

**Disclaimer**

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**BCMB DEPOT OWNERS’GUIDE TO COMPLIANCE**

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**SCHEDULE A Requirements Checklist for Handling Bottles**

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### A. THE DEPOT PERMIT APPLICATION PROCESS

#### 1. Who can operate a bottle depot in Alberta?

Only persons with a valid permit issued by the BCMB can operate a depot in Alberta. Permits are issued by the BCMB if an application is received and it meets all the criteria and conditions.

s. 14 of the *Beverage Container Recycling Regulation*

#### 2. What information needs to be included on my application for a depot permit?

For a list of the information that should be included on an application, refer to the BCMB's Depot Permit Application Review Policy and the Beverage Container Depot Criteria Policy.

#### 3. Does it cost anything to apply for a new permit, for the transfer of an existing permit, or to make an amendment to a permit?

Yes, there is an application fee of \$600.00 that must be paid at the time the application for a new depot permit is made. If the application is successful, the applicant will have to pay a \$500.00 Depot Permit Release Fee.

If the application is for the transfer or amendment of an existing permit, the applicant will pay a \$500.00 Depot Permit Transfer Fee or Depot Permit Amendment Fee.

s. 3 of the Depot Permit Application Review Policy, Section 3 of the Beverage Container Management Boards Fee Bylaw

#### 4. What happens after the application is submitted to the BCMB?

Once you have submitted your application the BCMB may request that you supply them with more information, hold a meeting in the area where the depot is or will be located or provide notice of your application to the public.

s. 5, 7 of the Depot Permit Application Review Policy

#### 5. How do I give notice of my application to the public?

Giving notice involves publishing a notice in a newspaper that has daily or weekly circulation in the area where the depot is or will be located. The BCMB will identify the publication you are required to issue your notice in. The notice must include the following information:

- your name;
- a description of the proposed depot, or a description of any proposed changes to an existing depot;
- the location, nature of operation, capacity and size of your depot;
- a statement that anyone with concerns about the depot should submit those concerns to the BCMB;
- a list of locations where further information about the proposed depot or proposed changes to an existing depot can be found;
- any other information required by the BCMB.

s. 7 of the Depot Permit Application Review Policy

**6. When will I find out whether or not my Application has been approved?**

You will be notified of the BCMB's decision within fifteen days of the decision being made by the BCMB. The BCMB may require you to give notice of the decision to the public and to any individuals who submitted written comments to the BCMB regarding your application. In some cases the BCMB may circulate its decision to you before finalizing it so as to receive your comments on it.

s. 8, 9 of the Depot Permit Application Review Policy

**7. How do I give notice to the public of the BCMB's decision?**

Giving notice involves publishing a notice in a newspaper that has daily or weekly circulation in the area where the depot is or will be located. The BCMB will identify the publication you are required to issue your notice in. The notice should include the following information:

- a description of your application;
- your name;
- the location of your depot;
- the decision of the BCMB and the date of the decision.

s. 9 of the Depot Permit Application Review Policy

**8. What is the effect of the permit?**

Once the permit is issued, you are entitled to operate the depot as set out in the permit, subject to the terms and conditions contained in the permit and other conditions that are set out in the Regulation, Bylaws or policies of the BCMB.

s. 14, *Beverage Container Recycling Regulation*

9. **Can I transfer, sell, lease or assign my permit?**

Yes, but you must receive the written approval of the BCMB in advance.

s. 12 of the Depot Permit Application Review Policy

10. **How will I find out if the BCMB cancels or suspends my permit?**

If the BCMB has reason to cancel or suspend your permit the BCMB will give you prior notice. After the permit is cancelled or suspended, it will publish notice of the cancellation or suspension in a newspaper that has daily or weekly circulation in the area where your depot is located.

s. 11 of the Depot Permit Application Review Policy

**B. OPERATING STANDARDS**

1. **What standards do I need to maintain in the day to day operation of my depot?**

The BCMB has a number of standards that depots need to maintain in terms of the facility, the hours of operation, equipment, and the yard and premises. The BCMB Beverage Container Depot Criteria sets out the particular standards that must be maintained by a depot.

Refer to “Beverage Container Depot Criteria, sections D-H”

2. **What happens if I fail to maintain the standards outlined in the “Beverage Container Depot Criteria?”**

If you fail to maintain the standards of operation outlined in the Beverage Container Depot Criteria, the BCMB will suggest action to ensure your compliance with the standards. In the event that action is not taken by the depot to correct the lack of compliance, the BCMB can impose terms appropriate in the circumstances. This may include levies, cancellation or suspension of a permit.

s. 7 of the Administrative Bylaw

**C. COLLECTING CONTAINERS**

1. **What containers should I accept?**

You should accept only those containers that have been registered with the BCMB that were sold in Alberta, previously contained a beverage and have not previously been processed. The BCMB will provide you with monthly lists of registered containers that may be accepted. The list of registered containers is also available online at <http://breg.bcmb.ab.ca>.

s. 2.1.1 of ABDA/ABCRC Operating Agreement and s. 2.1.1 of ABDA/ABCC Operating Agreement

2. **Are there any containers that I should not accept?**

You are prohibited from accepting any containers that you have reason to believe were transported from outside of Alberta. If a customer or their load of containers appears suspicious, you are required to fill out a Suspicious Containers Report and submit it to the BCMB. Do not provide any refunds to consumers who have filled out the Suspicious Container report until the BCMB approves the acceptance of the containers. Additionally, depots do not accept plastic/paper cups that are not sealed by a manufacturer. Any person who contravenes these portions of the regulation is guilty of an offence and liable, in the case of an individual to a fine of not more than \$50,000 and in the case of a corporation to a fine of not more than \$500,000.

s. 3 and 11 of the *Beverage Container Recycling Regulation* and approved BCMB list

**D. PROCESSING/ SHIPPING CONTAINERS**

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

In Alberta, manufacturers who produce non-refillable containers are required to use a common collection system that collects containers for the purpose of recovery or recycling. The collection system agent acts on behalf of the manufacturers overseeing the operation of the common collection system of collecting the containers from depots.

s. 8 of the *Beverage Container Recycling Regulation*

2. **Is there a common collection system for refillable containers?**

Manufacturers of refillable containers must also use a collection service or the common collection system for collecting their containers from depots and retailers. There are currently two collection system agents:

- Alberta Beverage Container Recycling Corporation (ABCRC)  
ABCRC is responsible for the collection of all non-refillable, non-beer containers.
- Alberta Beer Container Corporation (ABCC)  
ABCC is responsible for the collection of all refillable and non-refillable beer containers, although they currently sub-contract the collection of non-refillable beer containers to ABCRC.

s. 9 of the *Beverage Container Recycling Regulation*

3. **What procedure should I follow when sorting and packing containers?**

The procedure for sorting and packing containers depends on the type of the container. For ISB beer containers the procedure is set out in the Operating Agreement between the Alberta Bottle Depot Association and the Alberta Beer Container Corporation. For other

containers, the procedure is set out in the Operating Agreement between the Alberta Bottle Depot Association and the Alberta Beverage Container Recycling Corporation. See the **Schedule A** “Requirement Checklist for Handling Bottles” for a summary of the requirements set out in these agreements.

## **E. PAYMENT**

### **1. How do I get paid?**

You will be paid by the manufacturer or the collection system agent. They will reimburse you for each container you have collected at a rate of:

- \$0.10 per container with a capacity of one litre or less;
- \$0.25 per container with a capacity of more than one litre.

They will also pay you a handling commission (see BCMB Administrative Bylaw for current handling commission rates).

s. 10, 13 of the *Beverage Container Recycling Regulation* and s. 3, Administrative Bylaw

### **2. What is the handling commission?**

The handling commission is a fee paid to depots by manufacturers or collection system agents to reimburse the depots for the expenses related to collecting and handling containers.

s. 13(b), 18 of the *Beverage Container Recycling Regulation* and s. 3, Administrative Bylaw

### **3. How is the handling commission calculated?**

The handling commission is calculated based on the number and types of containers collected by a depot. Similar containers are grouped into categories, and each category of container has a set handling commission value.

For example a handling commission of \$0.0381 is paid on Tetra-Brik Containers up to 1 litre in volume, and a handling commission of \$0.0302 is paid on aluminum cans. If a depot collected 850 aluminum cans and 770 500ml Tetra-Brik containers, they would receive a handling commission of \$55.00 because  $850 \times \$0.0302 + 770 \times \$0.0381 = \$55.00$ .

A list of the categories of containers and the applicable handling commission values is included in s. 3(3) of the Administrative Bylaw.

### **4. Who sets the handling commission amounts?**

The handling commission amounts are determined by the Board of the BCMB. The Members of the BCMB can review (and change) handling commissions in certain circumstances described in s. 4 of the Administrative Bylaw.

s. 4(3) of the Administrative Bylaw

5. **Do I have any say in setting the handling commission amounts?**

When handling commissions are being considered under the Handling Commission Procedure, submissions may be made by interested parties including bottle depots. As well, information is obtained annually from depots in the form of a Uniform Code of Accounts which is used to assist the BCMB in determining handling commission amounts.

s. 1.5 of the Handling Commission Procedure and s. 11 of the Administrative Bylaw

**F. INFORMATION TO THE BCMB**

1. **What information do I need to supply to the BCMB on an ongoing basis?**

You must supply the BCMB with a Uniform Code of Accounts and any other financial information that the BCMB on an annual basis. You are required to keep records on the number of containers collected in each category and any other information required by the BCMB so that the Regulations, By-laws and Policies can be properly administered.

s. 11(d) of the Administrative Bylaw and s. 7 of the Fee By-law

2. **How is confidential information handled?**

If the BCMB requests confidential information from you, it will take all reasonable steps to ensure that the information is not released in a way that would undermine its confidentiality. Information that is collected from depots is provided to the BCMB board of directors in a consolidated format only, without reference to any one depot unless that depot has consented to the release of that information.

s. 17 of the *Beverage Container Recycling Regulation*

3. **What does the Uniform Code of Accounts look like?**

The uniform code of accounts is an accounting/financial document. The BCMB will supply you with a standard form that you will be required to use.

4. **By when do I have to submit a Uniform Code of Accounts for my depot?**

A Uniform Code of Accounts must be submitted no later than six months after your financial year-end. The BCMB or Data Collection Agent (DCA) will provide you with the form in advance of that date.

s. 6 of the Uniform Code of Accounts Compliance Policy

5. **What happens if I don't submit a Uniform Code of Accounts for my depot?**

The BCMB has a number of enforcement measures that they will take should you fail to submit a Uniform Code of Accounts. The measures escalate over time starting from a

reminder letter and ranging to the cancellation of your permit. A complete list of enforcement measures can be found in the Uniform Code of Accounts Compliance Policy. The goal of the BCMB is to encourage compliance rather than to punish non-compliance.

Uniform Code of Accounts Compliance Policy

## **G. ONGOING FEES**

### **1. Are there any fees that I need to pay on an ongoing basis?**

You are required to pay an operation fee to the BCMB of \$0.0006 per container collected. This fee will increase to \$0.00065 as of January 1, 2010.

s. 4.2 of the Fee Bylaw

If you are not in compliance with a regulation, bylaw or policy, you may be required to pay a fee of \$200.00, which is levied by the BCMB to help ensure and maintain compliance by depots.

Administrative Compliance Bylaw

### **2. How do I go about paying the operation fee?**

The collection system agent or manufacturer is required to collect and remit the operation fee on behalf of the depots directly to the BCMB+. The collection system agent or manufacturer will likely debit the BCMB operation fee payable from the handling commissions they pay you.

s. 6 of the Fee Bylaw

### **3. What sort of breaches will result in my having to pay a compliance fee?**

The Schedule to the Administrative Compliance Bylaw contains a list of possible scenarios in which a depot owner may be required by the BCMB to pay this compliance fee to ensure compliance.

### **4. How will I know whether or not I am supposed to pay a compliance fee?**

The BCMB will notify you if you are required to pay a compliance fee to ensure compliance. The notice will name you; list the particulars of the breach, the amount of the fee, the time by which it must be paid, and a statement as to your right of appeal to a sub-committee of the BCMB.

s. 2.2 of the Administrative Compliance Bylaw

### **5. How much time do I have to pay the compliance fee?**

You have thirty days from the time the notice of compliance fee is served on you

s. 2.6 of the Administrative Compliance Bylaw

**6. How do I appeal the decision of the BCMB to levy a compliance fee against me?**

You can appeal the decision of the BCMB by notifying the BCMB of your intention to appeal within thirty days from the time the notice of compliance fee is served on you.

s. 2.3(e) and s. 2.7 of the Administrative Compliance Bylaw

**7. What happens if I don't pay the compliance fee?**

If you don't pay the compliance fee within 30 days, the BCMB will instruct the collection system agent to deduct the amount owing from your payment and forward it directly to the BCMB.

s. 2.5, 2.9 and 2.11 of the Administrative Compliance Bylaw

**H. MYSTERY SHOPPER AUDITS**

**1. What is a mystery shopper audit?**

A mystery shopper audit is a way for the BCMB to ensure that depots are providing proper refunds to consumers. A "mystery shopper" will return bottles to your depot. They will then report to the BCMB and the depot on the refund they received, and whether the refund was correctly calculated and paid by the depot. Depots are promptly advised of the results of mystery shopper audits.

**2. What sort of action will the BCMB take against my depot if there audit shows that I am refunding people less than I should be?**

The BCMB may take any number of steps that include notifying the depot of the problem and conducting further audits. Should the further audits show that the problem has not been rectified; the actions taken by the BCMB can escalate in severity and could include the levying of a fine of \$200.00 and/or having the BCMB further review the situation to determine if your operating permit should be suspended or revoked.

Administrative Compliance Bylaw

**I. RENEWAL OF PERMIT**

**1. How often do I need to renew my depot permit?**

Permits are renewable in accordance with their terms and may be required to be renewed every year, 2 years, 3 years, 4 years, or 5 years. A normal renewal term is 5 years.

**2. Does it cost anything to renew my depot permit?**

Yes, there is a \$500.00 Depot Permit Renewal Fee.

s. 3.2 of the Fee Bylaw

**J. THE APPEALS PROCESS**

**1. Is there an appeal process in place if I apply for a permit and do not get one?**

Yes, you can appeal a decision of the BCMB related to an application for a depot permit and only if the BCMB decision was made in a manner that is inconsistent with the *Environmental Protection & Enhancement Act*, the Regulations, the Bylaws, the policies and the guidelines of the BCMB.

s. 4 & 5 of the Appeal Policy

**2. Does it cost anything to start an appeal?**

Yes. A non-refundable appeal fee of \$1,500.00 must be paid when the Notice of Appeal is delivered.

s. 8, 9 of the Appeal Policy

**3. Who hears my appeal?**

Your appeal will be heard by a three-person Panel that is appointed by the Board of the BCMB. The Board appoints members to the panel who will conduct a fair hearing.

s. 15,16 of the Appeal Policy

**4. What are the possible results from appealing a decision?**

The Appeal Panel is limited to deciding whether or not the BCMB's decision was consistent with the *Environmental Protection & Enhancement Act*, the Regulations, the Bylaws, the policies and the guidelines of the BCMB.

The Panel CANNOT:

- (a) grant you a permit if you were denied one, or
- (b) remove conditions or terms imposed on your permit by BCMB.

The Panel CAN:

- (a) decide BCMB's decision was made in an inconsistent manner and allow you to make a new application to the BCMB
- (b) order the BCMB to reimburse you for any costs incurred during the appeal process up to a maximum of \$1500.00.

The decision of the Panel is final.

s. 11, 13, 56 of the Appeal Policy

5. **How do I start an Appeal?**

If you decide to appeal a BCMB decision you should consult the Appeal Policy for a full listing of requirements and procedures.

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**SCHEDULE A  
REQUIREMENTS CHECKLIST FOR HANDLING BOTTLES**

<b>Requirement</b>	<b>Industry Standard Bottles (ISB) The Operating Agreement Between the Alberta Bottle Depot Association and the Alberta Beer Container Corporation</b>	<b>All Other Containers The Operating Agreement Between the Alberta Bottle Depot Association and the Alberta Beverage Container Recycling Corporation</b>
Containers		
Registered Containers	Depots should only provide registered containers to collection system agents and manufacturers	
Reporting Non-Compliant Containers	Depots should report any significant volumes of containers that are being turned in for collection that do not meet regulations.	
Providing Consumer Refunds	Depots must accept containers from consumers and pay cash refunds.	
Sorts and Counts		
Sorting Containers	Containers sorted according to Schedule A	Container sorted according to Schedule A
Container Lids	Depots should remove all tops or lids from containers before shipping.	
Place Containers in Shipping Containers	Place containers in shipping containers according to Schedule B & C	Place containers in shipping containers according to Schedule C
Required Number of Containers	Depots should ensure that the required number of containers are included in each shipping container.	
When Shipping Containers are not Available	When the shipping containers provided for in the respective operating agreements are not available, depots should contact the Collection System Agent.	
Ordering New Shipping Supplies	Depots should order new shipping supplies in a timely fashion.	
Shipping Containers		
Stacking Shipping Containers on Pallets	Shipping containers should be stacked on pallets according to Schedule C.	Shipping containers should be stacked on pallets according to Schedule D.
	Shipping containers should be stacked safely.	
Identification on Mega Bags	Each mega bag should have a properly colour coded tag with the Depot name, product type and count/bag as per Schedules B & C.	Each mega bag should have a properly colour coded tag with the Depot name, product type and count/bag as per Schedule C.
Identification on Pallets	Each pallet should have a properly colour coded tag affixed to the	

<b>Requirement</b>	<b>Industry Standard Bottles (ISB)</b> The Operating Agreement Between the Alberta Bottle Depot Association and the Alberta Beer Container Corporation	<b>All Other Containers</b> The Operating Agreement Between the Alberta Bottle Depot Association and the Alberta Beverage Container Recycling Corporation
	bottom layer with the Depot name, customer number and date in accordance with Schedule C.	
Variances in Carton Orders		Any variances in carton orders received from the Collection System Agent should be reported to the Alberta Beverage Container Recycling Corporation.
Use of Shipping Containers	Shipping containers supplied by the Alberta Beer Container Corporation should not be used to return containers to any other entity.	
<b>Scheduling and Loading</b>		
Scheduling a pick up time	Depots should contact BDL (Brewers Distributors Ltd.) to arrange a pick-up time.	Depots should contact ABCRC to arrange a pick-up time.
Access to loading door	Depots should ensure that access to the loading door is free of obstructions and should help guide trucks into loading area upon a carrier's request.	
Bill of lading	Depots should complete a bill of lading for each load.	Depots should complete a bill of lading for each load which includes the container type and quantity in accordance with Schedule I.
Presentation of Pallet	Depots should present pallets at the back of the truck in accordance with Schedule C.	Depots should present pallets at the back of the truck.

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