

Alberta Used Oil Management Association

Presentation to the
Alberta Care
2011 Spring Conference



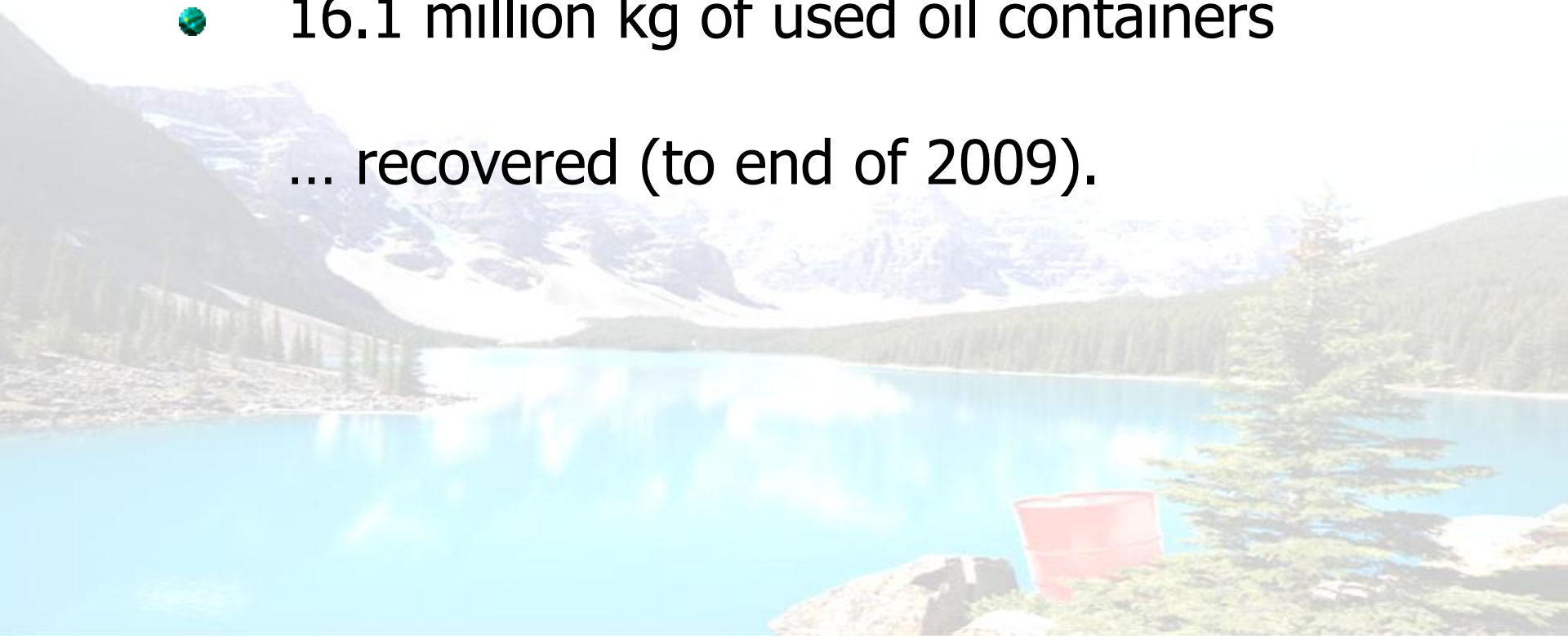
About AUOMA

- 1997 – regulation created and program started
- Extended Producer Responsibility (EPR) model
- Industry led, Board governed
- Affiliated with 5 other provincial associations in Canada
- *Program revenue* from regulated *levy* on Alberta primary wholesalers of lubricating oil material
- *Program expenditure* on Board-set *incentives* for used oil material collectors

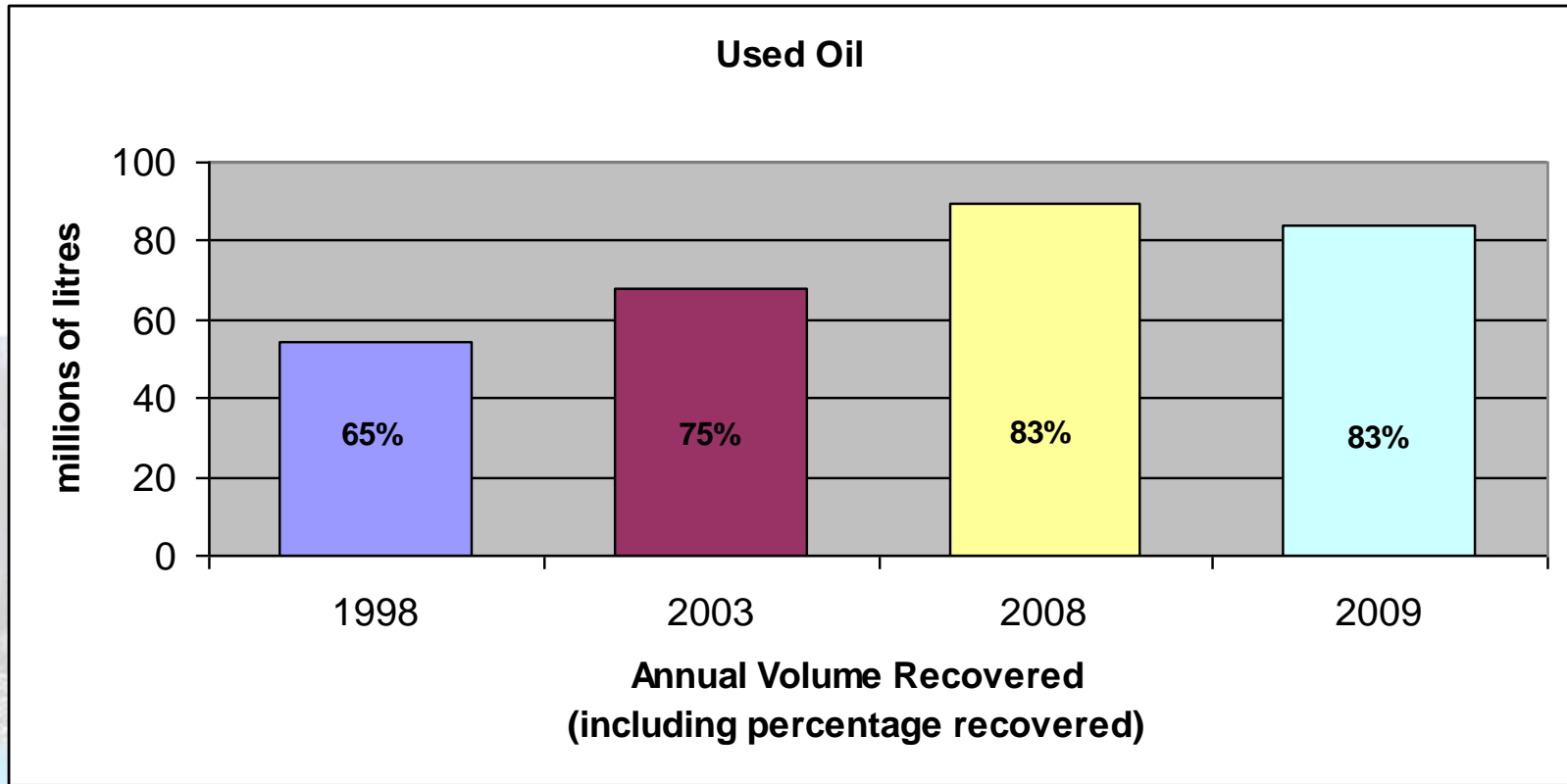
Since 1997...

- 878.6 million litres of used oil
- 74.7 million used oil filters
- 16.1 million kg of used oil containers

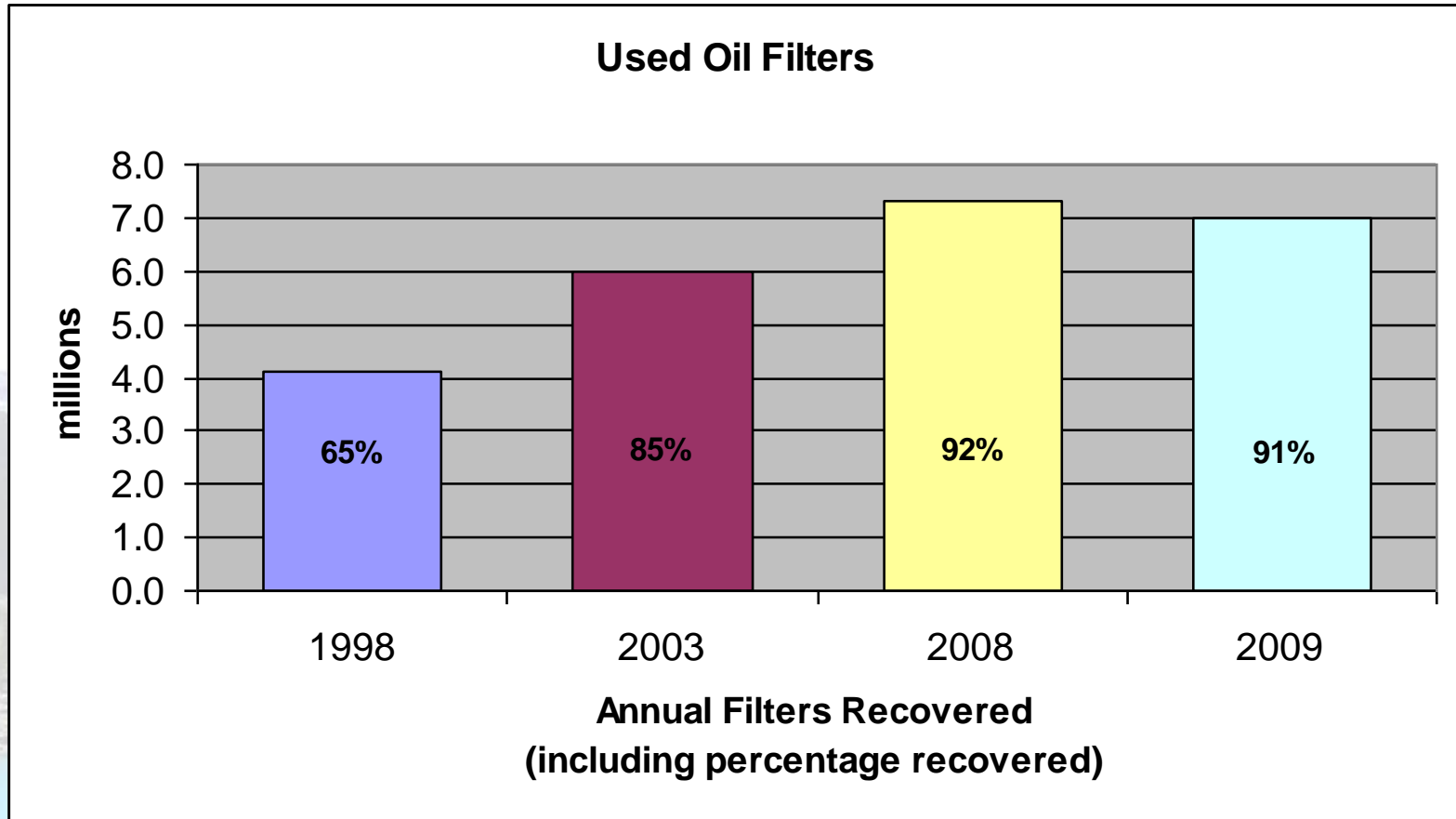
... recovered (to end of 2009).



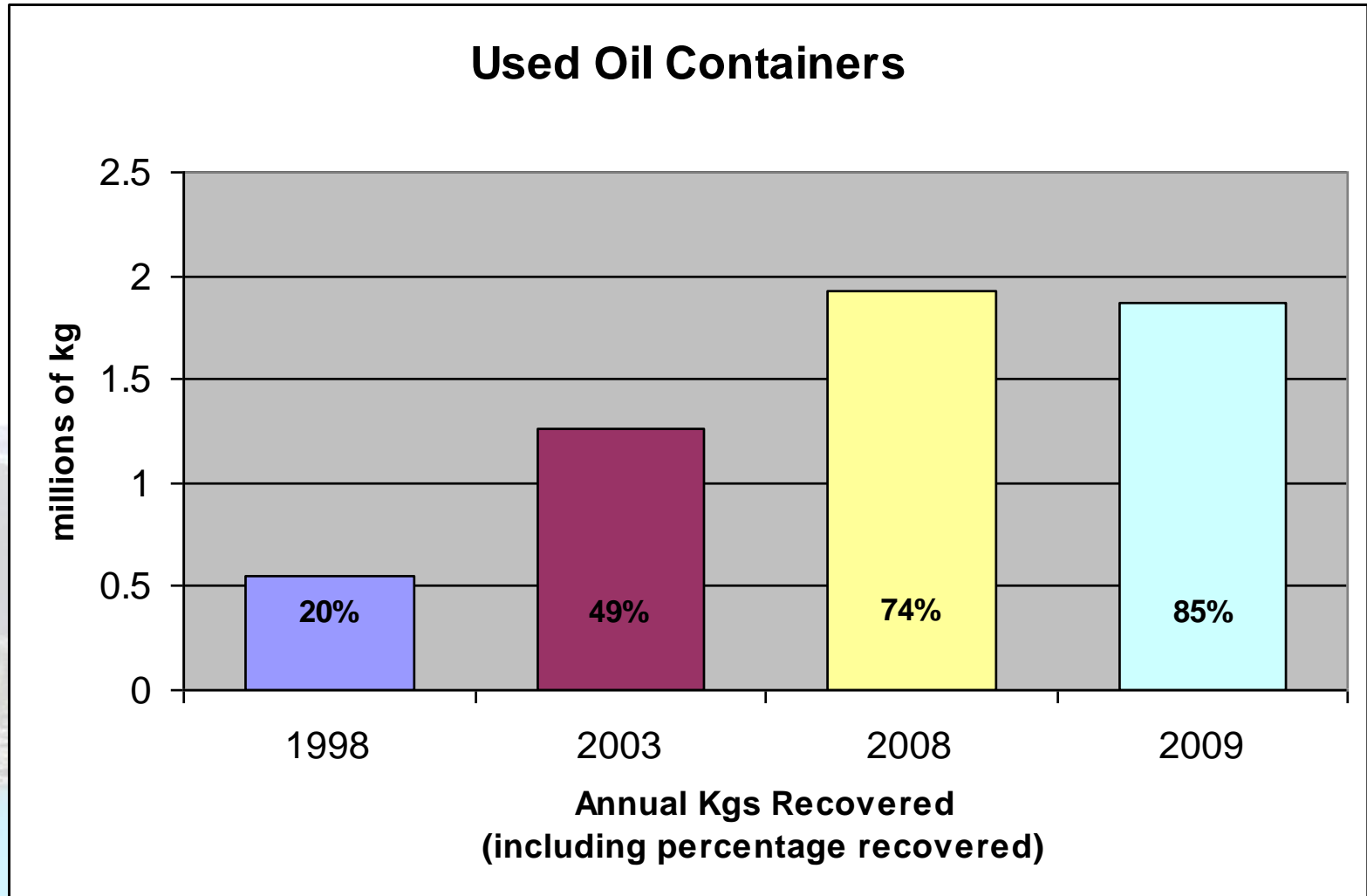
Litres of Used Oil Recovered



Used Oil Filters Recovered



Used Oil Plastic Containers Recovered



End Use of Used Oil Materials

- 84,271,392 litres of used oil in 2009 (2008) became:

● Base stock for re-refining	5.4%	(15.9)
● Other lube products	17.2%	(20.4)
● Industrial plant fuel	20.8%	(18.3)
● Asphalt plant fuel	53.8%	(43.0)
● Small space heater fuel	2.8%	(2.4)

End Use of Used Oil Materials (continued)

- 1,945,672 kg of used oil containers in 2009 (2008) became:
 - Pellets 8.75% (11.0)
 - Washed flake 2.0% (73.0)
 - Oily flake 89.25% (12.6)
 - Other (3.4)
- 7,095,476 used oil filters became industrial scrap metal



AUOMA Communications

- Print ads and articles
- Radio and TV – HNIC playoffs, 2009 and 2010
- Promotions and sponsorships
- Website, with UOMA
- Summer ambassadors – a long-term RCA initiative with AUOMA, ARMA and BCMB

Public Satisfaction Surveys on Used Oil Management

- 97% support a used oil mgmt. program
- 37% aware of AUOMA and 67% aware of a levy
- 81% support a levy

Source: Ipsos-Reid, October, 2008



Key Issues for AUOMA

- Unsustainable finances – program costs (96% of expenditures) exceed revenues
- Limited ability to reduce incentives without affecting recycling of used oil materials
- Incenting used oil container recycling expensive part of program
- Compatible but non-revenue materials in used oil container collections
- Difficult and fluctuating markets for recycled products
- Need for regulation changes

Public Satisfaction Survey of Used Oil Materials Levy

- 94% support a used oil recycling program
- 72% support a used oil materials levy
- 51% support a reasonable levy increase

Source: Leger Marketing, April, 2009



Key AUOMA Plans and Activities

- Used oil management system and program reviews – recreating a sustainable AUOMA
- Environmental impact assessment of AUOMA programs – ensuring an effective AUOMA
- Continue review of reduction of major expenditures, including return incentives that should not negatively affect recovery
- Add new, glycol-related products to revenue generating eligible products list
- Develop a new business case for regulatory improvement

Thank you.

