



**BEVERAGE CONTAINER
MANAGEMENT BOARD
2022 – 2024 BUSINESS PLAN**



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Introduction

Business planning during a pandemic and while the provincial government develops plans for Extended Producer Responsibility (EPR) in Alberta has presented the Beverage Container Management Board (BCMB) with challenges unlike any we have had before.

As we look ahead to the next three years, we may not know exactly what the beverage container recycling system will look like but there is much we can do to position the BCMB and the entire industry to play a key role in recycling, as we always have, and to enhance our ability to adapt to change.

That adaptability has been crucial since the COVID-19 pandemic began in March 2020. As the system regulator, the BCMB worked with our industry partners to make the necessary changes to processes and operating requirements that allowed industry the flexibility it needed to safely operate. Health and safety standards have always existed in the beverage container recycling industry and the BCMB is proud of the work all system stakeholders are doing to keep staff and customers safe and to keep the industry operating.

Alberta's move to EPR will bring exciting new opportunities and changes to recycling in our province. While we are not yet sure how EPR will impact beverage container recycling, the BCMB is committed to continuing our work to improve and strengthen our regulatory role. Our strategic direction for 2022-2024 will be based on four priorities:

1. **Our regulatory reputation.** Ensuring we are trusted, valued, and accountable as the system regulator is integral to making decisions.
2. **Innovation and technology.** Ensuring we have the most efficient and effective processes possible will help enhance customer experience and satisfaction.
3. **Setting targets with measures.** Ensuring the appropriate standards/controls are in place and measured, with a focus on the recycling rate, will contribute to our industry's success.
4. **Collaboration and joint decision making.** Ensuring we are flexible, responsive, and adaptive will strengthen the system's performance and enhance our ability to be collaborative and unified in our decision making with our industry partners.

With these priorities in mind, the BCMB remains focused on meeting our desired outcomes for beverage container recycling in Alberta. Our key strategies and activities will help us achieve those outcomes. They will help mitigate risk for the industry and the BCMB, improve recycling standards, and move the industry more toward a circular economy.

Accountability Statement

The BCMB Business Plan for the period January 1, 2022, through December 31, 2024, was prepared in accordance with the requirements of the Beverage Container Recycling Regulation, which was enacted under the *Environmental Protection and Enhancement Act* and the organization's bylaws. The BCMB's existing and proposed policies and procedures, as of November 2021, and the Board's accountability obligations, responsibilities and relationships have all been considered in the preparation of this Business Plan.

The BCMB Business Plan also purposefully aligns with the Government of Alberta and Ministry of Environment and Parks' 2021-2024 Business Plans and priorities given our role as a Delegated Administrative Organization.

The BCMB is committed to achieving the outcomes and targets laid out in its Business Plan and will continue to work with the Ministry of Environment and Parks to "support Alberta's environmental resource stewardship by targeted strategies and frameworks including...plastics diversion and recycling strategy."¹

Approved by the Board of Directors: November 24, 2021

Beverage Container Management Board



Per: Andrew Stephens
Chair

¹[*Alberta Environment and Parks 2021-2024 Business Plan, p. 43.*](#)

Vision & Mandate

The BCMB is a not-for-profit association incorporated under the *Societies Act* of Alberta. We are charged with the responsibility of regulating and delivering Alberta's beverage container recycling system. The BCMB is a Delegated Administrative Organization (DAO) created through legislation to aid the Ministry of Environment and Parks in achieving its goals and objectives, but we function as an arms-length, self-funded, legal entity in carrying out our services and mandate.

The BCMB's membership and Board of Directors includes nominees from Alberta beverage manufacturers, depots, the public (municipalities and interested citizens,) and a non-voting nominee from the Government of Alberta. Our organization operates in accordance with a number of [by-laws](#) that can be found on our website.

The BCMB's 2022-2024 Business Plan focuses on strengthening our regulatory role and reputation by ensuring our core business functions and systems are directed at regulation rather than industry operations. The plan demonstrates alignment from our vision and mandate to end results. We place specific focus on outcomes, key strategies, and performance metrics to guide our planning and decisions about key projects and initiatives that will help us achieve our desired outcomes. This work is done in collaboration with the BCMB's stakeholders as a unified approach to decision making is crucial to the industry's success.

Our Vision

To be the leader in stewarding beverage containers to minimize their impact on the environment.

Our Mandate

To regulate and enhance a leading beverage container system that protects Alberta's environment.

Our Value Statements

The BCMB's Vision and Mandate are clarified through the following nine value statements:

1. We value **health and safety**. We ensure measures are in place so that customers and staff feel safe and know their health is important to our industry.
2. We value our **regulatory role**. We strive to be leaders in the oversight of beverage container recycling and are proficient at protecting the system's reputation. We work continuously with our stakeholders to improve customer experience and satisfaction.

3. We value a **system that encourages a circular economy** where producers are responsible for their products from development to end of life.
4. We value **meaningful and measurable targets** for our industry. The development and use of targets that allow us to measure progress in beverage container recycling and environmental protection makes the industry accountable and provides incentive for continuous improvement.
5. We value **strong alignment among system stakeholders**. A collaborative industry with joint decision making and open communication that works from a common framework will be better prepared to succeed.
6. We value **diversity and inclusion**. We explore ways in which our industry and the people who work in it can reflect the differences and qualities of the Albertans we serve. We recognize that diversity and inclusion drive innovation, and we are proud to support and foster creativity in our stakeholders to reflect their unique experiences.
7. We value **innovation and technology** that enhances the efficiency and effectiveness of our system. Our industry is responsive to and seeks opportunities to improve system communication, information, and security.
8. We value **higher collection and recycling rates**. Our efforts focus on the highest possible return of containers, while minimizing the impact of the system on the environment.
9. We value **greater awareness and public participation**. We educate retailers on the necessity of advertising the deposit, inform consumers on the environmental, economic, and social benefits of recycling beverage containers, and encourage participation regardless of where beverages are consumed.

Outcomes

As a DAO, the BCMB places specific emphasis on helping Alberta Environment and Parks and the Government of Alberta achieve their stewardship goals through efforts to: increase the collection and recycling rates for beverage containers; provide an accessible and safe system to Albertans, remove regulatory red tape wherever possible; and deliver a system that is driven by achievable but aggressive outcome measures and fair and consistent compliance mechanisms. With 223 depots in more than 160 communities in Alberta, a highly efficient and organized Collection System Agent (CSA), our main Collection Service Provider, and over 450 manufacturers registering and reporting on more than 210,000 different products for sale in Alberta, we are well positioned to carry out these efforts.

Alberta Environment and Parks' 2021-2024 Business Plan states that it “represents the interests of Albertans in delivering balanced, common-sense and results-based stewardship of Alberta’s environment while enabling sustainable resource development for social and economic well-being.”² The BCMB’s vision is *to be the leader in stewarding beverage containers to minimize their impact on the environment*. To achieve this, we use industry collaboration and awareness initiatives to enhance the public’s knowledge about recycling. We require manufacturers to register all beverages sold in Alberta to ensure they are recyclable, and we provide Albertans with convenient access to depots where they can return their used beverage containers for a refund and keep them out of landfills.

From an economic standpoint, beverage containers are a resource and have created their own economy in Alberta through the beverage container recycling system. Over 98 percent of all returned beverage containers are sold to the CSA which creates excellent economies of scale, allowing us to secure better commodity values and work towards providing recycled content for newly made products.

The deposit on each container provides incentive for Albertans to return beverage containers to a depot for a refund of the deposit paid on that container. In turn, the recycling of the containers provides employment for Albertans and revenue for depot owners, manufacturers, and recycling companies.

Just as important are the social benefits achieved through a deposit-refund system. Many of the 223 depots permitted in Alberta run donation programs, support bottle drives in their communities, and offer employment opportunities to people with disabilities. As well, Albertans often donate the deposit value of their beverage containers to community and charitable organizations.

The BCMB understands the importance of balancing efforts to steward beverage containers in our communities with sustainable practices. More specifically, outcome one

² [Alberta Environment and Parks 2021-2024 Business Plan, p. 41.](#)

in Environment and Parks' 2021-2024 Business Plan is that environment and ecosystem health and integrity support Albertans' well-being. Key objective 1.3 is to "support Alberta's environmental resource stewardship by targeted strategies and frameworks including a water management strategy and, plastics diversion and recycling strategy."³

The BCMB fully supports the Government of Alberta's efforts to grow the circular economy for plastics through the province's Natural Gas Vision and Strategy. Alberta has one of the most successful beverage container recycling systems in the world, with one of the highest collection rates for plastic beverage containers in Canada and the lowest cost per container. Over 650 million plastic containers are returned to depots each year with the current collection rate at nearly 80% and a recycling rate of 80%+ with less than 20% of materials being sub-standard or contaminants (source: ABCRC Sustainability Report).

Alberta's success in plastic beverage container recycling is due to the ability to identify what is coming into the system before it is sold to the public and the organized and efficient sorting of plastic containers at depots and the CSA. All plastic containers are recycled in Western Canada.

That collaborative work extends beyond just plastics recycling. The BCMB is also working with its key stakeholder groups to develop a Registration and Recycling Scorecard to assess how the system is currently performing, to adopt consistent and standardized definitions of recycling, and to develop recycling validation methods and measures. Developing a better understanding of recycling not just in Alberta but in other provinces as well will help ensure our industry is structured in a way that aligns with changes occurring globally in recycling and environmental sustainability.

Desired Outcomes & Key Strategies

With our vision and mandate guiding us, the BCMB has five interconnected and desired outcomes for Alberta's beverage container recycling system and key strategies to help us achieve those outcomes. Our outcomes are focused on: reducing environmental impact; risk management; effective governance/management systems; continuous improvement in the service offered throughout the system (to stakeholders and Albertans); and system innovation and adaptation.

³ [Alberta Environment and Parks 2021-2024 Business Plan, p. 43.](#)

Outcome	Key Strategy	
ENVIRONMENTAL PROTECTION  Reduce Impact	Minimize Impact	Minimize the environmental impact of beverage containers through reuse and recycling.
	Sustainability	Improve the sustainability of the beverage container system and work towards a circular economy for beverage container recycling.
	Reduce Footprint	Reduce the environmental footprint of the system.
FISCAL STEWARDSHIP  Risk Management	Accountability	Introduce accountability measures to minimize system risk.
	Reporting	Report clearly (using meaningful and measurable targets) on the achievement of our mandate and government expectations.
	Transparency	Maintain full transparency regarding operations and finances.
GOVERNANCE EXCELLENCE  Management Systems	Compliance	Achieve a high degree of compliance with operating and reporting requirements.
	Integration & Alignment	Ensure a high level of integration and alignment with by-laws, policies, and operations.
	Communication	Deliver timely, clear, and effective communication.
	System Integrity	Ensure stakeholder trust through system integrity.
CUSTOMER EXCELLENCE  Continuous Improvement	Satisfies	Deliver a system that satisfies stakeholder expectations.
	Quality	Ensure quality service to the public.
	Awareness	Achieve widespread awareness of the importance of the system.
	Accessible	Deliver a beverage container management system that is accessible and inclusive.
SYSTEM EFFICIENCY & EFFECTIVENESS  Innovation & Adaptation	Innovation	Encourage innovation and continuous improvement
	Responsiveness	Demonstrate responsiveness to changing needs
	Technology	Capitalize on technological advancement
	Cost Effective	Operate a system that is cost effective

2022-2024 Key Projects/Initiatives

As we look ahead to the next three years, our business planning needs to occur within the context of the ongoing pandemic and in preparation for advancements in recycling methodology and regulation. With these challenges in mind, the BCMB is maintaining its focus on three major projects over the next three years.

1. Technology Review & Update

The BCMB will continue work on its comprehensive information technology review and strategy. This involves significant updating and streamlining of all IT systems to comply with information security standards and align with systems used by key stakeholders like the CSA (ABCRC) and the BCMB's Data Collection Agent. In jointly considering technology and innovation with our stakeholders, our goals are to improve confidence in and acceptance of the system; improve communication, information, and security; and increase the efficiency and effectiveness of processes.

Phase 1 of the review has focused on cybersecurity and addressing outdated technologies as it relates to our core business elements. Phase 2 involves the modernization of the BCMB's main database and portal. This will help provide key stakeholders with transparent access to information and allow the BCMB to centralize our data management, reporting and communication tools.

Timeline: 24 months – strategy approved September 2020 (start delayed to Q4 2021); implementation by Q4 2023

Fiscal Stewardship: **accountability, reporting, transparency**; Governance Excellence: **integration alignment, system integrity**; Customer Excellence: **ensure quality service**; System Efficiency and Effectiveness: **innovation, responsiveness, technology, cost effective**



2. Registration and Recycling Scorecard

Originally planned as an end-of-life beverage container management review, the project scope has been revised. With its key stakeholder groups, the BCMB, through a third-party expert, is facilitating the development of a recycling scorecard to assess how the system is currently performing, best practices for and definitions of recycling, and recycling validation methods/key performance indicators.

The project's goals are to: meet a solid environmental mandate; advance the system towards the use of high quality, recyclable materials; streamline processes and standards in registering beverage containers; and provide clear and transparent communication with all industry partners on best practices and what products are regulated in this capacity.

As part of the project, the BCMB will work with Alberta Gaming, Liquor and Cannabis (AGLC) to enhance registration oversight of alcoholic beverages. Cannabis beverage container registrations were added to BCMB registration systems in December 2019.

The Registration and Recycling Scorecard project will carry significant weight in providing the BCMB and our industry with the knowledge and capacity to effectively set standards for Alberta and to assist with aligning our standards and processes with other provinces where possible.

Timeline: 9 months (Q4 2021 – Q2 2022)

Environmental Protection: **reduce footprint**; Governance Excellence: **system integrity**; Customer Excellence: **satisfies**; System Efficiency and Effectiveness: **innovation, responsiveness**



3. Depot Mapping and Siting Criteria

To ensure the depot system continues to serve Albertans adequately and to administer a system that is cost effective, the BCMB is undertaking a project to analyze and make recommendations on depot siting criteria. Utilizing a third-party expert, the BCMB and industry stakeholders will review current depot network placement, demographic patterns, spatial data, and cost and service level data with a goal of modernizing depot permitting criteria in the future.

The project's goals are to: 1) ensure Albertans have convenient and accessible locations to return their beverage containers and to receive a refund of the deposit; 2) capture for recycling a minimum of 85% of all beverage containers sold in Alberta through the depot system; and 3) retain the integrity of the system by ensuring it is cost effective and efficient.

Timeline: 15 months (Q2 2021 – Q4 2022)

Environmental Protection: **reduce footprint**; Governance Excellence: **system integrity**; Customer Excellence: **satisfies, accessible**; System Efficiency and Effectiveness: **responsiveness, cost effective**



Outcome 1 – Environmental Protection



The BCMB recognizes the importance of protecting and enhancing Alberta's environment through sustainable practices. We reduce the impact of beverage containers on the environment by minimizing the number of beverage containers discarded as litter, diverting beverage containers from the waste stream, enabling the reuse of containers, and protecting and ensuring the use of recycled container materials.

Key Strategies

Minimize Impact	Minimize the environmental impact of beverage containers through reuse and recycling.
Sustainability	Improve the sustainability of the beverage container system and work towards a circular economy for beverage container recycling.
Reduce Footprint	Reduce the environmental footprint of the system.

Actions

1. Continue to focus industry efforts on meeting or exceeding the Government of Alberta's 85% collection rate goal for the system.
2. Develop a Recycling Scorecard that will assess the beverage container recycling system's performance.
3. Establish new definitions for recycling that align with current best practices and other leading jurisdictions and that include better reporting on recycling rates as well as the collection and reuse rates for refillable containers.
4. Begin using/tracking new performance metrics for reducing the footprint of beverage containers.

Performance Metrics

Minimize Impact

Performance Indicators	% of all containers returned in 2020	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual
Overall collection rate	100% ⁴	86.2%	85.5%	86.0%	85.3%	82.2%
<i>Collection rate: Number of containers returned through depots compared to sales reported by manufacturers for the same period.</i>						
Cans & Non-Refillable Glass	58.3%	91.4%	89.8%	90.2%	89.6%	85.8% ⁵

⁴For the 12-month period ending July 2021, the total system volume equated to 2.14 billion containers returned.

⁵As of 2020, the BCMB is reporting collection rates for refillable glass containers separately from cans and non-refillable glass containers.

Refillable Glass	2.1%	98.4%	99.2%	98.6%	100.4% ⁶	102.1%
Plastics	32.1%	81.0%	81.9%	82.5%	81.6%	78.5%
Polycoats	7.5%	72.3%	71.3%	72.3%	71.1%	69.3%

Collection Rate: The collection rate is a key measure of success in the beverage container recycling industry. Historically referred to as a return rate, the BCMB is shifting its terminology to distinguish between collection and recycling rates and to more accurately reflect the language used in most other jurisdictions. The collection rate is the percentage of beverage containers returned by Albertans, collected by depots, and purchased from depots by the CSA or CSPs, compared to the number of beverage containers sold by manufacturers in Alberta. The recycling rate (not yet reported on) is the actual quantity of collected materials reused or turned into a new product.

The CSA (ABCRC) collects all non-refillable beverage containers, which equates to approximately 98% of all containers returned to Alberta depots. Refillable glass containers (primarily beer bottles) are collected by CSPs, mainly the Alberta Beer Container Corporation.

The overall collection rate for 2020 was 82.2%, the first time it has been below the Government of Alberta's 85% goal for the industry since 2014. This was mainly due to the pandemic, an increase in single use beverage container purchases, and the temporary closure of some depots in March and April 2020. However, indications are that the collection rate for 2021 will be closer to normal levels again. For the 12-month period ending July 2021, the collection rate was at 84.7%.

Reduce Footprint

Performance Indicators		2019 Actual	2020 Actual
Transportation of products from ABCRC to end destination (kilometres driven)			
Material Type⁷	Destination		
Cans & Non-Refillable Glass	United States; Alberta	2,877,951	2,728,346
Plastics	Alberta; British Columbia	351,994	346,979
Polycoats	North America	536,960	578,197

⁶ Refillable glass returns sometimes exceed 100% due to the fiscal year cycle and the lag between what is reported for sale and when it is collected by a depot.

⁷The transportation of refillable glass containers is not included in the environmental performance indicators.

Transportation of products from depots to ABCRC⁸		
Kilometres driven	3,028,005	3,182,358
Number of loads	32,623	32,541
Material Recycled (metric tonnes diverted from landfill)		
Cans & Non-Refillable Glass	65,499.70	64,244.32
Plastics	19,961.37	19,753.93
Polycoats	5,179.20	2,554.54
Recycling Rate⁹		
Percentage of residual loss compared to containers collected (measured net of residuals lost during processing of materials)		

In 2020, the BCMB commissioned a review of its environmental performance indicators by a third-party expert. The review found that our environmental indicators should be harmonized with those of the Government of Alberta, neighboring provinces and other leading jurisdictions and should place a stronger focus on metrics meeting industry best practices.

The BCMB has established four new performance indicators that we will begin reporting on in the 2021 Annual Report:

1. Transportation of products from ABCRC to end destination (source: ABCRC Sustainability Report)
2. Transportation of products from depots to ABCRC (source: ABCRC Sustainability Report)
3. Material recycled – metric tonnes diverted from landfill by material stream (source: ABCRC Sustainability Report)
4. Recycling rate – the percentage of residual loss compared to containers collected (measured net of residuals lost during processing of materials)

Transportation of products from ABCRC to end destination and from depots to ABCRC: As the beverage container recycling system’s Collection System Agent, ABCRC has an operating agreement with the BCMB for the collection of containers from Alberta’s 223 depots. They manage an extensive and flexible transportation and logistics system to

⁸ Mileage was adjusted to account for depot relocation and travel distance.

⁹ Reporting on the new Recycling Rate indicator will begin upon completion of the Registration and Recycling Scorecard Project.

carry beverage containers as efficiently as possible through the recycling supply chain. Back-haul carriers (trucks that are returning to the Calgary and St. Albert CSA plants and would otherwise be empty) are leveraged as much as possible to reduce the environmental footprint, and several of the carriers contracted by ABCRC are members of the SmartWay Transport Partnership (SmartWay) run in Canada by Natural Resources Canada. SmartWay helps businesses move goods efficiently and competitively while reducing fuel costs and emissions by helping carriers and shippers to benchmark their operations, track fuel consumption and improve their overall performance.

Tracking kilometres driven and the number of loads transported from depots gives the ABCRC valuable data with which to make decisions and adjustments in operation where possible to increase efficiencies and reduce emissions.

Material recycled: The BCMB recognizes the importance of protecting and enhancing Alberta's environment through sustainable practices. We reduce the impact of beverage containers on the environment by minimizing the number of beverage containers discarded as litter, diverting beverage containers from the waste stream/landfills, enabling the reuse of containers, and protecting and ensuring the use of recycled container materials.

Assessing the number of metric tonnes of beverage containers diverted from landfills each year is an excellent indicator of waste diversion and that beverage containers are being recycled or reused.

Recycling Rate: The BCMB has adopted another new performance indicator that quantifies the percentage of residual loss compared to containers collected (measured net of residuals lost during processing of materials). We will begin reporting on the recycling rate upon completion of the Registration and Recycling Scorecard Project.

Outcome 2 – Fiscal Stewardship

As a leading regulator, the BCMB accepts the challenge to be fiscally responsible. Through sound risk management, clear reporting, and full transparency and accountability, we seek to minimize risk and cost to the system and engage partners through sound communication.

Key Strategies

Accountability	Introduce accountability measures to minimize system risk.
Reporting	Report clearly (using meaningful and measurable targets) on the achievement of our mandate and government expectations.
Transparency	Maintain full transparency regarding operations and finances.

Actions

1. Develop and approve an annual operating budget and three-year business plan.
2. Ensure that an external audit of the BCMB's financials is conducted annually and that financial statements and policies are approved by the Board quarterly.
3. Conduct a quarterly risk review and maintain a risk register.
4. In keeping with CSA and CSP Operating Agreements, continue to monitor compliance and adherence to financial operating standards (manufacturer reporting and remitting, Handling Commission Review processes and payments), ensuring any required improvements are made.

Performance Metrics

Accountability

Descriptor Only

The BCMB is accountable to its stakeholders. To this end, senior management works with the Board to develop and approve an annual operating budget and three-year business plan that is submitted to the Ministry of Environment and Parks on an annual basis. The Board undertakes a full review of all value statements, outcomes, and key strategies every second year. The BCMB undergoes an external audit each year and the Board reviews and approves financial statements and applicable policies quarterly. Accountability measures also include the responsibility of the BCMB to identify and mitigate risk for the beverage container system in Alberta. As part of this accountability, BCMB senior management undertake quarterly risk reviews and maintain a risk register that is reviewed by the Board on an annual basis.

Reporting and Transparency

Performance Indicators	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020
Net system cost: total of all costs and offsetting revenues in dollars per container					
	\$0.0315	\$0.0280	\$0.0263	\$0.0294	\$0.0294
Net system cost by container type					
Cans and Glass	\$0.0207	\$0.0154	\$0.0140	\$0.0170	\$0.0228
Plastics	\$0.0468	\$0.0465	\$0.0452	\$0.0464	\$0.0393
Polycos	\$0.0339	\$0.0438	\$0.0445	\$0.0502	\$0.0396

Net Cost: The system is funded in three ways:

1. Container Recycling Fees (CRF) set by manufacturers and paid by consumers at the point of purchase (which may be zero).
2. Unredeemed deposits forfeited by consumers who paid it at point of purchase and abandoned the container (never returned to a depot).
3. The salvage value of the materials recovered and recycled.

The true net cost is the CRF as the other revenues are derived from the system's activities. Several factors are beyond the control of the system such as the exchange rate and scrap value of materials, both of which can be volatile. This metric also considers that as the collection rate increases, funding provided by unredeemed deposits decreases.

Reporting and Transparency

Performance Measures	Last Actual 2020	Target 2022	Target 2023	Target 2024
Collection System Agent Compliance				
Payment Compliance: The percent of all payments made to depots within the industry standard	100%	100%	100%	100%
Collection Compliance: The number of reported loads not picked up from depots within the industry standard	0	2	2	0

CSA Operating Compliance:¹⁰ The inspection score based on agreed performance standards	89.2% ¹¹	91%	92%	93%
Collection Service Provider (CSP) Compliance¹²				
CSP Operating Compliance: The evaluation score based on agreed performance standards	92%	93%	93%	95%
Depot Compliance				
UCA Filing Compliance: The % of depots that filed required financial documents to the Data Collection Agent	98.2%	100%	100%	100%
Manufacturer Compliance				
Sales Verification: The % of all container sales remitted to CSA and verified by manufacturers for prior year	98.9%	100%	100%	100%

CSA Compliance

Payment Compliance: All depots are required by regulation to refund the deposit value of containers when returned by the public. The CSA is also required to operate according to standards set by the industry for collection from and payment to depots, which includes the refund of the deposit and a handling commission paid to each depot for each container collected. The standard set by the industry for payment is nine days.

The CSA has continued to improve their performance in recent years, achieving perfect payment compliance in 2020 and for 18 straight months.

Collection Compliance: The standard set by the industry for CSA collection of containers from depots is determined based on the volume of the depot, the scheduling of appointments, and the adherence to that schedule. 2020 was the first year in which there were no scheduled loads that were not picked up without communication from the CSA.

Operating Compliance: Operating agreements signed by the CSA commit them to performance standards regarding service to depots and overall operational

¹⁰ Results now reflect overall CSA inspection compliance (were previously reported separately for the Calgary and St. Albert plants).

¹¹ The 2020 actual is above the 84% target due to collaborative work with the CSA to revamp its inspection form to ensure consistent and measurable standards and that expectations are clear and understood. Targets for 2022 to 2024 have also been adjusted to reflect the changes.

¹² The new performance measure for CSP Compliance is based on monthly evaluations. One point is assigned for each achieved standard and zero for those not achieved. Total achievements for each month are divided by the total number of standards (8). Amounts for all months of the year are then totaled and the average taken.

compliance. The BCMB regularly inspects both Calgary and St. Albert CSA plants for adherence to these standards. This is a collaborative process that is intended to reduce risk and serves as a feedback mechanism to enhance efficiencies. The CSA's inspection score was 89.2% in 2020, above the target of 84%.

CSP Compliance

Operating Compliance: Operating agreements signed by CSPs commit them to performance standards regarding service to depots and overall operational compliance. The BCMB evaluates CSPs monthly on agreed upon standards and an annual average is used to reflect their compliance score.

Depot Compliance

UCA Filing Compliance: Depots are paid a handling commission for each container handled and shipped properly to the CSA or back to the manufacturer directly through an appointed CSP. These handling commissions are set by a utility-like rate setting process that depends on depots reporting their costs annually using a form called the Uniform Code of Accounts (UCA). The Board has set criteria for the remittance of this information, much like the process for reporting taxes; depots are required to report annually and within six months of their fiscal year end. The information is collected by an independent third-party (a data collection agent) that analyzes and processes the information for the purposes of setting handling commissions and evaluating system performance.

With an enhanced focus on depot UCA filing compliance over the past few years, compliance in 2020 was 98.2%, with a few depots behind due to COVID-19. Those few depots are working with the DCA to provide the necessary information.

Manufacturer Compliance

Sales Verification: In the same way depots are required to submit a UCA annually to verify their costs, manufacturers are required to verify their total sales for the prior year within six months of year end. This ensures an accurate accounting of sales across sales periods and sales jurisdictions and is an important accountability step for the CSA. It also informs different calculations such as the Container Recycling Fee and the collection rate by material stream.

Compliance by high-volume manufacturers is currently excellent, with a CSA reported compliance rate of almost 100% of the total system volume. However, as of September 2021, these compliant manufacturers account for only about 80% of all manufacturers. That means a few higher-volume and some smaller-volume manufacturers are non-compliant with the Regulation. In collaboration with the CSA and with Alberta Environment and Parks, the BCMB is working to establish all manufacturers as compliant.

Outcome 3 - Governance Excellence

The BCMB is committed to effective regulatory oversight of all aspects of the life cycle of beverage containers in Alberta, from the registration of new containers through to end of life. Through a management system framework, we strive for a standard of excellence and ensure performance indicators deliver outcomes consistent with this goal.

Key Strategies

Compliance	Achieve a high degree of compliance with operating and reporting requirements.
Integration & Alignment	Ensure a high level of integration and alignment with by-laws, policies, and operations.
Communication	Deliver timely, clear, and effective communication.
System Integrity	Ensure stakeholder trust through system integrity.

Actions

1. Emphasize the BCMB's regulatory role and functions and shift any industry operations to the appropriate stakeholders (ABCRC, ABDA, ABCC, depots) to ensure our work is strictly focused on regulation and protecting the reputation and success of the current system.
2. Continue implementation of the new retail inspection program that started in 2021 with an increase in the number of compliance audits and by focusing attention on underperforming retail locations.
3. Continue with refund compliance audits and depot inspections, working with depots to ensure industry standards for each area are being met and any issues or deficiencies are addressed.
4. Develop depot mapping and siting criteria to identify and rectify depot viability issues and consider solutions for maintaining the optimum number of depots in Alberta through BCMB policies, by-laws, and operating principles.
5. Develop a Recycling Scorecard as a means of rating the beverage container recycling system's performance and develop and adopt recycling definitions that are harmonized with other jurisdictions and global best practices.
6. Continue implementation of a comprehensive information technology strategy that streamlines and secures the BCMB's systems and aligns with systems used by key stakeholders.

Performance Metrics Compliance

Performance Indicators	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual
Depot Compliance					
Refund Compliance:¹³ The % of audits conducted that were refunded within industry standard	87%	88%	79%	91%	84%
Quality Compliance: Shipments of containers from depots within industry standard	90%	91%	87%	91%	95%
Operational Compliance:¹⁴ The % of depots inspected that are compliant with BCMB by-laws and policies				70%	70%
The % of depots with deficiencies that were corrected prior to entering the Compliance Framework ¹⁵				56%	69%
Retail Compliance					
Retail Compliance:^{NEW} The % of retail locations inspected that are compliant with BCMB by-laws and policies					

Refund Compliance: Anonymous audits are conducted on depots to measure the accuracy of the refund provided by depots to the public. In November 2021, the Board approved a by-law amendment to move to a percentage-based compliance threshold. To achieve compliance, a depot must provide a refund to the auditor with a variance within 0% - 3% of the actual (pre-counted) amount. An audit with a variance greater than 3% is considered non-compliant. Prior to this change in process, compliance thresholds were based on a dollar amount. To achieve the industry standard of excellence, a depot was required to refund an auditor within +/- \$0.50 of the actual refund amount.

In 2020, 249 audits were performed compared to 46 in 2019. The BCMB has been able to significantly increase the number of audits performed after securing a new contract with

¹³ This performance indicator will be the sole indicator for refund compliance going forward. The previous and additional indicator of percentage of audits conducted that were refunded within the industry standard of excellence is no longer being used as the BCMB simply needs to track if depots are compliant or not in issuing refunds to customers.

¹⁴ A new inspection process with new operational compliance standards was implemented in 2019.

¹⁵ The Compliance Framework includes the following four levels: Level 1 – warning letter is issued; Levels 2 & 3 – fines are issued; Level 4 – goes directly to Compliance Director for a decision.

a third-party auditor group with provincewide access to auditors. The BCMB has also secured a memorandum of understanding with the CSA for the acquisition of containers to be used for audits when required. Refund compliance within the industry standard was 84% in 2020, down from 91% in 2019. This drop is due to the significant increase in the number of audits in 2020 and is more representative of actual compliance.

Quality Control Compliance: The CSA strives to audit approximately 30,000 megabags or about two percent of the over 1.5 million bags shipped annually from depots. The results of these audits are reported to the BCMB so it can work with the depots when elevated variances occur. The performance indicator reflects the number of audits that are reported as outside of industry standard compared to whole loads shipped over the same period (a whole load refers to a full shipment from a depot, regardless of how many bags are in the shipment). Poor performance in relation to quality control enters a depot into the BCMB's quality control compliance framework.

Operational Compliance: The new inspection process introduced by the BCMB in 2019 reflects its new by-laws. The new operational compliance process focuses on individual deficiencies rather than percentage-based scores. Depots that are found to have deficiencies are given a timeline for correction that takes the nature of the deficiency into account. Deficiencies are usually minor in nature (i.e., an employee not wearing a depot branded uniform or a receipt without the date on it). As with the previous inspection process, the BCMB focuses on the lowest performing depots.

The percentage of depots compliant with BCMB by-laws and policies remained the same in 2020 at 70%. While 70% compliance may seem low, it should be noted that this number includes only depots with zero deficiencies. Often depots have one or two minor deficiencies that are corrected prior to entering the compliance framework. The percentage of depots with deficiencies that were corrected prior to entering the quality control compliance framework rose from 56% in 2019 to 69% in 2020.

In 2020 and 2021, the BCMB trialed a depot self-inspection program. High performing depots who met several performance standards were provided the opportunity to evaluate their depot's performance through a self-inspection submitted to the BCMB annually. This process was intended to create trust and accountability between the BCMB and the depot permit holder, allowing BCMB Compliance Officers to focus efforts in other areas of risk. In the first year of the program, 54% (121 of 224 depots) were eligible for self-inspections.

The depot self-inspection program has been reviewed for efficiency and effectiveness since its inception. The BCMB has made the decision to replace the program with a risk-based inspection process. Higher performing depots will be visited less frequently by BCMB Compliance Officers and lower performing depots will receive more visits. Each depot will be provided an annual evaluation highlighting areas of high performance and areas where improvement is required.

Retail Compliance: The BCMB introduced a new retail compliance program in 2021. Like the refund compliance program for depots, audits of retail locations are conducted by the same third-party auditor group and are conducted across the province. Reporting on retail compliance will begin with the 2021 Annual Report. As of October 2021, only 20.4% of retailers were compliant. The two main areas of non-compliance include deposit advertising (at 53.5% compliance) and container registration (at 25.5% compliance).

Though compliance levels are low initially, the BCMB recognizes that compliance is often gained through education. The BCMB is continuing to develop educational tools and initiatives to proactively increase compliance in these areas.

Integration, Alignment & Communication

Descriptor Only

While the BCMB no longer has a specific performance measure for integration, alignment, and communication, we continue to ensure our by-laws, policies, and operations are aligned with our role as the system regulator. We also strive for timely, clear, and effective communication with industry stakeholders and the public.

Outcome 4 – Customer Excellence



The BCMB understands the importance that continuous improvement has relative to customer satisfaction and the achievement of our other goals. We have clear expectations of, and hold ourselves accountable to, high levels of quality assurance for all stakeholders involved, in all areas of service delivery.

Key Strategies

Satisfies	Deliver a system that satisfies stakeholder expectations.
Quality	Ensure quality service to the public.
Awareness	Achieve widespread awareness of the importance of the system.
Accessible	Deliver a beverage container management system that is accessible and inclusive.

Actions

1. Continue to collaborate on joint communications and initiatives with other recycling, environmental and regulatory organizations.
2. Continue to work with the ABCRC and ABDA to promote the “Depot, It’s Worth It” brand.
3. Continue to provide current and relevant information to stakeholders and the public on the BCMB’s website and contribute to the information provided to the public on the industry (Alberta Depot) website.
4. Maintain a publicly accessible database of all registered beverage containers and manufacturers selling beverages in Alberta.
5. Conduct a biennial survey of public participation and satisfaction with the beverage container recycling industry in Alberta. The most recent survey was conducted in February 2020. The next one will take place in early 2022.
6. Conduct an annual survey of depot satisfaction with the CSA, CSPs, the BCMB, and the Alberta Bottle Depot Association, the memberships organization representing depots.
7. Conduct an annual depot exit interview on depot customer satisfaction.

Performance Metrics
Satisfies/Quality

Performance Indicators	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020
Public Satisfaction					
Participation ¹⁶	89%	88%	88%	92%	92%
Average travel time to a depot ¹⁷	49% < 10 mins. 35% = 11-20 mins.	52% < 10 mins. 35% = 11-20 mins.	52% < 10 mins. 35% = 11-20 mins.	51% < 10 mins. 35% = 11-20 mins.	51% < 10 mins. 35% = 11-20 mins.
Customer Satisfaction¹⁸					
Overall satisfaction rated as very satisfied	82%	86%	82%	78.5%	
Average time spent in a depot	8.7 mins.	9.2 mins.	10.1 mins.	13.7 mins. ¹⁹	
Depot Satisfaction²⁰					
Depot overall satisfaction with the CSA	91% (50% highly satisfied)	98% (52% highly satisfied)	87% (43% highly satisfied)	98% (64% highly satisfied)	96% (60% highly satisfied)

Public Satisfaction: The BCMB assesses public satisfaction through a biennial survey conducted by Ipsos. The survey targets approximately 1,000 Albertans and provides data based on a representative sample of Albertans aged 18 and older. The most recent survey was conducted online in February 2020 and saw the highest proportion of Albertans returning beverage containers for a refund since tracking began (92%).

Customer Satisfaction: The BCMB assesses depot customer satisfaction through annual Depot Exit Interviews. Customers are surveyed as they are leaving a depot after returning beverage containers. Due to COVID-19, the 2020 Depot Exit Interviews were not held and in 2021 they were completed online. Customers were given a card with a QR code and asked to complete the survey for a digital gift card.

¹⁶ Participation refers to the percentage of respondents to the biennial Ipsos survey who state that they return beverage containers to depots. The 2019 and 2020 actuals are based on the most recent survey conducted in February 2020 (which applied to Albertans' 2019 recycling activities).

¹⁷ The remaining percentages (14% for 2020) are reflective of rural Alberta where travel times vary according to depot locations.

¹⁸ Customer satisfaction is assessed through annual Depot Exit Interviews. Due to COVID-19, the interviews were not conducted in 2020.

¹⁹ The focus on both urban and rural locations for the 2019 survey and the fact that smaller depots in rural areas usually have less staff serving customers with larger loads compared to metro depots may be reflected in longer wait times.

²⁰ The BCMB conducts an annual survey of depot operators.

Based on the data gathered since 2011, we know the strongest correlation to customer satisfaction at a depot is related to confidence in the accuracy of the refund received. We also know that if the customer spends less than 10 minutes at a depot, the perception of that experience is better than if they spend more than 10 minutes at a depot. In 2021, 75% of customers waited 10 minutes or less and were satisfied with the wait time. As well, 84% of customers indicated they were satisfied with COVID-19 health and safety standards at depots (14% indicated a neutral response and only 2% were dissatisfied).

Depot Satisfaction: The annual Depot Satisfaction Survey measures the performance of the CSA, the primary CSP for refillable beer (Brewers' Distributor Limited), the regulator (BCMB) and the Alberta Bottle Depot Association. The survey is conducted annually by the BCMB and completed by depots. All stakeholders are provided with an appropriate timeline to implement action plans to address survey results.

The most recent survey showed overall satisfaction with the CSA remains high. Satisfaction with BCMB communication was the highest it has been in five years (96% satisfied, 76% highly satisfied). Satisfaction may have been related to the BCMB relaxing some of its compliance mechanisms and required fees due to the pandemic and in an effort to support the Government of Alberta's red tape reduction.

Awareness

Performance Indicators	Actual 2016	Actual 2017	Actual 2018	Actual 2019	Actual 2020
Public Awareness					
Individuals aware of the deposit/refund program	97%	98%	98%	98%	98%
Individuals who believe that recycling beverage containers has a significant impact on the environment	72%	67%	67%	60%	60%
Individuals aware of the deposit amount	50%	52%	52%	52%	52%
Customer Awareness					
Individuals aware of the Industry Brand ²¹	68%	61%	63%	59%	

Public Awareness: Captured through the biennial Ipsos survey, 98% of Albertans are aware that they can return beverage containers to a depot for a refund; however, only 52% are aware of the actual refund amount for containers based on their size (10 cents for containers 1L and under and 25 cents for containers over 1L). The BCMB strives to

²¹ This indicator is tracked through the annual Depot Exit Interviews. The 2020 interviews were not held due to COVID-19.

maintain a 98% awareness of the deposit-refund program in Alberta. Through marketing initiatives, education, a joint public website (ABCRC, BCMB, and ABDA) and other communications activities, the industry continues to target regular increases in awareness surrounding deposit values and the environmental benefits of recycling beverage containers.

The 2020 Ipsos survey found 60% of Albertans believe that beverage container recycling has a significant impact on the environment and 81% are aware of some benefit to the environment through recycling beverage containers. Those surveyed ranked the environmental importance of recycling beverage containers as second only to ensuring toxins are not poured down the drain to protect our water systems.

The percentage of Albertans aware that the beverage container industry is regulated rose to 52% from 49%, while 85% indicated that regulation is important or very important to them (up from 80%).

Customer Awareness: The “Depot, It’s Worth It” logo is trademarked by the ABDA. The brand is a key part of the CSA’s (ABCRC) ongoing marketing strategy for Alberta’s beverage container recycling industry. The BCMB supported a pandemic-related digital marketing campaign led by the ABCRC that began in May 2020, encouraging Albertans to continue to return beverage containers and promoting the safety of depots. The campaign tied into the regular marketing campaign that is ongoing and supported by the BCMB.

Accessible

Performance Measures ²²	Last Actual 2020	Target 2022	Target 2023	Target 2024
Number of Universal depots in Alberta ²³	224	223	224	224
Number of permits in development	1	1	TBD ²⁴	TBD

²² A moratorium has been placed on Requests for Applications (RFAs) for new depots until a depot mapping and siting criteria project is complete.

²³ It typically takes three to five years for a depot to open to the public following the issuance of an RFA, so the number of depots in Alberta is anticipated to remain static for a few years with only one currently under development in Calgary, which is slated to open in late 2023.

²⁴ Future future targets will be based on any changes to siting criteria resulting from the depot mapping and siting project.

Accessibility to Depots: A primary objective of the BCMB is to ensure an accessible beverage container system. As of October 2021, there are 223²⁵ depots in Alberta and one under development in Calgary that is scheduled to open in late 2023.

The BCMB did not issue any Requests for Applications (RFAs) for new depots in 2020 as depot mapping and siting criteria are being reviewed. A moratorium has been placed on RFAs for new depots until the depot mapping and siting criteria project is complete and outcomes have been considered by the Board. At minimum, this moratorium is anticipated to be in place until the end of 2022 and is necessary to ensure new depots are sited effectively and are not in conflict with any outcomes resulting from this project in the interim.

²⁵ The Alix Bottle Depot closed in October 2021, reducing the number of depots in the province to 223.

Outcome 5: System Efficiency & Effectiveness



The BCMB is dedicated to finding ways to increase system efficiency and effectiveness and reduce costs. The system is enhanced through the encouragement and facilitation of innovation and adaptation among its stakeholders and through research technology available to support this goal.

Key Strategies

Innovation	Encourage innovation and continuous improvement
Responsiveness	Demonstrate responsiveness to changing needs
Technology	Capitalize on technological advancement
Cost Effective	Operate a system that is cost effective

Actions

1. Examine all system data to help determine meaningful, measurable targets to improve overall system efficiency and effectiveness.
2. Encourage the development and use of technology in depots and at the CSA to enhance logistics, service, and processing levels and to increase opportunity to communicate efficiently.
3. Modernize the existing database and portal to focus on ease of use, supportability, and scalability. The registrations database will be a key component of the upgrade.
4. Continue working with AGLC to enhance registration oversight of alcoholic beverages.
5. Continue to promote and encourage industry use of the QMS app.
6. Where necessary, apply changes to Handling Commissions based on the Annual Review.

Performance Metrics

Innovation & Technology

Performance Measures	Last Actual 2020	Target 2022	Target 2023	Target 2024
Depots utilizing Electronic R-bill Reporting	60%	70%	75%	75%
Percentage of reporting that uses eR-bill	80%	85%	87%	90%
Depots utilizing Quality Monitoring System (QMS)	93%	95%	97%	99%
Depots utilizing Point of Return software ^{NEW}	75%	81%	83%	85%

Electronic R-bill Reporting (eR-bill): Utilizing electronic methods to compute and report shipments of containers from depots significantly reduces the number of errors on R-bills and the time required to process shipments at both ends. To encourage innovation and continuous improvement, the BCMB is working towards increasing eR-bill reporting at the depot level. In 2020, 60% (up from 59% in 2019) of depots reported using eR-bills, which represented 80% of all R-bill reporting (up from 79% in 2019). As of September 2021, 63.4% of depots reported using eR-bills, which represents 81.3% of all R-bill reporting.

Quality Monitoring System (QMS): The QMS is an online database used to report, track, and resolve operational issues in the industry. Depots, the BCMB, the ABDA, the CSA and the CSP are required to use the QMS. Depot utilization of the QMS covers those depots that have either submitted a ticket to address a concern and/or those depots that have responded to a ticket submitted to them by another industry partner. The QMS captures hundreds of tickets per month. The data is benchmarked, and trends are identified to address issues or successes in the industry.

The number of depots utilizing the QMS remained the same as 2019 at 93%, well above the 2020 target of 85%. As of October 2021, 96% are utilizing the QMS.

A new QMS app was rolled out in 2020 as an easier means for depot operators and staff, the CSA, and CSPs to communicate with each other. Creating and responding to a ticket can now be done quickly and easily from any Android or IOS (Apple) mobile device, and notifications about new tickets and responses are received immediately through the app.

Point of Return (POR) software: POR is distributed and supported by several independent vendors, and all have generally demonstrated improved efficiency in several areas of depot operations and in improved customer satisfaction. It is mandatory that depots handling six million or more containers annually use a POR system. In 2020, 75% of depots had POR systems (167 of 224 depots). As of October 2021, 80% of depots had POR systems (178 of 223 depots).

The industry also uses other innovative technology. **Automated sorting equipment**, which is designed to replace manual labor at the depot, can improve the efficiency and accuracy of sorting containers.

The online **Beverage Container Registration Database** lists all products that are registered in Alberta and includes an unregistered container product list as well as information regarding the brand, flavor, size, material and UPC. As of October 2021, almost 211,000 containers have been registered in Alberta. Process improvements are currently being made to the database to increase the integrity of beverage container registrations. Information inputted by manufacturers will be approved by the BCMB before the registration is accepted.

Cost Effectiveness

Performance Indicators	Actual 2012	Actual 2014	Actual 2016	Actual 2018	Actual 2020
Net cost for the recycling consumer in cents per container ²⁶	2.06	1.26	1.80	2.40	2.20
Ranking of comparable deposit jurisdictions	1	1	1	1	1

Net Cost to Recycling Consumer: Consumers can be categorized into two groups - those who return their beverage containers for recycling and those who do not. Both groups pay the deposit and fee associated with the purchase of the container, but the consumer who does not return their beverage containers also funds the system through their contribution of the deposit. The system further benefits from the salvage value of the material recovered from the recycling consumer. This number is affected by several factors including the salvage value of the material and the exchange rate of the country of destination of that material. This cost is paid in the form of a Container Recycling Fee that is added at point of purchase and ranged from 0 cents to 25 cents in 2020.

In 2020, the recycling consumer in Alberta paid an average of 2.20 cents for each container to fund the system.²⁷ The 2020 *Who Pays What* report is published biannually and reports on the performance of Canada's beverage container recycling system. The most recent report was published in late 2020 and is based on 2019 data (past reports, published biannually, were based on data from two years previous).

Ranking: Comparable deposit programs exist in British Columbia, Saskatchewan, New Brunswick, Northwest Territories and Nova Scotia. CM Consulting compared the net cost of our system against other provinces. Alberta ranked first in cost per container paid by the recycling consumer, having the lowest system costs among comparable systems. Alberta ranked fifth out of six jurisdictions when comparing the cost to the 'wasting consumer' (who does not recycle).

²⁶ Until 2018, net cost values were based on data from two years previous (i.e., 2018 value is based on data from 2016). However, the 2020 value is based on 2019 data. Source: CM Consulting.

²⁷ *Who Pays What: An Analysis of Beverage Container Collection and Costs in Canada, 2020*, CM Consulting.

Performance Indicator	Actual 2015	Actual 2016	Actual 2018	Actual 2019	Actual 2020
Labour seconds per container at depots ²⁸	4.91	4.77	4.34	4.20	4.36

Labour Efficiency: Labour is a significant cost to the system. One of the ways that the system has become more efficient is through the handling of large numbers of containers. As technology is introduced and best practices are applied, the system has benefitted from reduced overall labour. By reporting on the number of seconds per container (total number of labour hours, reported on depot Uniform Code of Accounts, divided by total number of containers that labour handled), progress towards efficiency can be tracked by isolating it from the cost of that labour which has increased over the same period. The most dramatic improvements have been realized recently with the introduction of technological aids to labour within the depot processes.

Labour seconds per container was 4.36 in 2020, up slightly from 4.20 in 2019.

²⁸A more accurate calculation rate for labour seconds per container at depots was recommended by the BCMB's Data Collection Agent in 2019 and this indicator is now being reported annually. The most recent actual is 2020 due to the UCA reporting cycle not concluding until late in the following year.

Financial Plan

In November 2021, the Board of Directors approved the 2022–2024 Financial Plan. Overall, the plan represents a 'business as usual' approach with the following changes:

1. Assumption of a Handling Commission Review occurring over 2022 – 2023. Should a Handling Commission Review not occur²⁹, there would be a positive variance to budget.
2. Sales volumes for 2022–2024 remain consistent with the 2021 Forecast.
3. Continuation of the new retail inspection program introduced in 2021 which impacts compliance fees and bad debt expenditure.
4. Continuation of previously approved projects.
5. Given that EPR Regulation remains unknown at this time, only expenditures relating to the facilitation around planning and communications have been budgeted.

²⁹ Confirmation of a Handling Commission Review occurs after the 2022 – 2024 Financial Plan is approved.

Statement of Operations

2022 - 2024 Revenues (Table 1)

Revenues	2021 Forecast	2022 Budget	2023 Budget	2024 Budget
Container fees ³⁰	\$4,424,800	\$4,433,500	\$4,446,700	\$4,446,700
Compliance fees	60,000	56,000	40,000	40,000
Interest and other	22,500	13,200	13,500	15,000
Permit fees	17,800	20,000	20,000	20,000
Registration fees	3,000	3,600	3,600	3,600
Total Revenues	\$4,528,100	\$4,526,300	\$4,523,800	\$4,525,300

2022 – 2024 Operating Expenditures (Table 2)

Operating Expenditures	2021 Forecast	2022 Budget	2023 Budget	2024 Budget
Salary and benefits	\$1,597,800	\$1,849,000	\$1,882,800	\$1,933,900
Professional fees	1,010,600	1,954,400	2,172,200	1,103,700
Office	155,100	173,000	196,100	198,400
Communications	109,200	180,200	184,100	190,600
Information technology	111,600	126,200	127,400	130,100
Honoraria and Board Expenses	64,900	110,400	122,200	125,000
Depreciation	41,000	42,000	35,000	50,000
Travel	33,500	93,500	103,200	97,200
Insurance and licenses	22,900	31,300	32,900	34,600
Meetings	19,500	109,700	131,400	113,100
Training and Development	13,000	49,100	49,100	49,100
Bad debts	13,000	20,000	10,000	5,000
Total Operating Expenditures	\$3,192,100	\$4,738,800	\$5,046,400	\$4,030,700

³⁰Assumes container fee at \$0.0018 per container in each of the three years.

2022 – 2024 Excess of Revenues over (under) Expenditures (Table 3)

Excess of Revenues over (under) Expenditures	2021 Forecast	2022 Budget	2023 Budget	2024 Budget
	\$1,336,000	\$(212,500)	\$(522,600)	\$494,600

2022 – 2024 Operating Fee (Table 4)

Operating Fee	2021 Forecast	2022 Budget	2023 Budget	2024 Budget
Estimated volumes	2,458,222,222	2,463,003,176	2,466,383,221	2,466,383,221
Estimated operating fee	\$0.0018	\$0.0018	\$0.0018	\$0.0018