

NOTICE

DATE: November 27, 2025

RE: **Questions asked during DCA Presentation of HCR Phase I and Phase II Reports
Presented November 25, 2025 to DRPs and RPs
Presented November 26, 2025 to BCMB Board of Directors**

November 25, 2025

HCR Phase 1 & Phase 2 Reports Meeting with DRPs & RPs

Attendees:

BCMB – Mark Emsden, Brent Campbell, Travis Wizniuk, Julianne Peters and Hailey Homulos

DCA – Chris Lavin and Chris Hartman

ABCRC – Shane Boschman, Sam Nasr and Usman Valiante

ABCRC/ABCC – Shauna Finlay

ABCC – Evan Southern

ABDA – Jerry Roczowsky, Graham Henderson and Mary McPhail

Question 1.

Slide 23

Q: The “Other Revenue” category has the highest amount of revenue reported, is there a breakdown of what falls within “other”?

A: This isn’t broken down in the report, however this is a one-off category of other revenue items such as propane sales for example.

Question 2.

After presentation

Q: Prior process has been to email Information Requests (IRs) to the contact that is managing the HCR process within the BCMB, is this still the current process?

A: Please email IRs to the HCR email address (hcr@bcmb.ab.ca) and copy in Brent Campbell (bcampbell@bcmb.ab.ca). Receipt will be confirmed and forwarded to the appropriate contacts from there.

Question 3.

Q: Will the presentation deck be available?

A: Once presented to the BCMB Board of Directors on November 26, 2025, it will be added to the public record. A reminder that there is no new information in the presentation that is not captured in the reports.

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November 16, 2025

HCR Phase 1 & Phase 2 Reports Meeting with BCMB Board of Directors

Attendees:

BCMB – Mark Emsden, Brent Campbell, Travis Wizniuk, Jamie Moore, Nick Ford, Julianne Peters, Hailey Homulos and Vivian Stevenson (BCMB Legal Counsel)

DCA – Chris Hartman

BCMB Board of Directors – Loren Falkenberg, Ken Faulkner, Owen Edmondson, Karim Dossa, Thomas Dore, Tom Marr-Laing, Mark Dekker, Rachel Morier, Brian Moore.

All questions were asked following the presentation from the DCA.

Question 1.

Q: Do the forecasted volumes get adjusted during the HCR process and are the forecasted volumes adjusted to actuals in April 2026?

A: Forecasted volumes remain as they are now, as you have to cut off the data at some point. This is the process outlined in the Handling Commission By-law. As per 8.1 in the Handling Commission By-law, To the extent possible, and practicable, Handling Commissions are to be adjusted to reflect the forecast costs and return volumes anticipated during the period the Handling Commissions are to be in effect.

Question 2.

Q: Is there a trigger to review offsite collection costs and the cap, if not, what is the reason?

A: At the time, there is nothing in the Handling Commission Review By-law that addresses this issue. If there are any required amendments in the Handling Commission Review By-law (or any HCR related policy), it would be tasked to the Handling Commission Review Committee (HCRC) to review and implement after the current HCR process is completed for future HCR cycles.

Question 3.

Q: In regard to the Handling Commission rates (HCs), the refillable glass is a small portion, making up roughly 1.6%, however the Industry Standard Bottle (ISB) HC has increased whereas the other refillable HCs have decreased. This results in the ISB being less expensive to collect than the other refillable containers (for example Sleeman). From an operator's point of view, are you able to provide further information on why that may be?

A: In regard to container types and the HC rates set, there are two components that influence the outcome. One being the Time and Motion Study and the difference in time for processing one or the other beverage container types. The other being that each year the CSA (ABCRC) and the CSP (BDL) provide counts per pallet of the beverage types returned and if the amount reported changes year by year, that can change the allocated building and equipment costs. These can provide insight and explanation on why the HCs for some container types can be variable from each HCR cycle though the overall average change in HC is less volatile as all the HCs are distributed from the same Target Year Revenue Requirement (as seen in the Phase II Report).

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Question 4.

Q: Is the volatility hard to predict?

A: It can be, depending on what it is.

Question 5.

Q: Clarification requested with reference to 7.6% increase and 6.8% increase?

A: The Target Year Revenue Requirement increased by 7.6%, whereas the average Handling Commission has increased by 6.8%.