

SASKATCHEWAN ASSOCIATION FOR RESOURCE RECOVERY CORP (SARRC)  
ANNOUNCES FIRST EHC INCREASE IN 12 YEARS OF OPERATIONS

**SASKATOON, SK, DECEMBER 9, 2009:** Saskatchewan Association for Resource Recovery Corp. (SARRC), the industry-led stewardship association for used oil materials recycling in the province, announced the first increase in its Environmental Handling Charges (EHCs) since the program's inception in 1997. The EHC on plastic oil containers increases to \$0.10 per litre of container size effective January 1, 2010.

This means the EHC on a 1 litre plastic container rises from \$0.05 to \$0.10 per container while the EHC on the 20 litre plastic pail rises from \$1.00 to \$2.00 per pail. The retail price of all plastic oil containers and pails up to 30 litres in size purchased in the new year should reflect this new EHC.

The EHC on new oil and oil filters originally approved in April 1997 will remain the same.

Saskatchewan's successful used oil materials recycling program is funded by the EHC on new oil, oil filters and the plastic containers in which new oil is purchased. The EHC is not a government tax.

The EHCs encourage the collection and processing of used oil materials through a Return Incentive (RI) program for private sector collectors and processors. The RIs include a variable freight component providing freight equalization incentives to collectors throughout all markets in Saskatchewan.

"The increase in EHC on plastic oil containers will help drive up the collection rates in the province." says Phil Wrubleski, Executive Director, SARRC. "The new EHC will enable SARRC to increase the Return Incentive to our collector processor network. We've seen steady growth in volumes of used plastic oil containers each time we've increased the RI. With our RI budget on plastic currently stretched to the limit it became necessary to increase the EHC to continue the collection growth."

In fall 1997, the RIs for containers were first established at \$0.75 to \$1.05 per kilogram across the province with a resulting collection rate of 5% in 1998 and 8% in 1999. The RIs on plastic containers were increased 30% per kilogram in January 2000 increasing collection rates of the plastic to 24% by December 2003. In January 2004, RIs were increased another 11% per kilogram with collection rates reaching 37% by the end of 2008.

Container collection rates remain low in Saskatchewan compared to other provincial used oil recycling programs (BC = 73%; Alberta = 74%; Quebec = 92%). These provinces have attracted dedicated oil container collectors, while Saskatchewan and Manitoba rely on oil and filter collectors to pick-up containers from more de-centralized populations.

Used oil is considered the single largest source of potentially hazardous material in Canada if not managed properly. ***One litre of used oil can contaminate One Million litres of fresh water.*** Used oil filters can contain up to 250 ml (8 ounces) of used oil. And the plastic containers when burned can give off dangerous furans and dioxins. As well, filters and containers take up valuable land fill space when they can be recycled and reused.

Since the program began (October 1997 to December 2008), SARRC reports a collection of 2.35 million kilograms of plastic oil containers; 19.69 million oil filters; and 117.82 million litres of used oil.

In 2008 alone, Saskatchewan's program recycled 0.33 million kg of oil containers (37% of the 0.88 million kg sold that year); 1.97 million oil filters (84% of the 2.33 million filters sold); 17.65 million litres of used oil (80% of the 22 million litres available for recycling).

The used oil is reprocessed into re-refined lubricating oil, industrial burner fuel and other products. The filters are processed into structural metal shapes for the manufacturing of industrial and agricultural products. Plastic oil containers become new oil containers, plastic durable goods, impact posts, curbs and landscape ties. None of the material collected since October 1997 went to landfills or for road oiling.

There are nearly 300 used oil collection facilities including 35 purpose-built EcoCentres in nearly 200 communities across Saskatchewan for the collection of used oil, filters and plastic containers. These serve the small volume generators of Do-it-yourself mechanics, farmers and small businesses. Larger volumes are collected by private sector collectors who serve customers from border to border.