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



ENCORP ATLANTIC INC

WINTER

ABNORMAL QUANTITIES - QC

As announced in the last edition of this newsletter, due to reoccurring problems with count accuracy, new quality control (QC) measures have been introduced. Recent trends have identified inaccurate bag counts, some RCs falling outside the current Count Adjustment Model framework. During collection, the new QC measures will identify individual bulk bags with a non-compliant count. These will go directly to QC, will be re-counted and adjusted accordingly. The adjusted bag will not have any impact on the overall results of the Count Adjustment Model.

Bulk bags which have been tagged with abnormal quantities are identified and selected by the EnSys scanning software. These are sent to QC for verification of quantity reported on tags. For a RC in the monitored QC mode, a bag selected because of abnormal quantities will be adjusted immediately if the adjustment is over 5 dollars. For a RC in the accelerated QC mode, a bag selected because of abnormal quantities will be adjusted immediately if the adjustment is over 5 dollars and will be excluded from future adjustment computation. A bag with abnormal quantities selected by the standard QC procedure will not be adjusted for abnormal quantities, but will remain part of the Count Adjustment Model and contribute to the computation of the correction for all bags picked up for the duration of the accelerated period.

The adjustment resulting from abnormal quantities will be reported to the RC on a per bag basis with their next available payment letter.

RCs showing a trend in reporting abnormal quantities and subject to ongoing adjustments will be charged an administration fee equal to the handling fee adjustment amount.

We urge all RCs to be vigilant on tag accuracy by properly reporting quantities and properly tagging their bags.

MOVING FORWARD!

The past few months have been challenging for Encorp Atlantic and the over 70 redemption centres (RCs) in New Brunswick. But as we get back to a regular routine, we can now reflect on some of the system improvements and the remaining challenges. Overall, RCs are reporting that the new collection service (Rioux Transport) is expeditious and efficient. Furthermore, RCs are happy with the reduced sort list. According to some owners, the changes have enabled RCs to provide faster service to waiting customers with reduced labour.

Encorp's most serious headache over the fall period has been with the new tracking system introduced in October. Some RCs have seen faster payments while others have seen multiple payments on different days for the same collection day. We are currently working on fixing these minor glitches.

Besides transitional challenges, some RCs have had bag count estimation issues. Over the last months, we've witnessed abnormal quantities, which have added additional stress on the system.

ALUMINUM CANS	1697		
2 GLASS - CLEAR	895		
B PET - HDPE 企业	725		
GLASS - COLOURED	895		
5 GABLE TOP / TETRA 1	911		
OTHER PLASTICS	526		
MINI SIPS / POUCHES	746		
8 STEEL CANS	628		
AVERAGE UNITS PER BAG			

These inaccurate counts (ghost containers) or estimates (separation of small and large containers) reported by RCs have actually reduced our collection efficiencies. Individual RCs have been contacted on this matter and actions will soon be taken to resolve this.

Also, data continues to be gathered on the bag-drop concept (re-centre) in Moncton and the Express Service (\$2/40) in the Fredericton area. Information compiled from these projects will be presented to stakeholders over the coming months.

Finally, the whole team at Encorp Atlantic is hoping that this New Year will help renew efforts to improve the New Brunswick Beverage Container Program.

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ACCURACY

As of October 1st, quality control at RCs has resulted in an overall accuracy rate of -0.7%.

There are currently 11 RCs in the accelerated mode. Our sampling model for quality control also includes assessments of out-of-province containers and volume fluctuations (comparative analyses) to detect irregularities. The return rate as of December 31st was 69.5% (12 months).

ELECTRONIC PAYMENTS

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

REMINDER NOT TO OVERFILL

The most recent version of our bulk bag has an added new feature: the top of the bag has a duffle with a string closure. We anticipate that it will be easier to close the bags once filled. We remind RC owners and staff to not overfill. Use the top of the green area of the bag as a guide. **Do not fill in the white duffle area.**



2016 CALENDARS

Again this year, Encorp is pleased to offer not one but two limited edition calendars. For 2016, we are providing a larger wall-size calendar with New Brunswick scenes and a smaller desktop version. The desktop version features a collection of paintings and collages from a Moncton artist who works with recycled material. We first introduced a calendar in 2011, and since then, we've been experimenting with a variety of formats and concepts but always using recycling and New Brunswick as our inspiration.



BOTTOMS UP!

At this time of the year, we all need to be vigilant with making sure that all customer containers get emptied. Liquid from containers create havoc on the depot floors and collection trucks. Make sure that all workspaces remain clean and dry. (RCs that receive large amounts of containers from school programs must pay special attention). Slippery floors makes for dangerous working conditions for all. Please remind your customers of the importance of emptying containers!



MARKETS - MATERIAL PRICING

Depressed market conditions worldwide are playing havoc on the value of our commodities here in New Brunswick. Overall markets as of December 31st are reeling from global economic uncertainty with price fluctuation for PET and aluminum. Markets are worst today than those of the recession period of 2008-2009. Revenues for glass also remain negative.

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

	Aluminum	PET	Exchange
Dec. 31 st , 2009	\$.72	\$ 0.12	1.02
Dec. 31 st , 2010	\$.77	\$ 0.26	.99
Dec. 31st, 2011	\$.70	\$ 0.20	1.002
Dec. 31 st , 2012	\$.74	\$ 0.17	.96
Dec. 31 st , 2013	\$.61	\$ 0.165	1.03
Dec. 31 st , 2014	\$.91	\$ 0.167	1.06
As of December 31st, 2015	\$.50	\$ 0.084	1.35

MARKET SNAPSHOT/ 5 YEAR PERIOD IN US\$/LB

	Aluminum	PET
High	.91 December 2014	.37 March 2011
Low	.49 December 2015	.0775 December 2015

For information or to report any incident, please contact:

Rioux Transport - 1 877 999-1764 Encorp - 1 877 389-7320