



# **Beverage Container Management Board**

## **Three Year Business Plan**

January 1, 2013 to December 31, 2015

---

## ***Table of Contents***

---

Table of Contents .....	2
I .... Accountability Statement .....	3
II .... The BCMB's Contribution To Environmental Quality In Alberta .....	4
III... Beverage Container Recycling That's Innovative, Convenient and Cost-Effective .....	6
IV .. Operating Principles.....	9
V.... Today's Environment for Beverage Container Recycling.....	10
VI .. 2013 – 2015 BCMB Objectives and Strategies .....	13
VII. Financial Plan .....	27
VIII Monitoring and Evaluation .....	31

I

## ***Accountability Statement***

---

The Beverage Container Management Board's (BCMB) Business Plan for the period January 1, 2013 through December 31, 2015 was prepared in accordance with the requirements of the *Beverage Container Recycling Regulation*, as amended, which was enacted under the *Environmental Protection and Enhancement Act* and the organization's bylaws. All of the BCMB's existing and proposed policies and procedures as of November 2012 and all of the Board's accountability obligations and relationships have been considered in preparing this Budget and Business Plan. As well, the Government of Alberta's and Department of Environment and Sustainable Resource Development's Business Plans and priorities were taken into account in the development of the BCMB's Business Plan.

The BCMB is committed to achieving the planned results laid out in this Business Plan.

Approved by the Board of Directors:

Beverage Container Management Board



Per: Ross Risvold  
Chair

---

## //

### ***The BCMB's Contribution to Environmental Quality in Alberta***

---

The BCMB is a not-for-profit association formed by representatives of Alberta beverage manufacturers, container depots and the public (environmental organizations, municipalities and interested citizens)<sup>1</sup>. It is charged with the responsibility of administering and delivering a system for collecting and recycling and/or reusing beverage containers<sup>2</sup> in the province within policy parameters established by the Minister of Alberta Environment and Sustainable Resource Development.

Since its inception on December 1, 1997, the BCMB has worked to ensure that Albertans have access to a convenient and cost-effective system for recycling and reusing used beverage containers. The BCMB exists to:

- Optimize beverage container recycling and reuse to benefit Albertans by diverting material from landfills, reducing the environmental impacts of beverage container use and providing manufacturers with a source of clean recyclable materials or reusable containers.
- Govern and administer the beverage container recycling and reuse system. In this regard the BCMB has the responsibility to:
  - Register all beverage containers sold and or distributed within the province of Alberta;
  - Set both the criteria for establishing new beverage container depots and depot operating standards;
  - Approve the establishment of new depots, issue permits, monitor ongoing depot operations for their effectiveness and service quality and cancel or suspend permits for non-compliance with approval conditions or operating standards;
  - Oversee aspects of the agreements between beverage manufacturers or the Collection System Agent (CSA)<sup>3</sup> and depots or retailers related to the manner and frequency of container collections and the associated payments;

---

<sup>1</sup> The BCMB has a sixteen member Board of Directors. Fifteen are voting members – five each from the beverage manufacturing sector, the depot sector and the public. One is a non-voting member that represents the Alberta Government.

<sup>2</sup> This is referred to here as Alberta's beverage container management system.

<sup>3</sup> The CSA – the Alberta Beverage Container Recycling Corporation (ABCRC) – is currently the Collection System Agent for all non-refillable beverage containers in Alberta. Refillable containers are managed by Collection Service Providers (CSPs).

- Assess the operations of the CSA appointed by manufacturers and approve of their choice;
- Develop and implement a process for setting the amounts that a manufacturer or the Collection Service Agent/Collection Service Provider pays to the depot for container collection (handling commissions); and
- Set fees paid by manufacturers or depots for permits, registrations or the operations of the BCMB.

The BCMB's members are dedicated to overseeing and enhancing Alberta's beverage container management system. In its initial decade of operations, the BCMB focused on developing and implementing policies, administrative mechanisms and program structures to effectively meet its objectives. It will continue to do this; however, the BCMB will also continually review its programs, seek improvements to service and look for innovative ways to benefit the public by:

- Pursuing initiatives that improve container recycling return rates;
- Reducing the environmental impact or footprint of operating the beverage container management system;
- Ensuring that the beverage container management system operates in a cost effective and transparent manner;
- Effectively governing and managing Alberta's beverage container management system; and
- Improving accountability to the public and the Ministry of Environment and Sustainable Resource Development's (the Ministry) through effective measurement and monitoring of performance.

### **III**

## ***Beverage Container Recycling that's Innovative, Convenient and Cost-Effective***

---

### **A. The BCMB's Vision and Mission**

The BCMB's vision is to be *"the leader in stewarding beverage containers to minimize their impact on the environment."* The vision anticipates a beverage container management system with:

- Higher return rates (85 percent or better);
- Greater public participation;
- Convenient, cost effective container collection;
- Strong alignment among system stakeholders;
- Consistent high levels of service from the depots;
- Consistent, fair and firm enforcement of depot and CSA/CSP standards; and
- Financial transparency.

Consistent with its vision, the BCMB's mission is to *"govern a leading beverage container management system that is innovative, accessible and cost effective."*

### **B. The BCMB's Mandate**

The Beverage Container Management Board was incorporated under the *Societies Act* as a management board under the *Beverage Container Recycling Regulation* pursuant to Section 175(jj) of the *Environmental Protection and Enhancement Act* on December 1, 1997. By Order in Council 505/2008 dated October 22, 2008, the *Beverage Container Recycling Amendment Regulation* extended the *Beverage Container Recycling Regulation* for five years, expiring in the first year of this plan on October 31, 2013.

The BCMB operates in accordance with the general by-laws set by the membership, as well as the following by-laws set by the Board:

- *Beverage Container Management Board Administrative By-law;*
- *Beverage Container Management Board Fee By-law;*
- *Beverage Container Management Board Administrative Compliance By-law.*

The BCMB's programs and goals support the priority placed by the Alberta Government on policies, programs, services, strategies and performance measurements related to sustainable environmental management. The BCMB is a leader in the development of policy and programs that better enable and lead the recycling of beverage containers in Alberta. The key outcome of beverage container recycling is the minimization of waste through the reuse and recycling of beverage containers.

The BCMB's programs contribute to the Ministry objective of fostering a culture of stewardship where *environmental outcomes are established and achieved through Albertans, communities, governments and industry working together*<sup>4</sup>. The BCMB is a material example where citizens, communities, government and industry share responsibility for stewardship of the environment. The BCMB plays a lead role in encouraging and leading its stakeholders to attain higher levels of beverage container recycling, ensuring accountability and a cost effectiveness of the overall system.

Consistent with the Ministry's second goal<sup>5</sup>, achieving environmental outcomes through the use of effective *risk based policies, processes and infrastructure*, the BCMB has effectively identified necessary processes to enhance the overall beverage container management system and to secure its value to and use by the public.

The BCMB also supports the Ministry's commitment to develop, *monitor and report on the best measures available to reflect whether the Ministry is having an effect in improving environmental outcomes*<sup>6</sup> through implementation of a thorough approach to monitoring and reporting on the program's effectiveness and outcomes. The BCMB remains responsive to the needs of Albertans and will continue to ensure that the beverage container collection system is accessible and high quality by promoting innovation, best practices in stewardship and industry collaboration.

The BCMB's stated mandate from its incorporating documents is to "*establish, maintain and administer a waste minimization and recycling program for beverage containers.*" It achieves this by realizing its goals for the beverage container management system (see Exhibit III-1: located on page 8):

- A reduced environmental impact by (i) achieving and maintaining a beverage container return rate that is 85 percent or greater, and (ii) minimizing the systems' environmental footprint;
- Financial cost effectiveness, accountability and transparency;

---

<sup>4</sup> Goal one from the Alberta Environment and Water Business Plan 2012-2015.

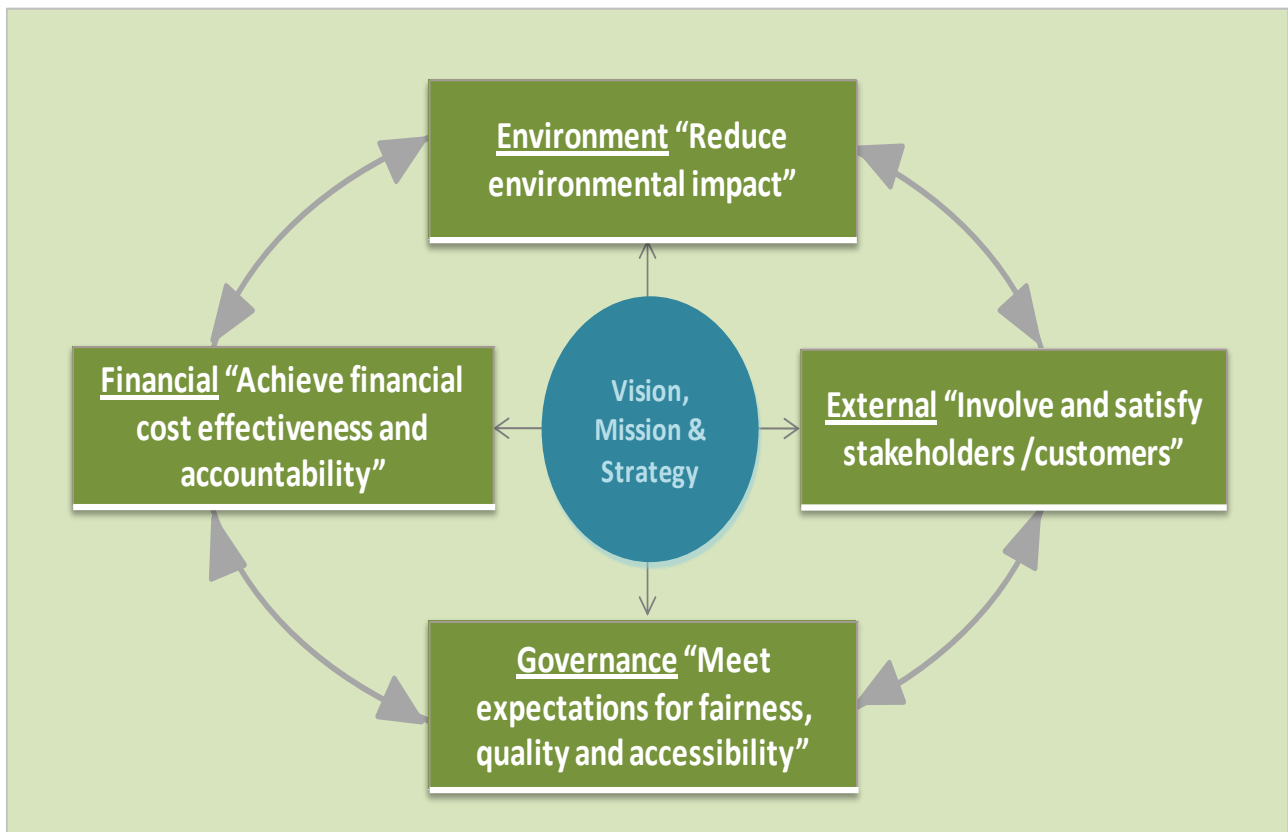
<sup>5</sup> Goal two from the Alberta Environment and Water Business Plan 2012-2015.

<sup>6</sup> Page 45 of the 2011-2012 Environment and Sustainable Resource Development Annual Report

- Wide-ranging public and consumer awareness and participation in a system that meets their expectations and results in satisfaction; and
- Accessible, quality service to the public that complies with legislation and the BCMB's standards for operations.

**Exhibit III-1**

**BCMB goals for the beverage container management system**



---

## IV

### ***Operating Principles***

---

In delivering its mandate and objectives, the BCMB adheres to five principles that guide its policies, operations and relations with stakeholders:

- **Environmental Protection** – The BCMB is committed to the protection of the environment by removing beverage containers from the waste stream and by requiring that beverage container recycling and reuse activities have a minimal impact on the environment.
- **Public Service** – The BCMB recognizes its obligation to serve the public interest by applying its expertise and knowledge in beverage container recycling and reuse and in business management to the enhancement of the environment.
- **Accountability** – The BCMB is accountable to the Ministry, beverage container management system stakeholders, beverage consumers and Albertans. As a result, the BCMB is committed to processes that are transparent and fair.
- **Excellence in Customer Service** – The BCMB is committed to service standards for system customers that will encourage participation in container recycling and reuse, while recognizing the need for a cost effective beverage container management system.
- **Innovation** – The BCMB encourages innovation in all aspects of beverage container use and recycling.

## V

### ***Today's Environment for Beverage Container Recycling***

---

#### **A. Contributing to a Sustainable Environment**

One foundation for beverage container recycling and reuse is the public's increasing awareness of the natural environment and their impact on it as consumers. It reflects public concern over waste and litter management. Issues such as climate change and energy conservation are also raising environmental awareness and inspiring activity and attention on the importance of reuse and recycling of containers. As a consequence, there are increasing expectations on government, the beverage industry and others for the responsible use and recycling of the resources used in beverage container manufacturing.

Alberta and the BCMB are committed to the objective of environmental protection through beverage container recycling. To this end, the Government of Alberta has set the goal of achieving an overall 85 percent return rate for beverage containers. This is an overriding priority for the BCMB and achieving it will go a long way towards ensuring that the use of beverage containers and the associated recycling activities have a minimal impact on the environment.

*The strategic directions and activities identified in the BCMB's 2013 – 2015 Business Plan have been developed with the primary goal of achieving the targeted 85 percent beverage container return rate.*

#### **B. Enhancing the BCMB's Core Responsibilities**

The BCMB has established the core competencies required to administer the beverage container management system – registering containers and manufacturers; permitting and monitoring depots; setting handling commissions; and overseeing aspects of the relations between manufacturers, depots, the CSA and the CSP. While competencies and the task of achieving the targeted 85 percent return rate for containers are important, the BCMB must also refine its governance such that it enables and supports continued improvement and a beverage container collection system that is innovative, accessible and cost effective for Albertans.

In 2008, the Government of Alberta completed its review of the regulation and provided the BCMB with the renewed authority to fulfill its mission. Today, as in coming years, it's important for the organization to work with the CSA, CSP and depots to review, clarify and improve on

their respective roles and accountabilities. There is an increased expectation of leadership from the BCMB and in this regard the BCMB must focus on:

- Delivering on all process responsibilities, but particularly processes involving compaction, collection and auditing of beverage containers, handling commissions, joint communications and compliance;
- Leveraging partnerships to enhance its capability in exercising its mandate; and
- Quality outcomes that are supported by performance measurement.

*The BCMB's 2013 – 2015 Business Plan contains the strategic priorities that will ensure continued delivery of core functions and to improve on its governance and leadership and on the effectiveness of the partnership between depots and manufacturers.*

## **C. Expanding and Strengthening the Beverage Container Recycling System**

Alberta's beverage container recycling system continued to evolve in 2011/2012. In 2011 the return rate reached 83.5 percent. Return rates have increased over the past few years due to the continued effect of the increase in deposit rates (2008), the addition of dairy containers (2009), the ongoing attention paid to promotion and education and increased collaboration and synergies with the other stakeholders in the beverage container industry.

The return rate also reflects a number of economic and social influences. The economic slowdown between 2008 and 2010 helped the cause of container recycling and reuse by raising the significance of the refund to families and individuals and leveling consumption. Looking forward, it's anticipated that Alberta will enjoy continued growth. The BCMB must prepare for higher sales of beverage containers – this will place pressure on collection system costs and potentially soften return rates.

Continued evolution in the variety and composition of containers and in municipal programs such as "blue box" or curbside recycling programs will increase system complexity and costs. In this environment our goal of having an efficient program that achieves and maintains increasing return rates becomes more challenging. In order to improve the system and overcome increasing system complexity and operating costs, the BCMB, depots, the CSA, the CSPs and industry stakeholders will need to continue focusing on:

- Improving cost effectiveness and on simplifying processes;
- Business innovation and the use of new technologies in beverage container recycling to reduce system costs;

- Working closely together to increase consumer awareness, improve accessibility for customers and address customer concerns regarding service or other unintended barriers to container recycling;
- Municipal recycling programs; and
- Developing new partnerships with cities, communities and municipalities.

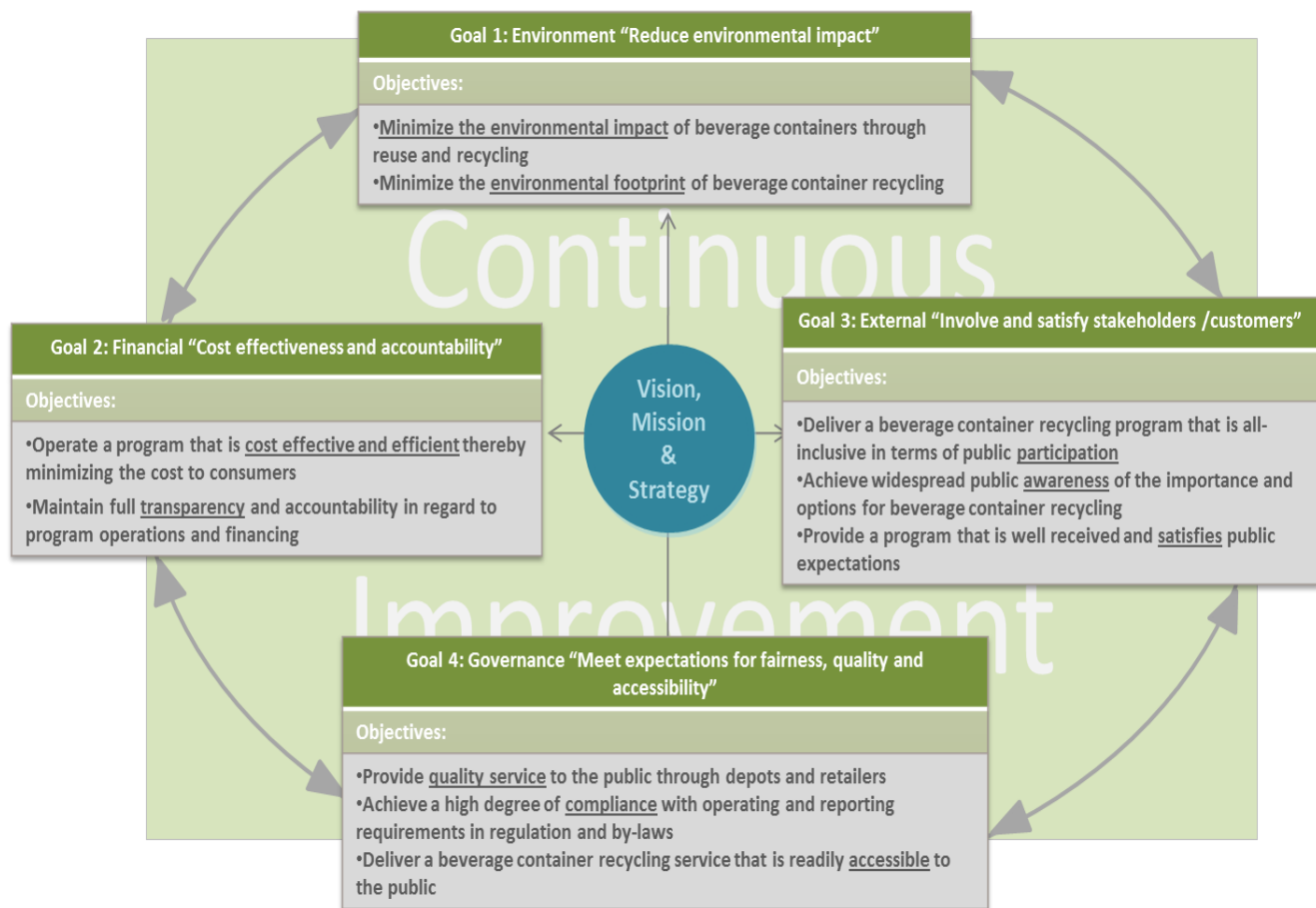
*Actions and strategies outlined in the BCMB's 2013 – 2015 Business Plan address program efficiency and the recovery of beverage containers in unconventional settings.*

## VI

### 2013 – 2015 BCMB Objectives and Strategies

Exhibit VI-1 summarizes the BCMB's objectives and priorities over the coming three year planning period.

#### Exhibit VI-1 BCMB 2013 – 2015 goals and objectives



In order to progress towards its goals, the BCMB has identified and committed to actions that are aimed at improving program delivery and outcomes.

## **Goal 1      REDUCE ENVIRONMENTAL IMPACT**

---

The BCMB recognizes the overriding importance of protecting and enhancing Alberta's environment through minimizing the number of beverage containers discarded as litter, diverting beverage containers from the waste stream, and enabling the reuse of containers and use of recycled container materials – all in a manner that is environmentally responsible. Board members and stakeholders together strive to attain the Government of Alberta's goal of an 85 percent container return rate through the beverage container recycling system. This is the most fundamental measure of the program's achievements and is driving many of the Board's actions over the coming three years.

In 2012, the Board investigated and addressed many of the specific issues and barriers affecting the beverage container return rate. Concerted efforts were made to:

- Analyze and evaluate the results of two Waste Characterization Audits with a goal of identifying low-performing sectors and then targeting improvements in their recycling activities and infrastructure;
- Work with the CSA and depot network to develop an industry brochure for the public, to increase knowledge about the beverage container recycling system and the depot network;
- Continue to build and strengthen relationships with the CSA, using its resources and experience in container recycling operations, communications and awareness. Some BCMB supported initiatives include:
  - Redevelopment of a free beverage container recycling educational program called "Every Empty Counts;"
  - The Telus World of Science Beverage Container Recycling interactive exhibit;
  - Educational Science Grants to encourage ingenuity in youth surrounding beverage container recycling or reuse;
  - Recycling Infrastructure Program (RIP) – funding and support provided to depots to place new beverage container recycling infrastructure in their communities;
  - Community Champions Program – distributing specialized (indoor and outdoor) recycling bins to Community Champions Partners (CCP) in order to provide more accessible and convenient out-of-home recycling opportunities. This keeps beverage containers out of landfills and provides important financial and social benefits for communities.
- Work with the CSA, CSPs and depots in an analysis of the existing return rates to identify specific strengths and weaknesses in the program;

- Capitalize on the Board's benchmarking and analysis of leading practices in beverage container recycling, including the introduction of a Depot Health and Safety Committee; and
- Use the "Beverage Container Recycling Innovation Fund" to leverage investments by the beverage industry and depots that can lead to improved container returns or system cost efficiencies.

## **Goal 1**      ***Strategies, performance measures and targets***

---

Over the next three years the Beverage Container Management Board will:

**A. Improve return rates "away from home"** – Continue to develop and implement partnerships, recycling campaigns and technologies that will increase the return rate for beverage containers consumed away from home. Examples of initiatives include:

- The Recycling Infrastructure Program, Community Champions Program, and educational exhibits and school programs. In addition, the BCMB will move forward with research surrounding best practices and necessary resources to increase beverage container recycling at multi-unit family housing complexes and shopping malls.
- Two industry committees, the Return Rate Committee and the Joint Marketing Committee, that involve the BCMB, Alberta Beverage Container Recycling Corporation (ABCRC) and Alberta Bottle Depot Association (ABDA), continue to review best practices and initiatives, communications and marketing campaigns, to better reach and inform the public about the recycling and reuse of beverage containers.

**B. Increase depot responsibility and accountability for recycling** – Initiatives that focus on the responsibility and accountability of depots include:

- The development of a Depot Workplace and Health and Safety program – Increasing safety in the depot workplace in order to retain staff, create a safer and more secure work environment and to reduce overall system WCB costs. Staff retention is extremely important in the overall function of an expanding depot network and to provide high levels of service from and consistent access to depots for the public.
- Implementation of a Point of Return (POR) system – In 2012 a POR system was officially introduced to the depot network. The system scans beverage containers and provides the consumer and the depot with an automated invoice of beverage containers being returned to a depot. In the next year, the BCMB is strongly supporting the roll-out of POR systems for depots. The POR system builds consumer trust in the depot system, provides a potential method for communication from the

BCMB to the depots and provides detailed information on the types and quantities of containers collected. The BCMB's goals are to link the POR system to the beverage container registration system, providing depots with immediate access to confirm official registration of any container.

- In 2012 the BCMB revamped the depot inspection form and process to better reflect and evaluate the performance of a depot. The inspection form scores are used in conjunction with other industry information to assess the depot permit and provide performance benchmarks for the depot industry. In the coming years the BCMB will continue to improve its evaluation methods, in consultation with the depot network, to enhance customer service and access to the depot network and industry standards.

**C. Develop a consistent, high quality beverage container recycling brand –**

The beverage container management system's brand recognition will be enhanced in terms of:

- The development of common identifiers for of the system (e.g. logo, depots, bins and community initiatives): The BCMB will work with industry stakeholders to introduce common signage in all depots. The signs will include the depot logo and common expectations for the consumer and the depot, as well as contact information to reach the BCMB.
- Featuring the depot logo in the Community Champions Programs and RIP initiative (bins, containers and items used for collecting beverage containers) in order to increase consumer awareness that the collection container is provided for beverage containers.

**D. Total Recycling Benefits –** Develop emissions targets that will minimize the environmental footprint of Alberta's container recycling system and identify the operational strategies that will achieve the targets. The BCMB will continue to work with stakeholders like the Recycling Council of Alberta (RCA) and the ABCRC to evaluate and develop methodology to define emission targets and quantify the environmental footprint of the beverage container management system.

**E. Waste Characterization Audits –** Coordinate and initiate waste audits to determine the source, type and quantity of beverage containers reaching landfills (these audits focus on multi-family, industrial, commercial and institutional waste streams to provide knowledge that supports targeted beverage container recycling initiatives):

- In March of 2012 the BCMB completed its second Waste Characterization Audit that builds on the data from the first audit completed in November 2011. The goal was to evaluate seasonal factors that may have affected the overall findings of the first audit and to create a baseline for overall results.

Both audits revealed that:

- Institutional, Industrial and Commercial (ICI) sectors have the lowest recycling return rate; and
- Grande Prairie, Alberta is an outlier in terms of high levels of beverage containers found in the landfills.

The BCMB will move forward with a generator based waste audit in Grande Prairie to identify the parts of the ICI sector that need greater support. On completion of the research, the BCMB will evaluate the benefits of conducting further waste audits in Alberta landfills.

GOAL 1 - REDUCE ENVIRONMENTAL IMPACT							
Performance Measurers and Objectives <sup>7</sup>	2011 % of total # of containers returned to depots (1.86 billion)	Actual 2011	Target 2012	Estimate 2012	Target 2013	Target 2014	Target 2015
<b>Objective: Environmental Impact</b>							
<b>Overall return rate</b>	<b>100%</b>	<b>83.5%</b>	<b>84.0%</b>	<b>84.2%</b>	<b>84.0%</b>	<b>84.8%</b>	<b>85.0%</b>
<b>Return rate by container type:</b>							
Aluminum	45.9%	87.8%	88.5%	88.5%	88.5%	88.5%	88.5%
Bi-metal	0.3%	83.8%	85.2%	88.7%	88.7%	88.7%	88.7%
Glass	8.9%	93.3%	91.9%	93.2%	93.2%	93.2%	93.2%
Glass (Refillable)	7.1%	94.7%	96.1%	95.0%	95.0%	95.0%	95.0%
Other Plastics	28.5%	77.3%	N/A	78.2%	78.9%	79.5%	80.0%
Polycoat	9.3%	70.7%	69.0%	70.8%	72.0%	73.2%	73.5%
<b>Objective: Program Environmental Footprint</b>							
Environmental Benefits resulting from recycling activities					TBD	TBD	TBD

<sup>7</sup> The 2012 estimates and 2013-15 targets are based on the best data available at the time of printing. 2012 estimates reflect 12 month rolling averages at the end of July (excludes data for kegs). Target rates consider the Board's direction for the system and reasonable forecast of recoveries by container type.

## **Goal 2** **COST EFFECTIVENESS AND ACCOUNTABILITY**

---

The BCMB recognizes that it must operate cost effectively and efficiently in order to minimize program costs to consumers. This requires that the costs of collection be reduced through innovations that involve (i) the simplification of collection processes (e.g. less handling, fewer sorts, compaction) and (ii) the use of technology that may be new to the depots or to the CSA.

In 2012, the Board investigated and addressed some of the specific issues and opportunities related to improvements in cost effectiveness and efficiency by:

- Benchmarking leading practices in beverage container recycling as a source of options for improving cost effectiveness, including initial discussions into redevelopment of industry auditing processes;
- Coordinating the negotiation of compaction processes and roll-out;
- Piloting the use of counting and sorting technologies with Depots and with the CSA (Pilot started March 2012 and will be analyzed starting April 2013);
- Coordinating and monitoring beverage container industry public awareness events such as Depot Grand Openings, marketing and branding programs, such as the Alberta Winter Games, with a goal to share resources and make industry contributions for support;
- Developing and releasing a Request for Proposals in July 2012 for the development of an industry Quality Monitoring System that will be used by the BCMB, the CSA and the depot network to monitor, track, report and enhance current system processes and services;
- Conducting a Depot Satisfaction Survey to identify overall experience and satisfaction with the CSA; and
- Discussion, development and negotiation of CSA Bylaws.

## **Goal 2** ***Strategies, performance measures and targets***

---

Over the planning period the Beverage Container Management Board will:

- A. Improve container collection system process efficiency** – In consultation with the ABCRC and the ABDA, the BCMB will move forward with research to define best practices and an audit approach for compacted and glass beverage containers. The BCMB will also participate on an industry committee to research technology necessary to compact beverage containers at a ratio of four to one.
- B. Explore efficiencies through capital intensive technologies** – The BCMB will continue to coordinate an initiative to promote the use of compaction technologies and handling fees associated with compaction of beverage containers. The BCMB Anker Anderson pilot

project will wrap up in April 2013. The final reports from the two depots using the equipment will be evaluated for successes, enhancements and potential for further introduction into the system.

- C. Actively monitor program effectiveness** – The BCMB will continue to enhance the effectiveness of the ABCRC in its capacity as a key agent in delivering beverage container recycling program. As part of this the BCMB will continue to work with the ABCRC to define parameters surrounding the implementation of a Collection System Agent Bylaw. The implementation of the Bylaw will help refine the content and role of the current annual ABCRC Operating Plan and Service Agreements between the ABCRC and ABDA.

The BCMB will continue to conduct the annual Depot Satisfaction Survey, to evaluate the ABCRC from the Depot perspective and will also implement methods to evaluate the performance and effectiveness of the BCMB and ABCRC.

- D. Implement computer technologies that improve efficiency and financial controls** – The BCMB will continue to support the roll-out of the ABDA POR system, working towards utilizing the technology to define measurements for the depots and systems, increase customer service and accuracy and providing access to an online registrations database.

- E. Beverage Container Innovation Fund** – The BCMB will continue its mandate of exploring and introducing innovative methodology to enhance the efficiency and effectiveness of beverage container recycling. The BCMB is also looking within its own operations to increase efficiencies and decrease its environmental footprint – for example, the BCMB will be introducing a paperless system for staff and Board Members.

- F. Operational Review Program** – Together with the ABCRC and ABDA, the BCMB will develop an Industry Quality Monitoring Program that will be aimed at improving the overall accuracy, process and communications within the beverage container management system. Once developed, the system will be used to communicate within the industry to access required services; address complaints; track, report and evaluate outcome measures and enhance performance standards. The system should be functional in 2014.

In conjunction with the Quality Monitoring System, the BCMB will develop a case management system to record and manage depot files including advanced reporting and statistically sound data collection methods.

GOAL 2 - COST EFFECTIVENESS AND ACCOUNTABILITY <sup>8</sup>						
Performance Measures and Objectives	Actual 2011	Target 2012	Estimate 2012	Target 2013	Target 2014	Target 2015
<b>Objective: Cost Effectiveness and Efficiency<sup>9</sup></b>						
Net system cost in dollars per unit recovered	0.0191	0.0204	0.0230	0.0242	0.0255	0.0265
Net cost in dollars by container type: <sup>10</sup>						
Aluminum	0.0017	0.0048	0.0070	0.0070	0.0073	0.0077
Bi-Metal	0.0576	0.0577	0.0669	0.0689	0.0706	0.0725
Glass	0.0724	0.0725	0.0752	0.0750	0.0766	0.0783
Plastics	0.0265	0.0271	0.0320	0.0338	0.0361	0.0384
Polycoat	0.0301	0.0265	0.0247	0.0349	0.0392	0.0414
Achievement of BCMB budget objective	Budget met	Budget met	Budget met	Budget met	Budget met	Budget met
<b>Objective: Transparency</b>						
System financial reporting requirements met (CSA, depot annual and financial reports)	Complete	Complete	Complete	Complete	Complete	Complete
BCMB financial reporting requirements met (quarterly/annual report, business plan)	Complete	Complete	Complete	Complete	Complete	Complete

<sup>8</sup> There are variables used in forming the targets that may have significant sensitivity to changes in assumptions that need to be considered when reading or using the targets. Some of the key variables:

- Financial inputs (costs and revenue) are assumed to inflate at a constant of level 2% per year;
- A change of the return rate of any material stream can impact the available revenue;
- Prices are based upon global commodity market values and are effected by a wide range of variables;
- The commodity prices for Aluminum, PET, Tetra and Gable Top containers are all paid in US dollars. A 1% exchange rate sensitivity has an impact of over \$290K. The rate can change in a significant manner on a daily basis;
- All of these sensitivities are considered independent of each other and the dollars reflected are assuming all other assumptions remained the same. Needless to say there are many variables that go into any review of possible forecast and so it is important to consider all the variables when doing a forecast.

<sup>9</sup> The 2011 actuals, 2012 estimates and 2013-15 targets are based on the ABCRC's 2011 Annual Report as well as their 2012 and 2013 budget estimates – all estimates and targets are adjusted to reflect the Board's target return rates.

<sup>10</sup> Net cost for Refillable Glass is not available as the data collected for these containers is collected on a national level and does not observe provincial boundaries and therefore not comparable to the above data.

**Goal 3****PROVIDE GOVERNANCE THAT MEETS EXPECTATIONS FOR FAIRNESS, QUALITY AND ACCESSIBILITY**

---

Consumers are more likely to utilize recycling facilities that are convenient to access, clean and efficient. They also want to be confident of the accuracy of their refund and the system integrity. Much of this is an outcome of the BCMB's core responsibilities designated in the *Beverage Container Recycling Regulation and in the corresponding By-laws and Policies*. In this respect the Board has solid processes and competent staff in place to govern, manage and act on the:

- Registration of containers as well as retailer, distributor and manufacturer compliance with the regulation;
- Criteria for new beverage container depots and depot operating standards;
- Establishment of new depots and monitoring of depot operations for their compliance, effectiveness and service quality;
- Operations of the CSA appointed by manufacturers;
- Process for setting handling commissions; and
- Board's review of operating and financial risks.

In 2012 the BCMB responded to a review of key operating and financial risks by: testing servers and system back-ups; reviewing and updating of the Data Collection Agent Contract and Non-Board Member Confidentiality Agreements; assessing human resource policies and compensation; and developing an internal project management database and a CSA Operational Emergency Plan and Protocol.

The BCMB is currently working with retailers to increase deposit awareness. As of January 1, 2012, a new BCMB Advertising Policy took effect whereby retailers of beverage containers were required to advertise the deposit value of purchased containers. Consumers identified that advertising the deposit amount exactly where the container is sold is the strongest method to increase awareness that a container can be returned for a refund of the deposit.

In 2012 the BCMB started the process of reviewing the criteria used to situate new depots throughout the province. A sub-committee is currently reviewing the criteria and is expected to recommend amendments to the Board of Directors in late 2012.

The BCMB also began work on identifying difficulties with obtaining zoning permits for depots and completed a survey of Albertans to better understand their perception, concerns and requirements for placement of new depots. Access to depots in newly developed areas of cities and within highly concentrated areas of populations such as multi-family dwellings like condo units needs to be addressed.

## **Goal 3**      **Strategies, performance measures and targets**

---

Over the planning period the Beverage Container Management Board will:

- A. Evaluate and improve the Handling Commission Review process** – A committee that represents all parties to the review has been tasked to further improve, assess and change (as required) processes for the 2014 handling commission review. Issues to be addressed include the negotiation of a handling commission for the compaction of containers.
- B. Improve depot acceptance by municipalities** – Depots attempting to relocate or new depots attempting to secure zoning in metropolitan areas experience difficulties in obtaining zoning permits. In 2013, the BCMB will roll-out a new Communications Plan to help educate Municipalities on the status and sophistication of the depot network and the importance of locating depots in areas accessible to the public.
- C. Ensure that depot standards promote efficiency and effectiveness** – Through annual Regional Meetings hosted by the BCMB the industry has an opportunity to encourage best practices; roll-out new pilots or programs; provide updates, educational and training opportunities; introduce staff and network within the industry; tour depot facilities; and, view technology in operation. Regional meetings also provide an opportunity for communications, public events and a survey of the depot network on their satisfaction and on areas for improvement. In addition, the BCMB will work with the Recycling Council of Alberta to redevelop the Mystery Shopper Program (MSP). The MSP utilizes third party support to anonymously audit the payment of the proper refund of the deposit by depot operators. The BCMB plans to enhance reporting requirements, process and accuracy of reporting. The audits produced by the MSP are used as part of a scoring plan to define length of a depot permit and identify high and low performing depots.
- D. Improve container registration process** – The container registration process will be assessed and apparent weaknesses addressed (including the possibility that not every container coming into Alberta gets registered and the process and criteria for determining the acceptability of containers).

This will include adapting software to provide public access to the registrations database. As part of the Quality Monitoring System, the BCMB will endeavor to provide public access to the Registration database. A committee has been formed to review the current database and to make recommendations for improvements. Some areas of improvement include the clarity of container registration guidelines; the ease of finding specific containers within the database; and, the use of technology that is accessible on all devices, including mobile phones.

Compliance inspections are currently being conducted at retail locations to identify

containers that are not registered and work with retailers and manufacturers to properly register containers. All beverage containers in Alberta must be registered by the BCMB and must be recyclable. There are currently 50,979 active containers registered with the BCMB. Over 107,000 containers have been registered with the BCMB since its inception in 1997.

- E. Review and refine the BCMB's mandate** – Review of the BCMB mandate, vision and goals is considered annually at the Board of Director's Business Planning Session. Current mandate, vision and goals are thought to be reflective of the organization's long term goals and will be reviewed again within the Governance and Compensation Committee in conjunction with the redevelopment and updating of the BCMB Societies Act Bylaw.
- F. Review of the structure of the BCMB Board of Directors** – Annual evaluations are conducted with the Board of Directors providing insight and a reflective process for the Directors and the BCMB. Surveys include questions of Board composition, including but not limited to committee size. In the following year, the Board will undertake a review of its role and opportunities for enhancement.
- G. Improve the assessment of the BCMB and system-wide risks** – The BCMB will continue to define risks and develop action plans to mitigate these risks. A full depth review of depot operations and collection of containers, auditing processes and BCMB policies will occur in 2013.
- H. Depot Application Process** – The BCMB will also continue the redevelopment of the Depot Sighting Criteria and Application process. The goal is to provide the BCMB with the necessary flexibility to permit depots where required, while maintaining the viability and strength of the current depot network and overall cost effectiveness of the beverage container recycling system.

GOAL 3 - PROVIDE GOVERNANCE THAT MEETS EXPECTATIONS FOR FAIRNESS, QUALITY & ACCESSIBILITY						
Performance Measures and Objectives	Actual 2011	Target 2012	Estimate 2012	Target 2013	Target 2014	Target 2015
<b>Objective: Quality of Service</b>						
Progress on business plan goals and targets	Goals Achieved	Goals Achieved	Goals Achieved	Goals Achieved	Goals Achieved	Goals Achieved
Number of consumer depot service complaints	58	<50	99 <sup>11</sup>	<250	<250	<250
Average number of depot inspections per depot	2	2	2	2	2	2
Number of retail locations inspected	40	150	96 <sup>12</sup>	150	150	150
Number of Mystery Shopper Audits	438	500	158 <sup>13</sup>	TBD	TBD	TBD
<b>Objective: Compliance</b>						
Compliance Rating (% of depots scoring >80% on depot inspections)	84%	90% of depots to score 80% or higher	66% <sup>14</sup>	90% of depots to score 75% or higher	90% of depots to score 80% or higher	90% of depots to score 80% or higher
Compliance Rating (from retail inspections)				TBD	TBD	TBD
Compliance Rating (from CSA)				TBD	TBD	TBD
Compliance Rating (BCMB regulatory requirements)	Compliant	Compliant	Compliant	Compliant	Compliant	Compliant
<b>Objective: Accessibility of Service</b>						
Average travel time to a depot (from consumer survey)	51%<10min 34%=11-20 min.	50%<10min 35%=11-20 min.	51%<10min 34%=11-20 min. <sup>15</sup>	50%<10min 35%=11-20 min.	50%<10min 35%=11-20 min.	50%<10min 35%=11-20 min.
Number of Depots in Alberta <sup>16</sup>	216	218	218	219	220	221
Number of service points outside depots <sup>17</sup>						
(i) Go Green Team (# bins)	Unknown	4000	2275	2500	2500	2500
(ii) Partners (#bins)	4211	7600	1904	2100	2300	2300

<sup>11</sup> Increase is result of better capture of data. Fall 2012 implementation of database to track, categorize and report on complaints will bring further change.

<sup>12</sup> Retail inspections have been focused on educating retailers on the deposit advertising policy.

<sup>13</sup> Total number of Mystery Shopper Audits are down for 2012 as the summer Recycling Council of Alberta (RCA) program was discontinued. The Mystery Shopper Program is currently being redeveloped to ensure accuracy and to introduce an all year program through the RCA.

<sup>14</sup> A new depot inspection form was developed in 2012 which better reflects a depots overall performance compared to older versions of the inspection form. The statistic represents inspections conducted on 185 depots or 85% of the depot network. Once all depots have been scored using the new form administration will review the scoring parameters to ensure they are fair and consistent.

<sup>15</sup> 51% of people surveyed in 2012 who visited a depot in the last 6 months say it takes them less than 10 minutes to get to a depot & 34% of people interviewed say it take between 11 and 20 minutes.

<sup>16</sup> Includes only universal depots.

<sup>17</sup> Formerly collected as a rolling number. Estimated 2012 number includes only bins distributed in 2012. Bins provided to community in previous years cannot be confirmed still accessible to the public

## Goal 4

## INVOLVE, INFORM AND SATISFY STAKEHOLDERS/ CUSTOMERS

---

The BCMB recognizes that in order for it to be successful beverage container recycling must be widely accepted and operated to a standard that satisfies Albertans. Accountability to the Ministry, the public and stakeholders is also paramount and requires clear measurement of progress and achievements and transparent and thorough reporting. In this regard, the Board plans to place continued emphasis on the quality of its business plans and annual reports and on its dialogue with Albertans.

In 2012 the BCMB completed the following:

- The Annual Public Survey regarding beverage container recycling performance and experience within Alberta depots;
- Postal Code Survey at selected Depots – the goal of the survey was to identify how far consumers are travelling to access a depot and to identify if a consumer is travelling to their closet depot or bypassing it for a depot of their choice; and
- Depot Satisfaction Survey – an annual survey of depot satisfaction with the CSA.

## Goal 4

## *Strategies, performance measures and targets*

---

Over the planning period the Beverage Container Management Board will:

- A. Seek public assessments of performance and continue improvement of performance reporting** – Complete the annual public survey regarding beverage container recycling performance, complete the annual depot satisfaction survey with the depot network and work to define scoring parameters surrounding the Balanced Scorecard for review at the September 2013 Business Planning session.
- B. Review & Enhance Transparency** – BCMB will continue to prepare and enhance the Annual Report, Three Year Business Plan, communications materials, such as public brochures, and website. In 2013, the BCMB will redesign the BCMB website to update content, make more user friendly, provide more educational information, provide convenient and consistent access to guideline, policies and bylaw; provide access to the Registrations database and to the Quality Monitoring System for the Industry.

<b>GOAL 4 - INVOLVE, INFORM &amp; SATISFY STAKEHOLDERS/CUSTOMERS</b>						
<b>Performance Measures and Objectives</b>	<b>Actual 2011</b>	<b>Target 2012</b>	<b>Estimate 2012</b>	<b>Target 2013</b>	<b>Target 2014</b>	<b>Target 2015</b>
<b>Objective: Public participation</b>						
Participation rate	92%	93%	88% <sup>18</sup>	94%	94%	94%
Number of school and special programs	508	800	349 <sup>19</sup>	450	450	450
Number of Go Green Team Events	173	n/a	208	230	250	250
<b>Objective: Public awareness</b>						
Percentage of individuals aware of program	97%	97%	97% <sup>20</sup>	97%	97%	97%
Number of public awareness events held <sup>21</sup>	173	200	169	200	200	200
Dollars spent on awareness activities	1.53 million	0.85 million	0.85 <sup>22</sup> million	0.85 million	0.85 million	0.85 million
<b>Objective: Public satisfaction</b>						
Overall public satisfaction rating <sup>23</sup>						
<b>Overall (out of 100%)</b>	<b>77%</b>	<b>77%</b>	<b>79%</b>	<b>81%</b>	<b>83%</b>	<b>85%</b>
Convenience (out of 100%)	79%	79%	80%	82%	84%	85%
Pleasantness (out of 100%)	77%	77%	77%	80%	82%	85%
<b>Objective: Stakeholder satisfaction<sup>24</sup></b>						
Depots (overall satisfaction with CSA) <sup>25</sup>		Starting in 2012	93% moderately to extremely satisfied	94% moderately to extremely satisfied	95% moderately to extremely satisfied	95% moderately to extremely satisfied
Depots (overall satisfaction with BCMB)		n/a	TBD	TBD	TBD	TBD
Industry		n/a	TBD	TBD	TBD	TBD

<sup>18</sup> 88% of Albertans returned beverage containers to a bottle depot: as reported in the 2012 Ipsos Reid Survey.

<sup>19</sup> Includes number of schools and partners involved in ABCRC's Community Champions Program and does not include individual depot events.

<sup>20</sup> A maximum of 97% of survey respondents report that they have recycled beverage containers in the past six months.

<sup>21</sup> Includes only ABCRC events, not individual depot events.

<sup>22</sup> Includes ABCRC and BCMB expenditures on awareness and related programs.

<sup>23</sup> According to the 2012 Ipsos Reid Public Survey.

<sup>24</sup> The BCMB will be monitoring stakeholder satisfaction utilizing surveys and outcome measures.

<sup>25</sup> 2012 Depot Satisfaction Survey Results: percentage of respondents that score satisfaction as a 4, 5, 6, or 7 on a scale of 1 to 7.

## VII

### Financial Plan

#### A. Description and Status of Revenue Sources

The expected 2013 to 2015 (three year) operating revenue for the BCMB is summarized in Exhibit VII-1. The BCMB receives its operating revenue from four sources:

- Container Fees. A fee (surcharge) is collected on each container returned. The fee as of January 1, 2013 will be \$0.0011 per container. The estimated container fee revenue will be approximately \$2.2 million in 2013.
- Depot Fees. New depot permit applicants are charged a fee of \$600 per application. The fee for permit issuance, transfer or renewal is \$500. Given the number of depots planned and in existence, it's expected that BCMB revenue from these sources will continue to total \$42,000 annually.
- Product registration fees. Fee for each container is \$5. Based on the numbers of registered containers it's expected that the BCMB revenue from these sources will continue to total \$30,000 annually.
- Interest and other. Consists primarily of interest on the average operating bank balance. It is expected that the interest and other revenue will be \$25,750 in 2013.

#### Exhibit VII-1 BCMB revenue projections

	2012 Forecast	2013	2014	2015
Container fees	\$2,403,822	\$2,240,964	\$2,279,060	\$2,317,804
Depot fees	75,947	42,000	42,000	42,000
Product registration fees	29,535	30,000	30,000	30,000
Interest and other	35,876	25,750	20,750	18,750
Total Revenue	<b>\$2,545,180</b>	<b>\$2,338,714</b>	\$2,371,810	\$2,408,554

## B. Program delivery and administrative expenditures

Expenses will be incurred for the activities required to support the BCMB's programs and pursue its mandate and objectives. The 2013 through 2015 annual expenditures are provided in Exhibit VII-2 and Exhibit VII-3.

### Exhibit VII-2 2013 – 2015 planned expenditures

	2012 Forecast	2013	2014	2015
<b>Administrative and Management Expenses</b>				
Payroll	\$832,894	\$943,020	\$971,310	\$1,000,450
Staff training	14,235	30,000	30,000	30,000
Board Directors' honoraria and expense	173,070	210,000	210,000	210,000
Professional Fees	269,814	370,500	376,250	358,157
Advertising	85,530	96,000	96,000	96,000
Travel	74,625	84,000	84,000	84,000
Office	171,690	198,000	204,000	210,000
HR Review	20,000	-	20,000	-
Insurance and licenses	16,494	17,000	18,000	19,000
Miscellaneous	4,733	5,000	5,000	5,000
Depreciation	37,045	28,000	25,000	22,000
Refund Compliance	45,917	100,000	100,000	100,000
Depot Information System	5,582	20,000	20,000	20,000
<b>Total Administrative and Management</b>	<b>\$1,751,629</b>	<b>\$2,101,520</b>	<b>\$2,159,560</b>	<b>\$2,154,607</b>
<b>Project Expenses</b>				
Reduced Environmental Impact	160,213	415,000	340,000	340,000
Cost Effectiveness and Accountability	158,350	385,000	320,000	230,000
Governance that Meets Expectations for Fairness, Quality and Accessibility	40,563	250,000	440,000	90,000
Involve, Inform and Satisfy Stakeholders	47,800	70,000	40,000	40,000
<b>Total Project</b>	<b>406,926</b>	<b>1,120,000</b>	<b>1,140,000</b>	<b>700,000</b>
<b>Excess (Deficit) Revenue over Expenditures</b>	<b>386,625</b>	<b>(882,806)</b>	<b>(927,750)</b>	<b>(446,053)</b>
<b>Net Assets</b>	<b>\$4,002,601</b>	<b>\$3,119,795</b>	<b>\$2,192,045</b>	<b>\$1,745,992</b>
<b>Net Asset Target</b>				
Restricted for: Wind-up Costs	750,000	750,000	750,000	750,000
Unrestricted for: Operating Reserve	275,000	275,000	275,000	275,000
<b>Net Asset Target</b>	<b>\$1,025,000</b>	<b>\$1,025,000</b>	<b>\$1,025,000</b>	<b>\$1,025,000</b>
<b>Net Assets Excess versus Target</b>	<b>\$2,977,601</b>	<b>\$2,094,795</b>	<b>\$1,167,045</b>	<b>\$720,992</b>

## Exhibit VII-3: 2013 – 2015 Planned Project Expenditure Detail

BCMB Goals	2012 Forecast	2013	2014	2015
<b>Goal 1 – Reduced Environmental Impact</b>				
a. Improve return rates “away from home”	\$ 10,000	\$ 45,000	\$ 25,000	\$ 25,000
b. Increase depot responsibility and accountability for recycling	25,000	75,000	50,000	50,000
c. Develop a consistent high quality beverage container recycling brand	25,000	20,000	10,000	10,000
d. Total Recycling Benefits	2,200	25,000	5,000	5,000
e. Waste Characterization Audits	98,013	250,000	250,000	250,000
<b>Total Goal 1</b>	<b>160,213</b>	<b>415,000</b>	<b>340,000</b>	<b>340,000</b>
<b>Goal 2 – Cost Effectiveness and Accountability</b>				
a. Improve container collection system process efficiency	25,000	25,000	-	-
b. Explore efficiencies through capital intensive technologies	28,000	100,000	100,000	100,000
c. Actively monitor program effectiveness	10,350	10,000	10,000	10,000
d. Implement computer technologies that improve efficiency and financial controls	50,000	50,000	10,000	10,000
e. Beverage Container Innovation Fund	20,000	100,000	100,000	100,000
f. Operational Review Program	25,000	100,000	100,000	10,000
<b>Total Goal 2</b>	<b>158,350</b>	<b>385,000</b>	<b>320,000</b>	<b>230,000</b>
<b>Goal 3 – Governance that Meets Expectations for Fairness, Quality and Accessibility</b>				
a. Evaluate and Improve the Handling Commission review process	-	200,000	400,000	50,000
b. Improve depot acceptance by municipalities	-	-	-	-
c. Ensure that depot standards promote efficiency and effectiveness	11,136	15,000	15,000	15,000
d. Improve container registration process	-	10,000	5,000	5,000
e. Review and refine the BCMB's mandate	-	-	-	-
f. Review of the structure of the BCMB Board of Directors	-	10,000	10,000	10,000
g. Improve the assessment of BCMB and system-wide risks	4,098	5,000	5,000	5,000
h. Depot Application Process	25,329	10,000	5,000	5,000
<b>Total Goal 3</b>	<b>40,563</b>	<b>250,000</b>	<b>440,000</b>	<b>90,000</b>
<b>Goal 4 – Involve, Inform and Satisfy Stakeholders</b>				
a. Seek public assessment of performance and continue improvement of performance reporting	17,800	20,000	20,000	20,000
b. Review and enhance transparency	30,000	50,000	20,000	20,000
<b>Total Goal 4</b>	<b>47,800</b>	<b>70,000</b>	<b>40,000</b>	<b>40,000</b>
<b>Total Projects</b>	<b>\$ 406,926</b>	<b>\$ 1,120,000</b>	<b>\$ 1,140,000</b>	<b>\$ 700,000</b>

The Board intends to retain net assets at a level adequate to cover: (i) \$750,000 in reserve to cover potential wind-up costs and (ii) a \$275,000 operating reserve.

## **Fiscal responsibility and efficiency**

All BCMB expenses not directly allocated to projects are considered administrative expenses. Minimization of these expenses is an important goal for the BCMB. The available funds are retained as cash and are therefore invested conservatively – as a result capital has been preserved to avoid any capital market volatility.

---

## **VIII**

### **Monitoring and Evaluation**

---

#### **A. Monitoring and Evaluation Overview**

The BCMB will constantly monitor its results and compare them to accountability targets or performance measures established for each facet of the beverage container recycling system:

- Positively impacting the environment;
- Achieving financial effectiveness and accountability;
- Providing quality and accessible service; and
- Involving and satisfying stakeholders and consumers.

Exhibit VIII-1 provides an overview of the relative weighting of each along with the groupings of performance measures used. The core mandate for the Board is environmental – an aspect of performance that also receives the greatest weighting (40%). The financial facet is second (25%) followed by quality of service and accessibility, and public and consumer response (17.5% each).

#### **Exhibit VIII-1**

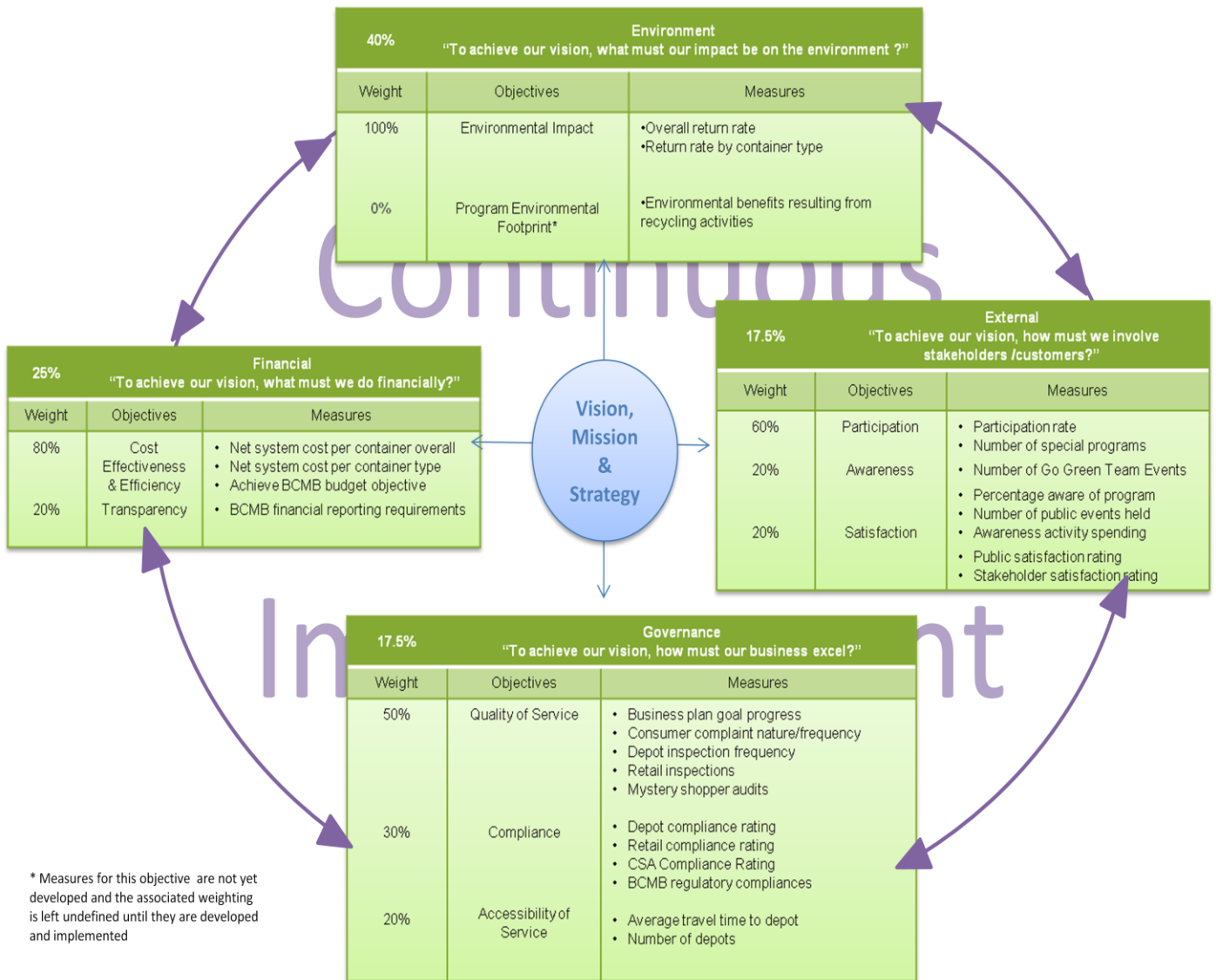
##### **BCMB performance measures and their relative weighting**

---

<b>Environmental</b>	<ul style="list-style-type: none"><li>• Environmental Impact</li><li>• Program Environmental Footprint</li></ul>
<b>Financial</b>	<ul style="list-style-type: none"><li>• Cost Effectiveness and Efficiency</li><li>• Transparency</li></ul>
<b>Governance (Internal)</b>	<ul style="list-style-type: none"><li>• Quality of Service</li><li>• Compliance</li><li>• Accessibility of Service</li></ul>
<b>Public and Consumer (External)</b>	<ul style="list-style-type: none"><li>• Participation</li><li>• Awareness</li><li>• Satisfaction</li></ul>

Exhibit VII-2 (following page) provides the weighting given to each grouping along with the specific measures contained within.

## Exhibit VIII-2 The BCMB balanced scorecard



The measures are based on the Environment Canada's October 2007 document "Performance Measurement and Reporting for Extended Producer Responsibility Programs", on the practices of other similar organizations in North America and on Board deliberations. While the framework and most of the measures have been agreed to by the Board, some of the specific objectives, measures and targets still require definition or are being tracked for the first time.

### **Exhibit VIII-3**

#### **BCMB performance measure scoring scale**

---

5 – Work meets standard of excellence	<ul style="list-style-type: none"><li>• Work exceeds standard expectations, exceptional level of dedication and effort is present</li></ul>
4 – Work exceeds acceptable standards	<ul style="list-style-type: none"><li>• Work has met the expectations required, and has demonstrated extra effort in research and performance</li></ul>
3 – Work meets acceptable standards	<ul style="list-style-type: none"><li>• Work has met the expectations of the outlined objectives and goals</li></ul>
2 – Work needs improvement	<ul style="list-style-type: none"><li>• Some of the stated objects and goals were met, however insufficient amount of information was present</li></ul>
1 – Work does not meet expectations	<ul style="list-style-type: none"><li>• Stated objectives and goals were not achieved, minimal work present</li></ul>

The following sections provide more detail on the measures.

### ***Environmental Measures***

Through new initiatives and continuous improvements of current processes, the BCMB will work toward increasing the positive environmental impact of recycling in Alberta. The environmental performance measures focus on two objectives: (i) ensuring a positive and significant environmental impact in Alberta as a result of beverage container recycling, and (ii) evaluating the environmental footprint of the recycling program itself. In line with the high level of significance of BCMB's environmental impact, the environmental measures receive the greatest weighting in the balanced scorecard.

This grouping includes measures of the efficiency of processing containers for reuse, recycling or other end use and of the environmental footprint of the program. The BCMB will report the latter in terms of the relative environmental impacts that result from the collection, transportation and processing of beverage containers. These could consider energy use in depots, warehouses and office buildings, or the impacts of transportation.

### ***Financial Effectiveness and Accountability Measures***

The primary financial measure is the net system cost per container defined as the total expenses of the ABCRC, ABCC and BCMB less material revenues and unredeemed deposits divided by the number of containers returned. Cost efficiency is measured for individual container types and for the overall system.

The measure reports the net cost to beverage consumers and, as a result it is an appropriate measure of overall financial effectiveness. It is important to keep in mind that of the factors in the equation, only the total expenses of the ABCRC and ABCC, and the unredeemed deposits (or number of containers returned) are affected by the BCMB beverage container recycling system. Aside from their influence on the quality (consistency and purity) of containers processed, the recycled material revenues are not directly influenced by the Board. Over the planning period net costs are expected to increase – primarily a result of reduced unclaimed deposits.

### ***Measures of Quality of Service That's Accessible***

The BCMB has several measures of business (internal) performance that focus on ensuring that the consumers are provided with high quality, accessible services. A number of the performance measures are used for evaluating the BCMB including progress on business plan goals and targets; and the numbers of stakeholder (public) service complaints, depot inspections, retail inspections, and mystery shopper audits. The BCMB is developing a comprehensive depot rating system that builds on current depot inspections and rates each Alberta depot according to specific achievement guidelines. The measure used will be the industry average score (or volume weighted average score) with the first year's rating providing a benchmark to guide improvement.

The BCMB will also report on the incidence of compliance (or non-compliance) resulting from its own activities and that result from depot and retail inspections and CSA compliance. Over all three years, the BCMB is expected to be fully compliant with its regulatory requirements.

Accessibility of service is an important determinant of the return rate and participation rates. Consideration of customer accessibility is underway with the goal of assessing and defining targets and current benchmark values for “average travel time”. The number of internal and external collection points will also be reported on as a measure of accessibility.

### ***Measures of Stakeholder/Customer Involvement and Satisfaction***

The BCMB is starting to benchmark public awareness and participation in the program, as well as consumer and stakeholder satisfaction all through a periodic public survey. This will include questions that allow the public to rate their satisfaction with the current system and indicate their participation level. Participation is being measured by the surveyed public participation rate from the annual survey and the numbers of special programs.