

Journal

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ENCORP
ATLANTIC INC

SINCE 1992, ENCORP ATLANTIC HAS RECYCLED 3.2 BILLION CONTAINERS IN NEW BRUNSWICK!

SUMMER

ENVIRONMENTAL TRUST FUND

The yearly total estimate for fiscal year 2015, including profit sharing for the non-alcoholic product distributors, amounts to \$6,766,463 paid to the New Brunswick Environmental Trust Fund. This is an increase of \$197,541 from 2014 and a 4.6% increase from the previous year.

Since 1992, we can proudly state that the Encorp Atlantic partnership has recycled more than 3.2 billion containers and paid over \$113 million to the New Brunswick Environmental Trust Fund.

FUTURE OF THE BEVERAGE CONTAINER PROGRAM

No word yet on when or if the Department of Environment and Local Government is going to move ahead with the recommendations of the study commissioned by the Department on the future of the Beverage Container Program in New Brunswick.

In December 2013, the Department issued a report on the future of beverage container recycling in New Brunswick. The comprehensive report contained 37 recommendations that could dramatically change how CRs and stakeholders operate. Stakeholder meetings are apparently in the planning stage. Encorp's Board of Directors has reviewed the recommendations at its last annual strategy session but will only comment once the Department issues a clear indication on the report's recommendations and timeline. Stay tuned!

CHANGE CAN BE GOOD!

We are currently working out the final details for the change in service providers next October. Over the summer months, Encorp staff will be visiting all redemption centres (RC) in New Brunswick to answer any questions or concerns from RC owners and staff about the proposed change.

Overall, in October, RCs will not see any significant changes other than a reduced sort list, new trucks and other minor efficiency improvements to our program. The new service provider contracts (2015-2020) provided Encorp Atlantic with an opportunity to introduce improvements at the RC level. Over the years, significant progress has been made with accuracy levels, transportation compaction and container traceability. 2015 will focus on improvements for RCs with a new sort list, faster payments to CRs and other minor changes in sorting requirements. This is good news for all CRs across this province.

QUALITY CONTROL (QC)

Quality assurance/control has become over recent years an important aspect of our day-to-day business. Our first foray with statistical sampling commenced in 2010 with CRs on a count adjustment model. This allowed Encorp to reach a near perfect accuracy level as it pertains to container counts from collection depots. The next project using QC/QA and statistical sampling was conducted with solid waste commissions (regional service commissions). Again, we were successful in avoiding cross-contamination and reducing cost for managing post-consumer containers coming from solid waste facilities. Then, sampling was used again with our service provider contract. This allowed Encorp to adequately pay based on weights (buy at the door agreement - PET/HDPE). Now, sampling will be used once more to monitor the upcoming research project using pre-count bags (\$2/40).

As the saying goes: you can't improve what you can't measure!

Over the past year, the count adjustment method with RCs has resulted in overall continued accuracy. For the full 12-month period, reported accuracy was 0.08%, which is close to perfect. We currently have 14 RCs that are in the accelerated mode.

SORT LIST 8

ALUMINUM CANS 1

GLASS - CLEAR 2

PET - HDPE 3

GLASS - COLOURED 4

GABLE TOP / TETRA 5

OTHER PLASTICS 6

MINI SIPS / POUCHES 7

STEEL CANS 8

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NOTICE



Redemption centres are still required by law to remove caps. Please remove all debris and caps on containers. Thank you for your continued cooperation.

TO ALL LICENCED REDEMPTION CENTRES: NON-DEPOSIT CONTAINERS FROM OTHER PROVINCES

Be advised that the Department of Environment and Local Government is fully aware that non-deposit bearing containers are coming to New Brunswick.

Deposits have not been paid into the New Brunswick Beverage Containers Program for these containers and by accepting these containers you are contributing to a financial loss to the Program.

Redemption Centres accepting these containers clearly constitute a violation of the Beverage Containers Act and may also be considered in violation of the Criminal Code of Canada.

As licenced Redemption Centres, you are obligated to ensure that used beverage containers brought to you for redemption are New Brunswick deposit bearing containers. Subsection 7(3) General Regulation-Beverage Containers Act states:

“The holder of a licence and the operator of a redemption centre shall ensure that no refund is paid at the centre for an empty beverage container on which no deposit was paid in New Brunswick”.

- Department of Environment and Local Government

ELECTRONIC PAYMENTS LETTER

Weekly payment letters are now available by electronic means. Please provide your email address to pauline.nowlan@encorpatl.ca in order to subscribe. We strongly encourage the use of this convenient method which ultimately translates in reduced energy use, greater administrative efficiencies and cost savings to the Beverage Container Program.



EXPRESS BAGS

Express Service Bags will be piloted in the Fredericton region for a two-year period. This project started in June. This trial is part of an exciting recycling research project lead by Encorp Atlantic that aims at improving recycling rates in the province by making recycling empty beverage containers more convenient for New Brunswickers. The initial launch will use a medium size “40” Express Bag designed to hold 40 containers that equals a \$2 cash payout. Customers using this free service will be given priority service and leave quickly with cash in hand. We expect to be handing out bags and signing up participants as early as this May. Only 2,500 households will be accepted in this trial run. Participants who sign up will have to provide their name, phone number and email. We will be requesting that participants continue to return refillable beer bottles in their cases, separate from the Express Service Bag.



MARKETS

The PET market continued a steady decline to finish the year in the low teens. This rollercoaster ride over the past year did fall below Encorp's forecast. The aluminum market started a late decline, with prices hovering in the low to mid seventies for most of this last fiscal year.

MATERIAL PRICING

Market material pricing versus this time last year: aluminum 4.5% above; PET -31.5% below. Overall, sales of non-alcoholic beverages were higher by 1.5% over the past year (April 1 – March 31, 2015), while containers redeemed were higher by 0.5% for the same period.

OVERVIEW OF MARKET PRICES US \$/LB FOR BALED MATERIAL:

	Aluminum	PET	Exchange
March 31, 2008	\$ 1.03	\$ 0.195	\$ 1.002
March 31, 2009	\$ 0.44	\$ 0.09	\$ 1.225
March 31, 2010	\$ 0.72	\$ 0.23	\$ 1.007
March 31, 2011	\$ 0.88	\$ 0.37	\$.952
March 31, 2012	\$.75	\$.29	\$.9684
March 31, 2013	\$.68	\$.215	\$ 1.00
March 31, 2014	\$.67	\$.19	\$ 1.09
As of March 31, 2015	\$.70	\$.13	\$ 1.21

YEAR TO YEAR-REFUNDED UNITS:

	Aluminium	Verre	PET	Autre	Total
April 1 – March 31 2014	63,045,981	2,004,572	73,654,522	14,495,205	154,200,280
April 1 – March 31 2015	62,718,351	1,930,671	76,595,396	13,742,900	154,987,321
Yr to Yr Qty	-327,630	-73,898	1,940,874	-752,305	787,041
Yr to Yr %	-.52%	-3.69%	2.6%	-5.19%	.51%

MARKET SNAP-SHOT / 3 YEAR PERIOD IN US\$/LB

	Aluminium	PET
High ▲	.85 Dec. 2014	.30 May 2012
Low ▼	.59 Jan. 2014	.13 March 2015

* These figures are based on monthly averages