

OTS Technical Advisory Committee Meeting

November 3rd, 2010

Agenda

- Program Diversion Rates
- Tire Collection
- Tire Transportation and Delivery
- Claims
- Tire Processing and Manufacturing in Ontario
- Program Communications

Technical Advisory Committee Representation

Meeting Objective:

The Technical Committee meeting is intended to provide updates from OTS, and get feedback and suggestions from program Participants of a general nature about the OTS Program.

Reminder:

The Technical Committee Meeting is not the forum to discuss individual Participant issues or files; these discussions may be directed to OTS on a one on one basis

Any suggested topics for the TC Meetings are to be sent via email to communications@ontariots.ca prior to the meeting; all topics will be considered but may not be accommodated depending on the existing agenda.

Business Arising From The Previous Minutes

- 1) Diversion Rates: To be reviewed in full as per agenda
- 2) Tires In Inventory: Clarification that in order to qualify the participant must be able to meet the requirements for being a Collector
- 3) Processor Listing OTS Website: Update in progress; attempting to contact several Processors to confirm information/delist when applicable
- 4) Retreading Operations & CA: There is no one correct answer; depends on the business model (specifically the source of the tires); i.e. Retreaders who only purchase tires from other Collectors/Generators are typically not eligible for CA, only free pick up. Retreaders with Collector operations that can track the tire to the resident/farmer source may be eligible for CA

OTS Program Diversion Results to Date (end of July)

- PLTs: 81%
- MTs: 99%
- OTRs: 120%

- Diversion rate calculation: Number of tires collected divided by tires supplied into the Ontario market
- Note: Diversion Rates are based the reported Supply compared to the reported rates picked up by Haulers (including Culled tires); the assumption built into the plan is a one to one rate (this assumption may be reviewed and altered in future plan revisions)
- OTR diversion continues to be higher then planned due to reduced supply

Tire Collection

- a) OTS is in the final stages of creating a 'sub-collector' agreement
 - Agreement may be used to accommodate larger collectors who receive tires from other smaller unregistered collection sites to account for their tire receipts
 - Only tires received from sub-collectors after the date that the sub-collector agreement is signed and submitted to OTS will be eligible for CA allowance (for the receiving collector)
 - Collector will be responsible for ensuring that Sub-Collectors are not charging a disposal fee on tires
 - Sub-Collector Agreement to be announced prior to November 12th

Tire Collection

- b) Stockpile Update
- No New Update

Tire Collection

c) Pre-Program Tires

Sept. 1 st 2009		Registration Date	
No OTS Forms	UCR Forms		TCR Forms
Pre-Program Tires	Program Tires from Unregistered Sources		Program Tires From Registered Source

- Addendum discussed during the August Technical Committee Meeting will be available prior to November 12th
- Addendum will allow Registered Collectors to have Pre-Program tires picked up; ; the costs associated with the management of these tires will be evenly deducted over a set period (max of 3 yrs) from any CA generated until the costs are covered. Remaining balances after the 3 yr period must be paid to OTS by the collector

Tire Transportation & Delivery

- a) Guaranteed Supply surplus tire shipments out of province will likely continue through remainder of 2010
- October
 - PLT – 1700 tonnes
 - MT – 700 tonnes
- November
 - PLT – 1550 tonnes
 - MT – 700 tonnes
- December
 - PLT – 860 tonnes
 - MT – 700 tonnes

Tire Transportation & Delivery

b) Transportation Incentives

- Hauler Consultation Session on Proposed TI Rates held on September 2nd 2010
- Next Steps:
 - Rates to be posted to the OTS website as for implementation early 2011
 - OTS will be reviewing the posting date depending on Processing assumptions accuracy

Tire Transportation & Delivery

c) Ad Hocs & Redirects: are expected to continue at same as previous months; higher volume of tires balanced by increased GS contracts

Ad Hoc and Redirect Rates:

Ad Hocs authorized in Sept = 287

Ad Hocs authorized in October = 215

Redirects authorized in Sept = 42

Redirects authorized in October = 16

Estimated % of Deliveries sent out of Province in August: 30-35%

NOTE: Ontario Processors should update OTS weekly of excess processing capacity by tire type to help ensure adequate tire supply

Tire Transportation & Delivery

c) Ad Hocs & Redirects Cont'

- All out of province shipments must be authorized in advance
- Approved shipments types must be delivered to the approved destination within the authorized window
- If a load is delivered without prior authorization, prior to an authorization code being issued, after the expiration of the code, delivered to the incorrect Processor or the load type is not that which was approved, the Hauler may
 - not receive any base TI or premium for the delivery
 - have the PI paid to the Processor by OTS clawed back from future Hauler TI claims
 - have their OTS registration revoked.
- This information is posted on the OTS website and reminders were sent to all Haulers in mid-August

Claims

a) Collector Claims Adjustments

- Number of requests for adjustments have slowed in recent months, OTS hopes to see this number continue to decrease
- Total Number of Adjustments Requested: 314
- Approved adjustment are to be filed as per OTS (in the month of January)
- Instructions on how to file an approved adjustment to be sent to Collectors who have received approval to file in the 3rd week of November. All adjustments must be filed within the deadlines provided (i.e. By the end of January)

Tire Processing & Manufacturing in Ontario

- a) September – October Processing Capacity
 - Ontario processing capacity continues to lag forecasts

September- October Manufacturing Capacity

- Continues to be strong

Tire Processing & Manufacturing in Ontario

b) Manufacturing Incentives and Claims Filing

- Claims filing proceeding well, RPMs completing filing through on-line reporting portal
- Deadline to submit claims September 2009 to June 2010 was September 30, 2010.
- Future claims must be submitted with 90 days of reporting period
- RPM online claims; will be opened at the same time as Processors & Haulers (typically within the first 5 days of the month)

Program Communications

a) STC Events

September

- 20 Events

October

- 16 Events
- Monthly Newsletter:
 - Issue #5 published in October
 - Issue #6 to be available mid-November

Program Communications

- b) OTS Upcoming Events
 - Scrap to Profit Conference; Rubber Manufacturers Association
 - Little Rock, AK., USA

Program Communications

- c) Proposal for Operational Refresher Training
 - OTS is looking to host webinars for all Participant groups and conduct “Refresher” training focusing on claims

Suggestions on timing?

New Business

- a) Participant Guidebooks
 - OTS has prepared Guidebooks specifically for all Participants (i.e. A Guidebook for Stewards, Collectors, Haulers, Processors and RPMs)
 - Guidebooks contain helpful information for each group
 - Guidebooks will be posted on the OTS website and will replace outdated & duplicated information
 - Currently circulating to internal staff; will be posted to the website during the 2nd week of November

- b) 2011 Program Plan Update; to be available January 2011
 - Consultations regarding Transportation Incentives have taken place with Haulers
 - Consultations to be held with RPMs shortly

Next Meeting

- Wednesday, December 15th 2010, 9:00am-12:00pm
 - Location: 405 The West Mall, 4th Floor

Adjourn Meeting
