

Refrigerant Management Canada



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Session Overview

- Refrigerant Regulatory Framework
- Organizing the HVACR Industry
- Funding the RMC Program
- Corporate Setup and Operations
- Communications and PR



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Refrigerant Regulatory Framework

- CCME National Action Plan objective of a strategy for disposal of surplus CFCs
- use/refill bans on CFC refrigerants
- seller take back regulations
- industry-driven EPR programs
- refill ban implementation proposed for 2004-2006 (provincial)



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Industry Response

- formal request to HRAI from FPWG for ODS refrigerant EPR (September, 1998)
- HRAI Board and Divisions review options and potential industry and environmental impacts of regulations
- “lead” solution as versus react to regulation
- established industry task team of manufacturers, wholesalers, contractors and reclaimers (December, 1998)



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Key Program Challenges

- CFC refrigerant inventory and projected recovery volume
- approach for funding program
- determining and receiving support from key industry stakeholders
- “buy-in” from industry & customers



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Industry Task Team

- in-depth review of Australian RRA program
- restrict program to disposal versus reclaim
- focus on support from refrigerant manufacturers, importers and reclaimers
- worked with FPWG on ODS and Halocarbons



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Industry Task Team

- drafted outline for EPR program - Winter 2000
- approval by FPWG and HRAI - Spring 2000
- commitment by major refrigerant importers/manufacturers - September 2000
- Board of Directors established and program commenced - January 1, 2001



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Funding of RMC

- Australian model of industry levy (CFCs vs HCFCs)
- HCFCs - ODS controlled substance under permit system (Montreal Protocol)
- application of levy at start of supply chain (limited number of permit holders (9))
- levy only remitted on sales of HCFCs and HCFC blends by manufacturer/ importer/reclaimer based on voluntary agreement with RMC
- voluntary agreements to remit based on competition regulations



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Use of RMC Funds

- funds from levy to underwrite costs of transport, storage and disposal of CFCs
- stationary refrigeration and air conditioning uses only (chillers & commercial refrigeration)
- levy amount based on disposal costs of forecast surplus (\$40 million based on estimates) and quota of HCFCs to 2010 (29 million kilograms)



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RMC Fund Progress

- received startup advance from key manufacturers against first remit
- levy well established in industry since implementation January 1, 2001
- 8 of 9 potential permit holders (approx. 97% of HCFCs imported/manufactured)
- 2.5 million collected to Dec. 31, 2001
- program risk - return volume versus levy/fund size



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Corporate Structure

- not-for-profit corporation established by HRAI and Canadian industry in December, 2000
- Board of Directors of manufacturers, wholesalers, contractors, reclaimers, equipment owners environmental group
- “virtual company” with outsourced services (HRAI)
- “evergreen” approach for corporation to deal with future refrigerant disposal (e.g., HCFCs)



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Operations Setup

- build program around current refrigerant reclamation system (wholesalers, reclaimers)
- divided program into 2 processes: collection and disposal
- developed RFPs including performance specs for each process and issued on public basis
- hired consultant for RFP, evaluation, surplus update, risk assessment



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Operations Setup

- multiple collection service providers for national coverage
- disposal RFP included evaluation of options (capacity, performance, cost, etc.)
- currently working with environmental auditor to determine audit protocols and performance verification system for collection and disposal service providers



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Collection Service Providers

- 3 collection providers selected to cover national needs
- each is reclaim company who successfully submitted bids to public RFP process
- linked to ACR wholesaler network for collection; coordinated with established reclamation system
- remote locations tied to contractor/wholesaler network



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Disposal Service Providers

- 7 responses to RFP (4 technologies)
- 4 current options worldwide (1 Canada, 1 Germany, 1 US, 1 Australia)
- 3 additional Canadian disposal sites in development (Canadian solution)
- challenges being addressed in area of waste management (import/export)



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Communications & PR

- initial mailings of letters and brochures to contractors, wholesalers, manufacturers, end-users (December, 2000)
- letters of support request to federal and provincial governments, industry groups and end-user associations
- PR launch to public press in partnership with Environment Canada and FOEC (February, 2001)
- posters in wholesaler outlets



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Communications & PR

- bi-monthly RMC Bulletins to stakeholders and news releases to trade press
- “How the RMC Program Will Work” campaign (brochures, posters, operating guidelines, fact sheets, trade press ads, industry/user group presentations)
- relations initiative with provinces for implementation of disposal strategy regulations



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For more RMC Information

- contact Laura Linza, RMC Project Manager at 1-866-622-0209 or e-mail llinza@hrai.ca
- log on to the RMC website at www.hrai.ca/rmc



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