

DISCLAIMER

This manual is provided as a guide only. For determination of the law or a particular issue please refer to the applicable regulations, policies, procedures and by-laws. These documents are maintained on BCMB’s website (www.bcmb.ca) and copies can be made available upon request.

**BCMB COLLECTION SYSTEM AGENT
GUIDE TO COMPLIANCE**

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A. **BECOMING A COLLECTION SYSTEM AGENT**

1. **What is a collection system agent?**

Manufacturers of beverage containers are required to appoint and use a collection system agent. The collection system agent is required to collect containers from all depots for or the purpose of recovery or recycling. The collection system agent must be approved by the BCMB.

s. 8, 9, Beverage Container Recycling Regulation

2. **How do you become a collection system agent?**

A manufacturer can appoint a collection system agent which must be satisfactory to the BCMB. After appointment the collection system agent must provide proof to the BCMB that they have been properly appointed as required by the Regulations.

s. 8, Beverage Container Recycling Regulation

3. **How long is a collection system agent's appointment?**

A collection system agent may serve a continuous term of 5 years but must be reapproved each year.

June 14, 2000, Board Resolution

4. **Who must belong to a collection system or use a collection system agent?**

In Alberta, manufacturers who produce non-refillable containers are required to belong to a common collection system that collects containers for recovery and recycling.

s. 8, Beverage Container Recycling Regulation

Manufacturers of refillable containers must also belong to a common collection system, or organize a system for collection on their own for collecting their containers from depots.

s. 9, Beverage Container Recycling Regulation

5. **What type of containers does a collection system agent collect?**

The collection system agent is required to collect non-refillable registered containers for the common collection system but can also collect refillable registered containers if there is an agreement to do so with manufacturers.

s 9, 12, *Beverage Container Recycling Regulation*; s. 9, Administrative Bylaw

B. THE COLLECTION SYSTEM AGENT'S OBLIGATIONS TO THE DEPOT

1. How are the containers prepared for transport?

The depot is responsible for packing the containers in shipping containers and pallets so that the collection system agent can pick them up. Different shipping material is required for different types of containers and these requirements are set out in Schedule C of the Operating Agreements.

ss. 2.1-2.3, and Schedule C, Operating Agreements of ABCC and ABCRC

2. Who provides shipping containers and pallets to depots?

It is the responsibility of the collection system agent to provide sufficient containers, pallets, and supplies for the depot's internal operating and shipping requirements. The collection system agent is also required to replace supplies when the depot runs low as well as adjust required inventory to reflect a depot's changing volume.

s. 3.1 and Schedule G, Operating Agreements of ABCC and ABCRC

3. Do the depots have to pay for shipping containers and supplies?

The collection system agent will provide the required shipping containers to the depot at no cost to the depot. If the depot requires additional containers in excess of the agreed upon volume they may be required to pay the cost of the deemed value if the additional containers cannot be returned within 2 weeks or 2 shipments.

s. 3 and Schedule G, Operating Agreements of ABCC and ABCRC

4. What happens when shipping containers are damaged?

If containers or pallets are damaged they must be returned to the collection system agent and credits for returned damaged cartons will be shown on the depot inventory level sheets.

s.3.4 and Schedule G, Operating Agreements of ABCC and ABCRC

5. Who schedules loading and pickup of the containers?

The collection system agent will schedule carriers to pick up loads from depots. The collection system agent must instruct the carriers to:

- adhere to a pickup schedule or notify of any impending delay,
- take receipts of pallets and load the trailer with the containers and pallets in a safe manner,
- and sign receipts acknowledging acceptance of the load or delivery of the shipping containers.

s. 3.2, Operating Agreements of ABCC and ABCRC

6. How is scheduling of pickups between depots conducted?

The daily schedule is prepared by the collection system agent with the intent to recognize individual needs of the depots, transportation logistics, and the needs of the processor. The overall goal of the scheduling process is to minimize the products left at a depot at the end of the week. Specific qualifications concerning pickups are discussed in the Operating Agreement.

s.3.2 and Schedule F, Operating Agreements of ABCC and ABCRC

7. How should non-registered containers be handled?

The collection system agent may purchase unregistered containers and containers that are from out of province for scrap if offered from the depot. However, the collection system agent is not obliged to accept these containers from a depot.

s. 12, *Beverage Container Recycling Regulation*; s. 3.6, Operating Agreements of ABCC and ABCRC

8. What happens to the containers and pallets after they leave the depot?

After containers and pallets leave the depot they are received by the collection system agent who conducts an off-load tally by counting the containers and reconciling the count to the bill of lading. When conducting a count at the plant, the collection system agent will detail the type and size of the containers received, the quantity of the containers received, the shipping containers used for shipment, and the number of pallets received.

s. 3.3 - 3.5 and Schedule H, Operating Agreements of ABCC and ABCRC

9. What if there are differences between the count by the depot and that of the collection system agent?

If there are discrepancies after the collection system agent has prepared an independent second count, the differences will be noted for further review and the depot will be contacted. Any further dispute will go to the BCMB and a binding decision will be made.

s. 3.3, Operating Agreements of ABCC and ABCRC

10. How are depots paid?

The collection system agent is responsible for reimbursing the depot operator the deposit for each container collected and these amounts are set out in s.10(1)(b) of the Regulations. The collection system agent is also responsible for paying handling commissions to the depot.

s.3, Administrative Bylaw, s. 13(a)(b); *Beverage Container Recycling Regulation*

11. What deductions may be made to depot payments?

The collection system agent will deduct the appropriate amount of the BCMB container levy plus GST and remit to the BCMB on behalf of the depot. If the depot requests it, the collection system agent may also deduct ABDA membership fees plus GST, and additional fees as per the Operating Agreements.

s. 3.5, Operating Agreements of ABCC and ABCRC

12. How is the handling commission set?

The BCMB sets the handling commission in the Administrative Bylaw and will advise the collection system agent of the set amounts.

s. 3, Administrative Bylaw

C. THE COLLECTION SYSTEM AGENT'S ONGOING AND MONTHLY OBLIGATIONS TO THE BCMB

1. Who is responsible for recycling?

The collection system agent must cause containers it collects to be recycled in a method approved by the BCMB.

s. 16, *Beverage Container Recycling Regulation*

2. What is an Operating Agreement?

The collection systems agent is required to provide the BCMB with an ongoing operating agreement between the collection system agent and the Alberta Bottle Depot Association (ABDA). This agreement is a plan that lays out the following information:

- (a) the frequency and manner in which containers will be collected from the depot operators;
- (b) compliance with the requirements for pick up of containers as provided for in the Operating Agreement;

- (c) storage and sorting of containers pending their collections;
- (d) the frequency and manner in which the collection system agent or manufacturer will pay to the depot operators the amounts they are owed.

s. 8, Administrative Bylaw

3. When is the Operating Agreement valid?

After the operating agreement is signed by the collection system agent and the ABDA, it is still not valid until it has been approved by the BCMB and any amendments or modifications must be submitted to the BCMB for approval.

s. 8(2), Administrative Bylaw

4. What monthly filings are required by the collection system agent?

Each month the collection system agent is required to compile and submit to the BCMB the following information:

- (a) the number of containers collected from depots in each category identified by the BCMB;
- (b) the volume of containers recycled;
- (c) the fees paid each month to the depots; including deductions;
- (d) the fees paid to the BCMB on behalf of the depots and manufacturers; and
- (e) any other information that the BCMB considers necessary.

Over the course of each month the collection system agent is required to keep documentation of this information in a form satisfactory to the BCMB so that these monthly reports can be made.

s.17, *Beverage Container Recycling Regulation*; s. 10 and 11, Administrative Bylaw

5. What is a monthly quality assurance report?

The quality assurance report is a document that seeks to verify the accuracy of the volume of containers shipped from the depots to the collection system agent.

The collection system agent is required to provide the BCMB with a monthly quality assurance report.

s.17, *Beverage Container Recycling Regulation*; s. 11(e), Administrative Bylaw

6. What other records and documents are required?

The collection system agent will maintain a record of the shipping containers received from and sent to the depot. It is the responsibility of both the collection system agent and the depot to ensure that the records are accurately recorded.

D. THE COLLECTION SYSTEM AGENT'S ANNUAL OBLIGATIONS TO THE BCMB

1. What is an annual operating plan?

An annual operating plan which may be in the form of an operating agreement must be submitted and agreed to by BCMB. This plan includes information on:

- hours of operation;
- use of regional processors,
- how beverage containers are recycled, and
- a contingency plan for extra-ordinary situations including force majeure and acts of God.

s. 8 Administrative Bylaw; June 14, 2000, Board Resolution

2. When is the annual operating plan submitted?

The collection system agent is required to prepare a plan in September and present it to the BCMB in October at which time the BCMB Board will consider approval of the operating plan in November.

s.8 Administrative Bylaw; June 14, 2000, Board Resolution

3. What happens if the BCMB does not approve the operating plan?

The plan is not valid until it has been approved by the BCMB. If the BCMB does not approve the operating plan and further information is required or greater detail needs to be included the BCMB has the discretion to require that the plan be amended to include further information and detail and resubmitted within 15 days.

s. 8(2), Administrative Bylaw; June 14, 2000, Board Resolution

4. When do financial records have to be submitted to the BCMB?

Each year the collection system agent is required to provide an audited annual financial statement.

s. 11, Administrative Bylaw; June 14, 2000, Board Resolution

5. What recycling rates must the collection system agent meet?

Each year the collection system agent must meet the recycling rates that are set out in the annual BCMB Business Plan, which must also be reflected in an operating plan submitted to the BCMB.

June 14, 2000, Board Resolution

E. COLLECTION SYSTEM AGENT PERFORMANCE AND PERFORMANCE EVALUATION

1. Are the collection system agents evaluated on their performance?

Collection system agents are evaluated by the BCMB on their ability to:

- (a) meet standards of service with respect to container collection as set out in the Operating Agreement;
- (b) properly recycle all recovered containers;
- (c) reconcile all material flows;
- (d) co-operate with other stakeholders;
- (e) Provide quality reporting and record-keeping;
- (f) provide information required in a timely fashion;
- (g) adequately provide depot operators with shipping containers and other required supplies;
- (h) adequately resolve any container and shipping difficulties of the depot system; and
- (i) meet standards of collection and recycling rates as set out in the BCMB's annual business plan and operating plan.

June 14, 2000, Board Resolution

2. When is the performance evaluation done?

The BCMB will provide the collection system agent a written evaluation of their performance each year no later than 90 days after the year-end.

June 14, 2000, Board Resolution

F. BREACHES BY THE COLLECTION SYSTEM AGENT

1. What happens if the collection system agent breaches any requirement criterion of the BCMB or the regulation?

The BCMB will notify the collection system agent in writing and provide them with 30 days to correct a breach.

June 14, 2000, Board Resolution

2. What happens if the collection system agent fails to correct a breach?

If the collection system agent fails to correct the breach within the 30 day period, the BCMB may revoke the collection systems approval to act as agent after providing 15 days notice.

June 14, 2000, Board Resolution

G. CONFIDENTIAL INFORMATION

1. How does the collection system agent deal with depot confidential information?

The collection system agent is required to conduct the operations of the common collection system in a manner that protects the confidentiality of proprietary information of individual manufacturers.

s. 17, Beverage Containers Recycling Regulation

2. What are the obligations of the BCMB with respect to confidential information?

The BCMB is required to take all reasonable steps to ensure that confidential information that relates to trade secrets, processes or techniques is not used or released in a manner that undermines its confidential nature.

s. 17, Beverage Containers Recycling Regulation