



## Industry Bulletin

July 29, 2011

**TO: Contractors and Wholesalers in the Canadian HVACR Industry**

**Subject: Refrigerant Management Canada (RMC) Applies Disposal Fee to CFC-11  
Entering the Program Effective August 1, 2011**

Dear Industry Member,

The process for accepting CFC-11 refrigerant into the RMC program will change on August 1, 2011. As of that date, RMC will charge an \$8.00/kilogram disposal fee for the collection and destruction of CFC-11 refrigerant entering the program.

Due to this new process, contractors should take into account this disposal fee when developing bids on projects involving the recovery of CFC-11 refrigerant. Prior to returning surplus CFC-11 refrigerant to their wholesaler or an RMC Collection Service Provider, a contractor must contact RMC to arrange payment. **CFC-11 refrigerant will not be accepted into the program until payment is received by RMC.**

Wholesalers are asked to inform their customers of this new process and advise them to contact RMC if CFC-11 is to be placed into the program.

The RMC Board of Directors thoroughly explored the matter of funding before making this decision. The new fee will cover approximately half of the costs that RMC incurs in the handling of this refrigerant. **RMC will continue to subsidize approximately 50% of the cost of collecting and destroying the CFC-11 refrigerant, but can no longer absorb the entire expense, as it has done for the past 10 years.**

Provincial regulations regarding chillers are beginning to take effect and the program is receiving record volumes of CFC-11. In 2009/2010 the program collected over 347,000 kilograms and destroyed over 299,000 kilograms of refrigerant. In 2010/11, it collected over 370,000 kilograms and destroyed over 399,000 kilograms. This amounts to an average increase in volume of 9% per year over the last two years and the additional volume has placed considerable strain on the program.

Over 10 years of operation, it has cost more than \$32,000,000 to collect and destroy 2.4 million kilograms of surplus refrigerant waste, and RMC has provided the industry with the means to easily comply with stewardship regulations at both the provincial and federal levels.

The program is funded by an environmental levy paid on sales of new and reclaimed HCFCs and HCFC blends. The phase-out of HCFCs over the last six years has drastically reduced the revenue stream for the program while volumes of surplus refrigerant entering the program continue to increase. The RMC Board of Directors continues to explore alternate funding possibilities.

The RMC Board understands the impact this disposal fee may have on your business but is certain that the impact would be worse if the program did not exist. Overall costs would be higher and contractors and wholesalers might have difficulty complying with provincial and federal regulations. The RMC program has proven itself to the industry, and to the thousands of contractors, wholesalers and end-users that have utilized the program in order to dispose of their unwanted refrigerant. We ask for your support in order to continue to manage this world class and internationally recognized program.

Thank you for your attention to this matter and for your support. If you would like more information about the process for CFC-11 refrigerant, contact April Gucciardo at 1-800-267-2231, ext. 239.

Regards,

A handwritten signature in cursive script that reads "Warren Heeley".

Warren Heeley  
President

cc. RMC Board of Directors