

Senate Bill 546 Implementation



**Materials Management
and
Local Assistance Program**

February 10, 2010

Manufacturer Fee

Lubricating oil

- Fee increased on January 1, 2010 from \$0.16 per gallon to \$0.26 per gallon for new lubricating oil sold for use in California
- Fee will decrease January 1, 2014 to \$.24 per gallon (4 years additional fee to cover costs of life cycle analysis)

Re-refined lubricating oil

- Fee was reduced on January 1, 2010 from \$0.16 per gallon to \$0.12 per gallon for finished lubricant sold for use in California and containing at least 70% re-refined base lubricant as defined in PRC §48620.2(a)

See Public Resources Code (PRC) §48650 for details and exceptions



Recycling Incentive Payments

- January 1, 2010 incentive paid for eligible used lubricating oil collected from the public increased from \$0.16 to \$0.40 per gallon
- Claim/Reporting forms revised to allow for reporting this oil separately from all other recycled used lubricating oil
 - ✓ Forms mailed on January 29th and will soon be available on our website at www.CalRecycle.ca.gov/UsedOil/PolicyLaw



Changes in the Certified Collection Center Requirements

- CCC certification period extended to 4 year intervals
- Recycling incentive paid to DIYers upon request
- Simplifies signage requirements
- Clarifies that CCCs must accept used oil from the public during open hours
- Used oil must be sent to a CalRecycle-approved facility to qualify for incentive payments



Facility Registration

- All facilities located in CA are currently approved/registered
- Facilities located outside CA need to register with CalRecycle
 - ✓ Provide contact and enforcement information
 - ✓ Submit quarterly reports on CA used oil received



Testing Requirements

- All oil sent out of state must be tested for flashpoint, PCBs, and halogens
- The hauler is primarily responsible for testing unless:
 - ✓ The generator has tested the oil
 - ✓ The out of state destination facility has a testing agreement with DTSC
- Out of state facilities may enter into a testing agreement with DTSC



Oil Payment Program (OPP)

(Formerly Used Oil Block Grants)

- Programmatic intent/activities do not change
- FY 2010/2011 funding level to be determined – maximum of \$11 million
- On-line application process is being developed – target date is June 2nd (OPP Cycle 1); training to be conducted in spring
- Agreement consists of on-line submission of application by Signature Authority
- Cycle term between 12 to 21 months – survey will be conducted



Oil Payment Program (OPP)

- Block Grant Reporting (BGR) is being revised to serve as the OPP on-line Annual Report (starting May 31, 2011)
- OPP on-line Annual Report will include modified fiscal reporting format – changes pending survey results
- Payment process requires Application and Annual Report only – eliminates 7 documents
- One guidance document will be provided in lieu of the P&Rs and T&Cs
- More information to follow at the March HHWIE in San Luis Obispo

Note: Current UBG 13 -15 grant cycle process will be unchanged



Other Grants & Contracts

Used Oil Competitive Grants

- Combines three competitive grant programs into one program
- Removes statutorily imposed funding levels
- Promotes public/private partnerships and expands project opportunities to improve effectiveness of statewide programs



Promotion of Re-Refined Oil

- Reduced manufacturer fee for re-refined oil sold for use in California
- New incentive payment to certified re-refiners for production of re-refined base lubricant beginning 2013; \$.02 per gallon



Life Cycle Analysis

- Comprehensive and Inclusive – Broad stakeholder participation
- Stakeholder group to help develop project scope
- Purpose: Examine full cradle-to-cradle impacts of various used oil management methods
 - ✓ Includes generation, collection, transportation and reuse alternatives
 - ✓ Consider environmental, economic and resource impacts
- Evaluate impacts of new testing requirements and tiered incentive payments
- Separate funding mechanism established in law
- Completion: Late 2013



Next Steps

- March 10 – Materials Management and Local Assistance Public Meeting; Oil Fund Allocation discussion
- HHW Information Exchange March 17, San Luis Obispo – OPP
- Stakeholder Survey – grants
- Form stakeholder workgroup for LCA; scope to be developed late summer/fall 2010

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