Stats estimates until new Census data becomes available
Census Subdivisions	Statistics Canada	Updated when new Census data becomes available
Community Types	Statistics Canada	Updated when new Census data becomes available
Google average drive times	Google	Reviewed and updated annually

6.2.4 Commercial Relationships – Collection of Automotive Products

With the addition of Automotive Products under this current plan, Interchange is addressing the need for a program that is cost-efficient and convenient for consumers as well as producers. This will be achieved through strategic arrangements with other PROs involved with the added products.

As Interchange enters into these commercial arrangements, including with Recycle BC (see [Appendix D](#)) for residential collection of Automotive Product containers, Interchange will report a recovery rate specifically for containers that enter the waste stream from “Residential and Streetscape” sources as that recovery rate is the primary metric by which the Ministry measures success in relation to plans for products in the Packaging and Paper Product Category. Interchange assures that there will not be a “double counting” in relation to the recovery rates of Interchange and the third parties. The collection of Automotive Product containers by third parties on behalf of Interchange from Residential and Streetscape sources will only be counted towards Interchange’s recovery rate, and not the third parties.

The Interchange methodology for determining the recovery rate of Automotive Product containers from the Residential and Streetscape sources is as follows:

Recovery Rate of Automotive Product containers from Residential and Streetscape sources = (“A” + “B”) / “C”, whereby:

“A” is the amount of Automotive Product containers at Interchange’s Return Collection Facilities (RCF);

“B” is the amount of Automotive Product containers collected by Recycle BC from curbside sampling; and

“C” is residential sales of Automotive Product containers.

Interchange will continue to work with stakeholders (e.g., its members, Recycle BC and generators of Automotive Product containers) to improve its methodology for calculating the container recovery rates from Residential and Streetscape sources, including data quality and the accuracy of estimates of amounts “A”, “B” and “C”. The post-collection reconciliation process developed by Interchange and the third parties will ensure accurate reporting and no double-counting of recovery rates.

Interchange’s product expansion under this plan is supported by the UOMA position paper ([Appendix E](#)) which rationalizes coordination with BC’s existing programs for Packaging and Paper Products (PPP) and Household Hazardous Waste (HHW). Core areas of the UOMA position include:

1. Consumers should have access to multiple, **convenient recycling pathways** for the same material, without being expected to understand or navigate individual program boundaries and other barriers to participation.
2. While **producer choice** of a PRO may be constrained by regulations, it should not be arbitrarily restricted where multiple compliant pathways exist. Regulatory frameworks should avoid forcing products into misaligned programs when those products are already being responsibly managed elsewhere.
3. Effective EPR relies on **role clarity and coordination**. For materials collected through more than one system, the PROs should be responsible for coordinating on public communication, fair cost allocation

and post-collection data reconciliation. Program distinctions must also always be factored into decisions on which programs are best suited to manage specific materials, for example: PPP programs are geared to residential curbside collection; HHW programs are geared to liquid products and generally do not have recovery rate obligations for containers; and used oil programs manage both residential and industrial/commercial/institutional containers, reflecting how the materials they manage are generated and collected in the real world.

7 Transportation and Processing

7.1 Incentive System for Province-wide Collection Coverage

Interchange has designated multiple collection zones across BC. The included products are regularly picked up from roughly 4,000 generators and consumer RCFs by Registered Collectors. Collectors are required to ship the collected materials to an Interchange Registered Processor for an approved end use. Any approved end use must be environmentally sound and be in compliance with environmental requirements.

A map of the [provincial zones](#) and additional collection information is available on the Interchange website.

7.2 Registered Collectors and Processors

Interchange registers the collectors and processors before they are eligible to participate in the program. Under the [Hazardous Waste Regulation](#), used oil, automotive antifreeze and oil filters are considered hazardous wastes. Containers also often contain a certain amount of new oil or antifreeze, and measures are required to ensure that proper equipment and vehicles are used for their transport. As a result, it is important that any collectors and processors handling used oil and antifreeze materials are doing so in compliance with the required environmental standards.

Interchange requires that, as a condition of registration and every two years thereafter, each collector and processor engage an independent third-party qualified professional to conduct an environmental audit of their operations and state in a Letter of Regulatory Compliance that the operation is in substantial compliance with all applicable provincial and federal environmental legislation and regulations. In addition, the collector and processor must submit a copy of a current Business Licence. If either of these two conditions is not met, Interchange registration will not occur.

7.3 Product Collection (Capture Rate Measurement)

As Interchange is a mature program, collection is projected to remain stable, consistent, and notably higher than the 75% identified in the Regulation. For reporting purposes, Interchange calculates product recovery as follows:

Product Sold – Consumed in Use – Re-purposed = Available for Collection

Collected / Available for Collection = Capture Rate

Interchange will demonstrate continuous improvement by further improving the precision of the measurements used in its methodology to determine the products unavailable for collection, and by continuing to investigate where uncollected material may be re-purposed by the user or disposed.

The total sales of each product, the products available for collection, and the product capture rates against provincial targets will be reported in Interchange's [Annual Report](#). The included products collected in a calendar year by Regional District/by collection stream will also be reported.

7.4 Product Management

In its Annual Report, Interchange commits to reporting on how collected products were managed in accordance with the Pollution Prevention Hierarchy (PPH). In annual reporting, end-of-life management will be reported in accordance with these industry definitions:

Recycling: Any operation by which end-of-life products or materials are reprocessed into new products, materials, or substances (solids, liquids, or gases), whether for original or other purposes, to replace virgin equivalents of that material. This excludes the use of these materials as a fuel substitute or for energy production.

Energy Recovery: Any operation which converts end-of-life products or materials into useable energy in the form of heat, electricity, or fuel but causes them to lose their functionality as a replacement for virgin equivalents of that material. This would include landfill gas capture systems but only for the proportion of inbound material that is biogenic.

Interchange will ensure that its Annual Reports use definitions consistent with the PPH language set in the Regulation as applied and described specifically for the products in the EPR Plan.

An estimated 69% of used oil is turned back into new lubricating oil with the remaining 31% sold in the marketplace as a raw material commodity. All collected antifreeze is turned back into new antifreeze products. An estimated 98% of filters are recycled into metal products and 2% are used for energy recovery. All containers collected are processed and sold as raw material commodities.

The following global usage statistics were presented to the 2022 National Used Oil Material and Antifreeze Advisory Council Strategic Planning Session for the 2021 fiscal year (or most recent available).

Jurisdiction	Estimated % Used Oil Re-refining Uses*
World	34%
Europe	45%
United States	37%
Canada	33%
British Columbia	69%

* as reported by Kline & Company Inc.

Of Canada’s UOMA members, only BC reports the end fate of used oil in its Annual Reports. There are only 5 operating re-refineries in Canada, the one in North Vancouver being the third largest and generally operating at or near capacity.

[Appendix C](#) provides an overview of design and use trends of the included products.

7.5 Landfill Audits

Interchange participates in landfill waste audits with local governments and the Stewardship Agencies of BC (SABC) on an annual or semi-annual basis depending on local government scheduling. Interchange will continue to work with local governments on future audits and commits to reporting on audit findings that are relevant to the included products.

8 Paying the Cost of Collection and Management

For all included products, Interchange pays the cost of collection and management by providing incentives to the marketplace to drive the desired outcomes. The registered participants own and have the ability to market the material, thereby being in control of their financial outcomes. They can enter and exit the program with minimal notice based on their own evaluation of the economics, logistics, and other factors resulting from their participation in the program.

This incentive system rewards facilities that collect more material. The system differs significantly from the payment systems used by some stewardship programs that set fixed rates for program service providers and retain ownership of the material, thereby pre-determining or limiting a program participant’s financial outcome.

Interchange provides an RI to Registered Processors and Collectors based on the material type and the zones in the province (see [section 7.1](#)) where they are picked up. As noted in this section’s introduction, the processors own the material they collect or receive from collectors and market this material for their own

benefit. The variable RIs support economic and efficient collection of program materials across all of BC by offsetting the costs of collecting and processing materials at Registered Processing Facilities.

The incentives provided by Interchange are actively managed and reviewed by the association to ensure the desired outcomes are being achieved. Interchange is committed to ensuring that financial incentives are adjusted as required to meet the Plan's accessibility and recovery targets, through fluctuations in the market values of the materials which are collected and managed and the costs of collection and management.

Most residents and businesses have their vehicles serviced commercially (e.g., service station, lube shop) and negotiate service terms with the commercial operation. About 95% of program material is collected at commercial facilities.

Additional Consumer Return Collection Facility Incentives

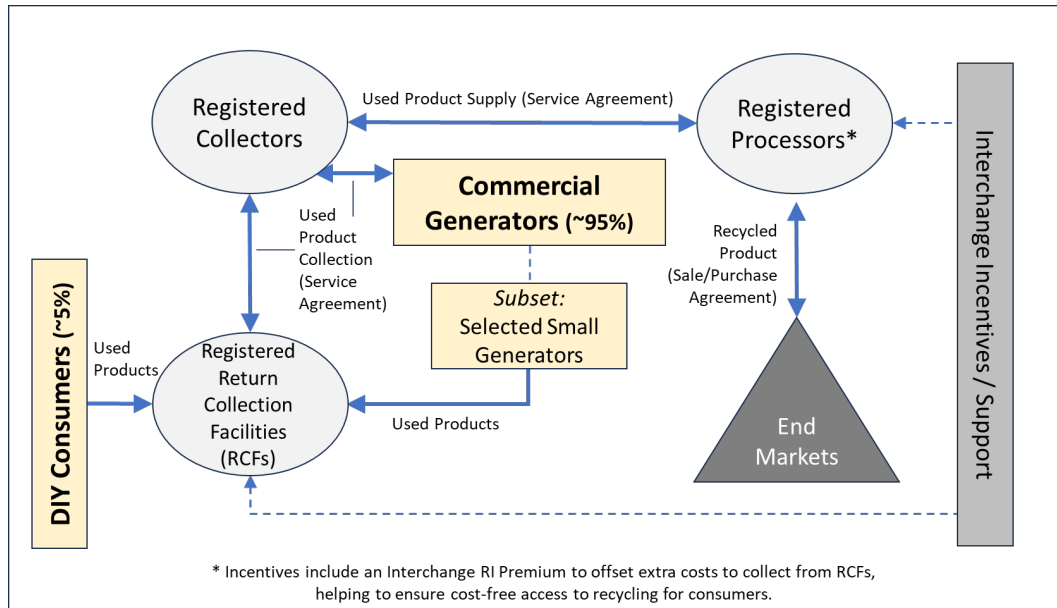
For consumers that choose to service their own vehicles, the included products can be returned at a Registered RCF at no cost to the consumer. About 5% of program material is collected annually from consumers by these RCFs. To ensure that sufficient no-cost drop off options are available for these consumers, Interchange provides the additional financial incentives described below.

RCFs receive a direct financial incentive from Interchange based on the volumes of oil, antifreeze and containers collected from consumers. Incentives support the management of all included products, and RCFs are required to receive all included products. Incentives, which are paid on oil, antifreeze and containers, are calculated using the registered collector's post-collection weights. Measuring filter weights at the collection site is more challenging; however, the incentives for oil and antifreeze are structured to also cover the cost of collecting filters. Interchange has and will continue to regularly review the practicality of paying directly on each product type but the complexity and inaccuracy of doing so has so far outweighed any possible benefits, and the collector market almost exclusively offers "all product" collection services to RCFs to effectively attract and retain customers.

Interchange also pays an RI Premium to Registered Collectors on oil and antifreeze volumes collected at RCFs. This reflects the additional costs of servicing RCFs and ensures there are sufficient no-cost drop off locations for consumers. In order to receive this incentive, collectors must collect all included products at RCFs and not charge them any additional collection fees for the pick-ups.

Interchange also supplements the commercial arrangement with RCFs by providing [infrastructure grants](#) and marketing support such as [signage](#) to these facilities. RCFs can be retailers, depots, local governments or other business that choose to enter into an agreement with Interchange and to separately enter into a service agreement with an Interchange Registered Collector.

The following diagram illustrates Interchange’s open market approach, which allows the program’s key participants to determine their financial outcomes. The model reflects the approach for all included products.



Local governments can choose to register as an RCF with Interchange and follow the same rules and procedures as private facilities.

The four cost/revenue components included in the Interchange Program Financial Framework are noted below along with the cost elements specifically considered and the financial incentives provided to ensure that program accessibility and recovery objectives are met.

Cost/ Revenue Component	Cost/ Revenue Elements Considered	Incentives Provided by Interchange for	
		Commercial Collection	RCF Consumer Collection
Generator Site Costs	Labour Space Equipment Materials Other	No incentive provided by Interchange – these costs are considered to be a cost of business for all commercial operators who derive included products as a by-product of their normal business operations	A litre-based and weight-based RCF incentive is provided by Interchange directly to the RCF operator to offset site operating costs in return for receiving included products at no cost to consumers Infrastructure grants are available to RCF operators to support improved facility standards for RCF operators and collectors and to allow RCFs to store products safely and in economic quantities

Cost/ Revenue Component	Cost/ Revenue Elements Considered	Incentives Provided by Interchange for	
		Commercial Collection	RCF Consumer Collection
Market Value of Collected Materials	Positive or negative market value of the collected materials	No incentive provided by Interchange – these costs are considered to be a cost / revenue source for all commercial business operators who derive included products as a by-product of their normal business operations	A per litre Return Incentive Premium is paid to processors for collecting included products at RCF locations with a guarantee of not assessing additional pick-up charges to RCF operators RCF operators may benefit from revenue opportunities, where negotiated with collectors and/or processors
Transportation and Management	Fuel Labour Insurance Equipment Overhead costs Market price (cost) Other	A graduated Return Incentive based on defined collection zones and product type is paid to registered processors to offset the costs of transporting and managing included products from the generation point to the processing facility	A graduated Return Incentive based on defined collection zones and product type is paid to registered processors to offset the costs of transporting and managing included products from the generation point to the processing facility
Processing Costs / Revenue	Processing Costs	Graduated Return Incentives paid to registered processors also, when considered with the net revenues and/or costs of processing these materials, cover the costs of processing materials to Interchange approved processing standards	A per litre Return Incentive Premium is paid to processors for collecting included products at RCF locations with no additional pick-up charges to RCF operators RCF operators may benefit from revenue opportunities, where negotiated with collectors and/or processors

8.1 Inputs to the Financial Framework

To inform the Financial Framework under which the Interchange program operates (see 8 above), in 2019 Interchange joined a project led by the Canadian Electrical Stewardship Association (CESA), now the [Electronic Products Recycling Association \(EPRA\)](#), along with Call2Recycle, the Outdoor Power Equipment Institute of Canada (OPEIC), and the Canadian Wireless Telecommunications Association (CWTA). The project invited depot operators to present information about the costs associated with collecting and handling the respective materials at their facilities. This effort culminated in a report dated August 30, 2019 with the following results:

- 221 depots were invited to provide information for this project in the form of a survey response and where applicable a follow-up interview. An average of 2.95 contacts per depot were made to initiate engagement in the project. 5 completed and 27 partially completed surveys were received.
- The overall report and the associated time and motion study concluded that due to low voluntary participation by the depots, the sample size was inadequate to be considered statistically valid and the costing information received was insufficient to form a basis for estimating the actual and specific costs of managing Interchange related materials at depots. However, the study did provide a general conceptual activity-based costing model that was used to inform and validate the Interchange program Financial Framework.

In 2020, Interchange initiated a review of the RI program that provides incentives to registered program participants. The study was led by MNP and included surveys and interviews of registrants, and an analysis of the RI setting methodology. The results of the study were incorporated into the Financial Framework above. MNP provided three specific recommendations to which Interchange has responded.

Recommended Option	Interchange Action
Provide a fuel incentive on top of the existing RI to address the added cost of collecting in remote areas	Effective January 1, 2022, the Interchange zone model was realigned from 11 to 9 zones, which included the zones noted by MNP as requiring realignment, and RI rates were raised in rural zones across the province
Adjust the RI rate in reflection of market conditions for oil	The market price for oil rebounded from the historic lows occurring during the study period and have remained above the pre-study rates
Combine RI zones 3 and 5	Effective January 1, 2022, the Interchange zone model was realigned from 11 to 9 zones, which included the zones noted by MNP as requiring realignment

To inform future RI adjustments, Interchange initiated a Sustainability Review of program participants in 2023 to determine more accurately the costs of collection and processing across all product streams and to help delineate any cross-subsidization between products, recognizing that some products inherently have a positive market value and others have a negative market value.

By October 1, 2026 Interchange will submit the results of its next cost study to the Ministry. This study will gather relevant and up-to-date information from its Registered Collectors and Processors about their operating costs, and develop a clear and transparent methodology for the RI Premium that demonstrates the program adequately covers the costs of collecting and managing products included under the Plan, as required by the Regulation, Section 5(1)(c)(i).

Interchange will continue to work with commercial generators and Registered Collectors and Processors to ensure the factors that dictate the cost of service are well understood by all parties so that efficient and timely collection is provided to all Registered Collectors, and that Processors receive high quality materials. Setting of standards for quality, contamination, minimum volumes and methods and location of stored materials will ensure that commercial operators can better manage their commercial agreements with collectors and processors. Interchange is consulting on a pick-up standards framework with the aim to finalize and implement it by the end of 2026.

Prior to conducting the cost study, Interchange will engage in consultation with affected parties (e.g., commercial generators, collectors, and processors) to ensure a comprehensive methodology is developed. This cost study will incorporate any feedback from affected parties and outline how their input was addressed. Additionally, it will demonstrate how producers are managing the costs associated with the collection and management of products. The cost study results will be shared with affected parties, and any changes to Interchange's financial framework will be implemented no later than four months (i.e. February 1, 2027) after the submission of the cost study to the ministry.

8.2 *Dispute Resolution*

Interchange requires collectors, processors and collection facilities to register, accept terms and conditions, and follow the requirements to receive payment in the form of a financial incentive from Interchange. Interchange's requirements including manuals, registration forms and applications are posted on its website.

If there is a dispute between Interchange and a service provider or other stakeholder, the individual consumer or company can take the following actions:

1. Bring the dispute to the Chief Executive Officer;
2. If the matter is not resolved at the previous level, service providers can use normal commercial legal procedures such as BC's [Arbitration Act](#).

Interchange's incentive system supports the competitive commercial market. Interchange has had very few disputes, if any, that would require a more complex dispute resolution system to produce a successful result. More complex processes are likely needed in systems where the financial outcomes of participants are pre-determined which, as highlighted earlier, is not the case with Interchange.

9 Program Marketing and Consumer Awareness

Interchange uses several different channels to ensure timely and relevant program information is always available to the public. Communications tactics include:

- Program website with RCF locator tool
- Social media accounts (Facebook, Instagram, Twitter, YouTube)
- Traditional media campaigns (TV and radio)
- Out of Home media campaigns (bus ads, billboards)
- Digital advertising including Google search
- Media releases and interviews
- Community event ambassadors

Additionally, Interchange works closely with several organizations to increase awareness and encourage positive recycling behaviours. These collaborations include:

- Provincial programs (UOMA) – Interchange is a member of the National Used Oil Material and Antifreeze Advisory Council (NUOMAAC) which coordinates the Canada-wide used oil and antifreeze materials recycling effort and encourages national standards.
- IZWTAG – Interchange was the first Associate Member of this non-profit society dedicated to supporting zero waste systems in all First Nation communities in BC.
- SABC – this alliance of industry product stewardship organizations works with government, service providers and other stakeholders to ensure BC's extended producer responsibility model is successful and cost effective.
- RCBC – Interchange participates with other stewardship programs to fund RCBC's public hotline and Recyclepedia database.

9.1 Consumer Awareness

Interchange prioritizes consumer awareness for those changing their own oil or antifreeze, requiring drop-offs at consumer RCFs. General consumer awareness is less critical due to high recovery rates and commercial facility contributions.

Surveys indicate most vehicle-owning British Columbians use licensed facilities within Interchange's commercial network for oil changes. Therefore, public awareness targets have been adjusted accordingly, with separate reporting for RCF user awareness.

To target RCF users, Interchange leverages social media analytics, industry and public surveys, and trade media advertising in sectors like logging, farming, and transportation. Additional outreach includes automotive events and support for Community Collection Events through municipal and Regional District grants.

Interchange participates in the biennial SABC consumer awareness survey and conducts its own annual survey to assess program awareness and information accessibility. Independent third-party providers ensure comprehensive demographic coverage across the province.

Ensuring easy access to program information remains a priority. Interchange will report on these three awareness targets in its [Annual Report](#), aiming for continuous improvement throughout the EPR Plan.

10 Performance Measures, Targets and Reporting Commitments

The Performance Measures, Targets and Reporting Commitments for the term of the Plan can be found in [APPENDIX A](#).

11 Consultations on Plan Implementation and Operation

The Consultation Processes, Attendance and Consultation Feedback for the term of the Plan can be found in [APPENDIX B](#). (Content will be added following the May 2026 stakeholder consultations.)

With respect to consulting on its ongoing operations, Interchange engages with its stakeholders in a variety of ways.

- Providing the opportunity bring forward questions or concerns to Interchange at any time by direct telephone or email based on information published on the [contact page](#) of the Interchange website.
- Participating in external groups including: the IZWTAG initiative; SABC, which works with government, service providers and other stakeholders; RCBC, to ensure consumer access to Interchange information through its Hotline and Recyclepedia tool; and the National Used Oil Material and Antifreeze Advisory Council (NUOMAAC) for broader stakeholder perspectives.
- Annually surveying the public for feedback on Interchange program awareness.
- Attending community events throughout the province which enables one on one dialogue with the public.
- Regular partnership meetings with key service providers to assist in keeping current on any issues or developing threats to the operation of the program.
- Regular communication to Interchange members to provide key updates/messaging.
- As needed, targeted stakeholder consultations/surveys on specific program matters (e.g., potential program or process changes).

Extended Producer Responsibility Plan

- Dialogue between Interchange member organizations and the director who represents the member on the board, allowing any member concerns to be conveyed to the board and staff.
- Staff attendance at key conferences which enables face to face dialogue with other stakeholders to discuss any specific issues.

APPENDIX A: Performance Measures, Targets and Reporting Commitments

Interchange commits to the following targets and reporting:

Metric / Target				Reporting Commitment	Subject to 3 rd Party Review
I. ACCESSIBILITY					
Interchange's accessibility standard for adequate service:				Percentage of BC population with adequate service Target = 95%	Yes
Community Type	Population Characteristics	Business Establishment Characteristics	Interchange Service Level for current Plan (see Notes)		
City, High Industrial	> 5,000	> 20 per 10,000	One facility per 100,000 people		
City, Low Industrial	> 5,000	20 or less per 10,000	One facility per 200,000 people or one facility within a 15-minute drive if the population is < 200,000		
Town, High Industrial	2,501 - 5,000	> 50 in total	Minimum one facility		
Town, Low Industrial	2,501 - 5,000	50 or less in total	Minimum one facility or one facility within a 15-minute drive or collection event		
Village	1,000 - 2,500	N/A	Minimum one facility or one facility within a 30-minute drive or collection event		
Other	< 1,000	N/A	Minimum one facility or one facility within a 30-minute drive or collection event		
Notes: <ul style="list-style-type: none"> When a facility is not within a 30-minute drive, communities with fewer than 1,000 residents will have the option of one collection event per year. Interchange will initiate, at a minimum, annual outreach to communities that have previously participated in collection events. 				Reported in Annual Report (against target)	
Number/locations of Return Collection Facilities (RCFs) with the types of products and volumes accepted at each advertised RCF, and their minimum business hours.				Reported in Annual Report	Yes

Metric / Target							Reporting Commitment	Subject to 3 rd Party Review
Frequency and description of the use of alternative collection methods rather than a physical location (e.g., mobile collections, collection events) in providing collection services to consumer.							Reported in Annual Report	No
Dates, locations and results of collection events.							Reported in Annual Report	No
II. SALES, COLLECTION & CAPTURE RATES								
The Capture Rates below are based on Interchange's 3-year rolling average performance for each material type (2021, 2022 and 2023 for the current term).								
(volumes are rounded)								
Product	Sold	Consumed in Use	Re-purposed	Available for Collection	Collected ⁶	Capture Rate	Reported in Annual Report (Target is year over year improvement from a mature baseline)	Yes
a) Used Oil (Millions of Litres)	86.6	25.4 ¹	16.2 ²	45.1	49.0	109.1%		
b) Filters (Units)	6.5	n/a	n/a	6.5	6.1 ⁵	93.9%		
c) Containers (Million Kgs)	1.9	n/a	n/a	1.9	1.7	93.5%		
d) Used Antifreeze (Millions of Litres)	12.5	7.2 ³	n/a ⁴	5.3	2.4	45.7%		
¹ Average percentage of used oil consumed through normal usage across major categories of use as supported by the most recent study – 29.3% ² Estimated number of litres of used oil directed to uses outside of the Interchange program annually as supported by the most recent study – 16.2 million litres (next study is scheduled for 2026/2027) ³ Average percentage of used antifreeze consumed through normal usage across major categories of use as supported by the most recent study – (2023: 45.28% (as adjusted) / 2022 & 2021: 62.1%) ⁴ Re-purposed antifreeze has not been estimated at this time but is anticipated (a further and more in-depth investigation is needed when the next unaccounted antifreeze study is completed in 2026/2027)								

Metric / Target	Reporting Commitment	Subject to 3 rd Party Review
⁵ Weight of filters collected is converted to units collected based on a conversion factor calculated in the latest filter conversion study – 2 filters per kg collected (next study scheduled for 2026/2027)		
⁶ Collected quantities and volumes include reallocations between product categories to more accurately reflect the collection of co-mingled materials, like antifreeze included in collected oil volumes. Reallocations will be based on estimates from product studies. There are no current reallocations that are being used in Interchange recovery statistics, but Interchange will be further investigating a national study which suggested quantities of antifreeze are recovered and processed as part of the oil collection stream in all provinces, and should be reallocated between material types. Other reallocations may be identified as necessary and will be supported by estimates from future studies.		
By Regional District – Total litres of oil and antifreeze, total filter units, and total kg of containers collected in a calendar year for both the commercial and consumer collection streams.	Reported in Annual Report	Yes
Provincially – Total litres of oil and antifreeze, total filter units, and total kg of containers collected in a calendar year for both the commercial and consumer collection streams compared to the previous year.	Reported in Annual Report	Yes
III. CONSUMER AWARENESS & EDUCATION		
Program Use – <i>General Public</i> : Have you used the program through a mechanic, lube shop or other facility to recycle your used motor oil and antifreeze in British Columbia? TARGET: 85%	Reported in Annual Report (against target)	Yes
Program Awareness – <i>RCF Users</i> : Are you aware there is a program that recycles used motor oil and antifreeze in British Columbia? TARGET: 68%	Reported in Annual Report (against target)	Yes
Information Source – <i>General Public</i> : If you needed to find information about how to recycle used motor oil and antifreeze, do you know where to go to find that information? TARGET: 65%	Reported in Annual Report (against target)	Yes
Description of educational materials and educational strategies used.	Reported in Annual Report	No

Metric / Target	Reporting Commitment	Subject to 3 rd Party Review
IV. PRODUCT MANAGEMENT		
Description of how the collected product was managed in accordance with the Pollution Prevention Hierarchy (PPH) compared to the previous year.	Reported in Annual Report	Yes
Efforts taken to reduce environmental impacts, to increase reusability and recyclability.	Reported in Annual Report	No
V. AUDITS		
Independently Audited Financial Statements.	Included with Annual Report	Yes
Independent Non-financial Information Review Report.		
Results of landfill audit findings where relevant for Interchange products.	Reported in Annual Report (as audits occur)	No

APPENDIX B: Consultation Processes, Feedback and Attendees

(Content will be added following the May 2026 stakeholder consultations.)

APPENDIX C: Product Design and Use Trends

Interchange will continue to monitor the following and any other emerging product trends.

Lubricating Oil

- New vehicles are more efficient and require fewer oil changes. This trend could lead to lower sales of lubricating oil or less lubricating oil available for collection.
- The largest re-purposing application of lubricating oil is as burner fuel in shop heaters, a use that is currently acceptable to the Ministry of Environment and for which it provides guidance such as testing requirements.

Antifreeze

- No emerging trends currently noted.

Oil Filters

- Oil filters have typically been made of metal but in recent years more non-metals filters have been sold. Non-metal filters often have plastic and cardboard components that are lighter in weight than metal filters. Light-weighting of filters changes the recovery performance measurement methodology, and affects the estimate used to translate kilograms collected into units.
- Interchange is monitoring market trends in non-metal filters to identify any changes needed to the recovery measurement methodology. Findings on any changing trends in filters will be posted in the [Resources & Reports](#) section of the Interchange website.

Containers for Lubricating Oil and Automotive Products

- Containers have not changed in composition over recent years and the recycling methodology is well known. At times, manufacturers have used containers made of plastic that are difficult to recycle but this has not been the case of late.
- Interchange monitors the marketplace for new and growing trends in containers that could result in recycling challenges. These trends include “oil-in-a-box”, where the oil is in a plastic bladder bag and packaged in a cardboard box with a spout.
- Findings on any changing container trends that could impact the program (such as a UOMA study conducted with other Canadian programs) will be posted in the [Resources & Reports](#) section of the Interchange website.

APPENDIX D: Recycle BC – Future State Overview

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April 30, 2025

David Lawes
CEO
Interchange Recycling
3rd Floor, 536 Broughton Street
Victoria, BC
V8W 1C6

Dear David,

I am writing to provide a letter of support to Interchange Recycling's proposal to expand its program to capture additional automotive containers currently classified under Schedule 5 of the BC Recycling Regulation and included at present in the Recycle BC program.

Recycle BC is a not-for-profit organization delivering residential recycling services for packaging and paper product (PPP) to two million households across British Columbia. Recycle BC ensures that waste packaging and paper is collected from residents at households, through curbside and multi-family building collection, and recycling depots, and then sorted and managed and recycled responsibly.

Recycle BC believes that Interchange Recycling's proposal for automotive containers represents an elegant solution to reduce the administrative burden associated with complying with the Recycling Regulation for producers of automotive products. As it stands, these producers are required to report some types of automotive containers to Interchange Recycling and some types to Recycle BC, including for the same products depending on whether they are sold to residential or commercial end-users. This arrangement is unnecessarily duplicative and complex for producers. The ability to report all automotive containers to Interchange Recycling moving forward will provide increased certainty and convenience to producers at a time of increasing costs and uncertainty in the marketplace.

The management of all automotive containers under the Interchange Recycling program will also simplify messaging to residents for both the Interchange Recycling and Recycle BC programs, leading to improved outcomes.

Recycle BC endeavors to have residents only use its blue box system for its stewarded packaging and paper; however, the reality is, some residents use the collection network for other stewardship program items such as the recycling of beverage alcohol deposit-return containers and beer & cider secondary packaging. Recycle BC is experienced in establishing commercial agreements with other programs for their material managed through our system, to the mutual benefit of both programs.

Once Interchange Recycling receives Ministry approval for the management of automotive containers currently included in the Recycle BC program, Recycle BC will develop a commercial agreement with Interchange Recycling for this material. Such an agreement would enable

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.....
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RECYCLEBC

Recycle BC to be paid for any of Interchange Recycling's material collected in our system and allow Interchange Recycling to claim the collection and recycling units and tonnage for these containers. Given our relationship with Interchange Recycling and our experience with these types of arrangements, we are confident that this process could be completed relatively quickly.

Thank you.



Sam Baker
Executive Director, Recycle BC

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RecycleBC.ca



APPENDIX E: UOMA Position on Windshield Washer Fluid Containers

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UOMA Position on Windshield Washer Fluid Containers

Alignment with PPP and HHW Programs

Purpose

This document outlines UOMA's position regarding the management of windshield washer fluid (WWF) containers within Canada's evolving EPR landscape. It is grounded in first principles and is intended to align with the positions advanced by organizations such as the Canadian Tire (CT) and the Retail Council of Canada (RCC), while addressing practical regulatory and operational realities.

Guiding Principles

1. Consumer Convenience

UOMA supports a system that prioritizes simplicity and accessibility for consumers.

- Consumers should have access to multiple, convenient recycling pathways for the same material, where those pathways already exist.
- Consumers should not be expected to understand or navigate program boundaries (e.g., PPP vs. HHW vs. ICI).
- Where materials are collected through more than one system, Producer Responsibility Organizations (PROs) should be responsible for sorting out costs and data after collection, in a seamless and fair manner.
- Program design should avoid creating confusion, duplication, or barriers to participation.

2. Producer Choice

UOMA supports producer choice within the bounds of regulation.

- Producers should retain the right to choose which PRO they appoint to manage their product obligations.
- That choice may reasonably differ by province or territory, reflecting regulatory and operational differences.
- Producer choice may be constrained by regulation but should not be arbitrarily restricted where multiple compliant pathways exist.
- Regulatory frameworks should avoid forcing producers into misaligned programs when their products are already being responsibly managed elsewhere.

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3. PRO Coordination and Role Clarity

Effective EPR depends on coordination, not silos.

- PRO commitment to coordination on public communication, cost allocation, and post-collection data reconciliation is critical.
- Systems must prevent free riding, where one program benefits from the infrastructure or outcomes of another without contributing fairly. A clear and fair process for post collection reconciliation of data and costs that is statistically significant and independently audited (at least audited procedures) is required.
- Key distinctions between programs must be acknowledged:
 - PPP programs are primarily focused on residential curbside collection.
 - HHW programs are product/liquid-focused and generally do not have recovery rate obligations for containers.
 - UOMA programs manage both residential and ICI containers, reflecting how the materials they manage are actually generated and collected in the real world.
- These differences matter when determining which regulation and which PRO is best suited to manage specific materials, such as WWF containers.

4. Regulatory Alignment Between Residential and ICI Sectors

Misalignment between residential and ICI regulations creates inefficiencies and inequities.

- When a material is designated only in a residential program (e.g., PPP), the exact same material in the ICI sector becomes stranded.
- In those cases, costs are pushed onto other programs that are already collecting and managing the material through their systems.
- This outcome is unfair and undermines the principle of extended producer responsibility.
- In practice:
 - These materials are often managed alongside other designated materials in the ICI sector due to co-collection or similar handling requirements.
 - Materials handled by PROs—whether targeted or not—should be assigned to the regulation that best reflects how they are actually collected today across both sectors.
- **Note:** This issue does not apply in the same way to PPP, as PPP materials are not co-mingled with materials targeted for collection in the ICI sector under EPR

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Why PPP PRO Reimbursement Is Not a Viable Solution

Proposals suggesting that PPP PROs reimburse other PROs for managing WWF containers raise significant regulatory and governance concerns.

- **Regulatory authority limitations**
 - PPP regulations authorize PROs to manage **residential materials only**.
 - Taking responsibility for **ICI-generated materials** (such as WWF containers from commercial settings) would place PPP PROs **outside their approved program scope**.
 - Producers would reasonably argue that PPP PROs lack the legal authority to spend funds on out-of-scope materials.
- **Governance and competition risks**
 - PPP PROs cannot unilaterally expand their mandate without a **regulatory amendment**.
 - Any attempt to do so would likely be challenged by producers as an improper use of a **monopoly position in the residential system**.
 - Producers would argue that this imposes costs not authorized in legislation, and such a challenge would likely succeed.

UOMA's Position

UOMA supports a framework in which:

- Materials such as windshield washer fluid containers are managed in the program that best aligns with **actual collection practices across residential and ICI sectors**.
- Producers retain meaningful **choice of PRO**, within regulatory bounds.
- PROs **coordinate** to reconcile costs and data post-collection, and prevent free riding.
- Regulations are designed to avoid **stranded materials**, cost-shifting, and artificial program boundaries that do not reflect reality.

This approach supports consumer convenience, producer fairness, regulatory integrity, and efficient environmental outcomes.