

# Producer Guidance Document

## Preparing for EPR Compliance

Lubricants Packaging Management Association (LPMA) powered by Interchange 360, supports Producers in meeting Extended Producer Responsibility (EPR) regulations for petroleum and petroleum related products and their associated packaging. This Guide provides essential steps for determining Producer status, supply chain agreement best practices, and data reporting requirements.

### Extended Producer Responsibility (EPR) is...

**A management system based on industry and consumers taking life-cycle responsibility for the products they produce and use.**

*- Organisation for Economic Co-Operation and Development*

The regulatory focus of EPR laws is on brand owners (Producers) or companies that license or trademark a brand in which the product is sold or brought into the state by a third party. Producers often develop a Producer Responsibility Organization (PRO) such as LPMA, which manages the collection, transport, and recycling of products to ensure environmentally sound management of these products. The PRO also assists Producers in complying with the eco-modulation requirements of each state, including post-consumer recycled (PCR) content lengths.

Typical Features of EPR laws:

- Producers are required to comply with individual State EPR Laws
- Producers report sales data by State, material type, size and PCR content
- Producers fund the PRO by paying fees based on volume/amount of product sold

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## How does LPMA powered by Interchange 360 help Producers?

As a National EPR program for the Petroleum and Automotive Industry, LPMA powered by Interchange 360 makes compliance easy and efficient through:

- Cost efficiencies from sector-wide collaboration
- Execution through an experienced team and industry knowledge
- Producer-controlled and industry-specific solutions
- Right-sized design to provide a solution according to the specific state's needs



## Are You A Producer?

Under EPR regulations, you are considered a producer if you:

- **Brand or Trademark Owners:** Manufacture or control the brand of covered materials.
- **Licensees:** Entities directing the production of packaging under a licensed brand.
- **Manufacturers:** Produce packaging when no identifiable brand exists.
- **Importers:** First entity to import products into the U.S.
- **Retailers:** Selling private label products

As State compliance authorities often focus their compliance on the Brand Owner, it is the Brand Owner that often takes primary responsibility for ensuring that the supply chain sales reporting is complete and accurate.

We encourage all Producers to consult legal counsel regarding your specific obligations.

*Note:* For e-commerce sales, responsibilities may include both packaging and shipping material producers. Consult state-specific EPR regulations for detailed responsibilities.

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## Supply Chain Considerations

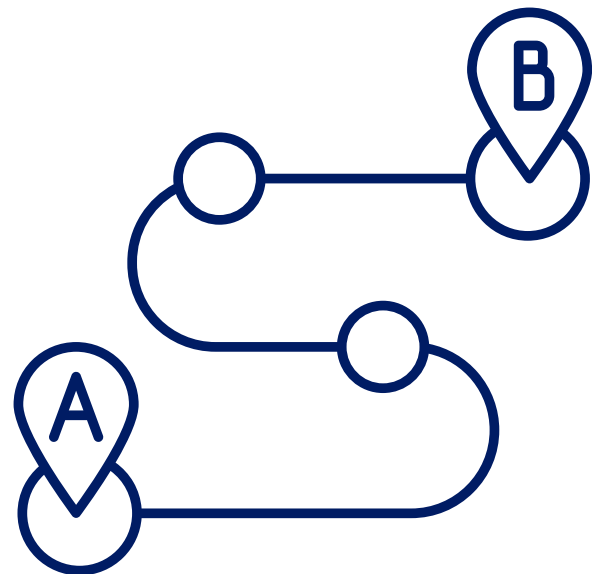
Understanding your supply chain is crucial to ensuring compliance with EPR regulations. While the specific responsibilities may vary depending on your supply chain role, it's essential to discuss the requirements with your supply chain to determine which party is ultimately responsible for the reporting obligations and ensure there are no gaps or double reporting.

By establishing EPR Reporting Supply Chain Agreements, you can effectively manage your EPR compliance and minimize potential risks of over/under reporting and compliance review adjustments.

### Best Practices for EPR Reporting Supply Chain Agreements

To ensure smooth compliance, producers should adopt the following best practices:

- Clearly define reporting responsibilities within supply chain agreements.
- Engage with distributors to identify reporting obligations for covered materials sold in EPR states.
- Maintain documentation to confirm third-party reporting arrangements, if applicable.
- Regularly review and update agreements as regulations evolve.



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## Eco-Modulation Data Reporting Requirements

All states have added eco-modulation requirements in addition to the traditional EPR requirements. The PRO typically sets EPR fees by material/product type with a nexus to the compliance and recycling costs of each material/product. Eco-modulation is a policy approach that governments are using to provide greater incentives to achieve specific policy objectives such as packaging reduction, recyclability, recycling and circular material management. To comply with the eco-modulation requirements, Producers will need to report sales by the different material types, formats, sizes, and PCR content.

CA	CO	ME	MN	OR	Fee Incentives
CA	CO	ME	MN	OR	Use of post-consumer recycled content
CA	CO	ME	MN	OR	Reductions in the amount of packaging material and/or paper products (source reduction)
CA	CO	ME	MN	OR	Enhanced recyclability or commodity values of covered materials.
CA	CO	ME	MN	OR	Increased reuse / refill of covered materials**
CA*	CO	ME	MN	OR	Decreasing / eliminating toxicity
CA	CO	ME	MN	OR	Use of compostable materials
CA	CO	ME	MN	OR	Labeling to improve consumer behavior / reduce confusion
CA	CO	ME	MN	OR	Use of renewable materials
CA	CO	ME	MN	OR	High (relative) recycling rates of covered materials
CA	CA	ME	MN	OR	Standardize material to simplify downstream management
CA	CA	ME	MN	OR	A reduction of litter from packaging material
CA	CA	ME	MN	OR	The product-to-package ratio
CA	CA	ME	MN	OR	The producer's choice of material
CA	CA	ME	MN	OR	Life cycle environmental impacts



\*California specifies that compostable materials must not contain toxic additives  
 \*\*Reuse/refill criteria varies among statutes. See statutes for additional details.

## Producers must submit quarterly reports to comply with EPR requirements. Follow these steps for accurate reporting:

### 1. Register as a Producer

- Complete the Notice of Intent form on the LPMA website.
- Submit the Participation Agreement.

### 2. Prepare Your Data

- Assign a team or individual to oversee data collection and reporting.
- Identify covered materials and quantities distributed.
- Collect and validate data, such as sales volumes, material types and size of packaging.

### 3. Reporting and Payment Timelines

- Reports and Payments are submitted quarterly:
  - Periods: Q1 Jan-Mar, Q2 Apr-Jun, Q3 Jul-Sep, Q4 Oct-Dec
  - Due Date: Within 30 days after each quarter.

#### Notes:

- Nil reports must be submitted even if no products were sold in a reporting period.
- Fee schedules are published on the Interchange 360 website and may change from time to time.
- Compliance Reviews of Producer reports are completed on a risk-based frequency.

