

OIL FILTERS BACKGROUNDER FOR STEWARDS

Oil filter stewards will not have to pay stewardship costs for approximately one year starting October 1, 2013. For stewards who report multiple materials, this means that the next invoice you receive in the fourth quarter (Q4) will not include any charges for oil filters. If you only report oil filters, you will not receive an invoice in Q4.

However, <u>stewards will need to continue reporting</u> to Stewardship Ontario during this period.

Why is there a surplus?

A surplus of oil filter stewards' payments accumulated between July 2010 and March 2012 because Stewardship Ontario was not able to alter fee rates to reflect the actual costs of recycling and safely disposing of used oil filters.

Stewardship Ontario will now apply the oil filter surplus as a credit to offset future costs for oil filter stewards.

Will I still have to report to Stewardship Ontario during the invoice and payment suspension?

Yes, you will still need to report. Stewardship Ontario will continue to manage and pay for the safe end-of- life disposal of oil filters using quantities reported to calculate performance measures.

How do I know that a surplus won't accumulate again?

In April 2012, Ontario Regulation 11/12 imposed a cost recovery model which ended per unit fee rates and requires that stewards pay the real costs of recycling oil filters.

Who decided to suspend invoices instead of reducing payments for a longer period?

A group comprised of representatives from the oil filter industry (including stewards and industry associations) felt that suspending invoices and payments was easier to implement and less confusing for stewards.

What should I do if I charge an environmental handling fee?

Stewardship Ontario does not make decisions about environmental handling fees and how or if they are applied throughout the supply chain.



What will I see on my Stewardship Ontario invoice and print report?

If you only report oil filters, you will no longer receive invoices beginning in Q4 2013 for at least one year (please see next question below). If you report multiple materials you will continue to be invoiced for these materials.

Oil filter stewards can continue to access their print reports on the WeRecycle portal where stewards' quarterly steward share assessments (SSA per cent) for each material are displayed. This information has been included on reports since Ontario Regulation 11/12 was implemented.

What happens once one year suspension of invoices and payments is over?

All of the surplus will not have been drawn down by the end of the one year suspension. Stewardship Ontario has calculated that some of the surplus will remain but will not know exactly how much until costs associated with the suspension period (October 2013 to October 2014) are calculated.

What happens next?

Stewardship Ontario will continue to keep our stewards informed during the suspension period. On the WeRecycle portal we will report quarterly on the status of the cost being charged to the surplus.

In you need more information, please contact the steward services team at 1-888-288-3360 or werecycle@stewardshipontario.ca.