



Individual Program Plan for Producer Responsibility Colorado

*Packaging for oil-based lubricants,
grease, antifreeze, engine additives and other fluids
typically used in transportation and mechanical applications*

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Appendix A – [Draft \(Dec. 2, 2024\) Colorado Coordination Agreement](#)

Appendix B – [Advisory Board Feedback – November 13 and November 25, 2024](#)

Appendix C – [Applicable Products List \(at December 15, 2024\)](#)

1. Introduction

The Colorado [Producer Responsibility for Recycling Packaging and Paper Act-HB22-1355](#) (the Act) was enacted in 2022. The program is structured to provide convenient recycling access to all Coloradans with no added cost to consumers or local governments.

Effective July 1, 2025, a producer may not sell or distribute any products that use packaging materials and paper products (the Covered Materials) in the state unless the producer is participating in a program plan approved by the Executive Director of the Colorado Department of Public Health and Environment (CDPHE).

The Producer Responsibility Program for Statewide Recycling will provide recycling services to residences, public places, small businesses, schools, hospitality locations, and state and local government buildings (the Covered Entities). It will be funded by annual Producer Responsibility Dues (PRDs) paid by producers of products that place the Covered Materials on the market in Colorado. The program will initially only ensure recycling services for residential Covered Entities, with a requirement to expand services to applicable non-residential Covered Entities by 2028, as identified in a Needs Assessment conducted by Circular Action Alliance (CAA).

The Act created the Producer Responsibility Advisory Board which consists of members with expertise in recycling programs and knowledge of recycling services in the different geographic regions of the state. The board will review plan proposals and make approval recommendations to the CDPHE. Plans must identify how statewide material collection (including convenience standards), material recycling, and program funding (including dues with eco-modulated factors) will be achieved in accordance with the Act's requirements.

In June 2024, the Lubricants Packaging Management Association powered by Interchange 360 (LPMA) notified the CDPHE of its intent to file an Individual Program Plan for Producer Responsibility (IPP) for purposes of providing extended producer responsibility (EPR) compliance services and circular material management support to its obligated Producer Members.

LPMA is submitting this IPP to the Advisory Board for the proposed management of Colorado's packaging for oil-based lubricants, grease, antifreeze, engine additives, and other fluids typically used in transportation and mechanical applications. The IPP describes how LPMA's Producer Members will comply with their obligations as producers under Part 7 of the Act. A draft [Coordination Agreement](#) has been developed by LPMA and CAA, the producer responsibility organization (PRO) designated by the department to administer the statewide program.

This IPP proposal was prepared for submission to the Advisory Board by January 1, 2025. The final plan approved by the CDPHE is intended to cover a period of five years commencing six months after the approval date. As an alternative to participating in CAA's more comprehensive

recycling program in Colorado, LPMA is required to notify the department of its intent to submit an updated IPP proposal to the Advisory Board by each January 1 following the 2025 submission. The updated proposals will address both residential and any applicable non-residential Covered Entities at the time.

2. LPMA Directive and Governance

As a 501(c) nonprofit organization, the directive of LPMA is to provide producers of petroleum and automotive products with sustainable, transparent, and cost-effective support for their EPR compliance needs and circular economy objectives.

LPMA was founded by five leading petroleum companies—BP Lubricants USA, Inc. (Castrol), Chevron U.S.A. Inc., ExxonMobil Oil Corporation, Pennzoil-Quaker State d/b/a SOPUS Products (Shell) and VGP Holdings LLC (Valvoline)—in response to the passage of EPR laws in several states. LPMA is managed by a multi-stakeholder [Board of Directors](#) with representation from a variety of sectors, and supported by the CEO and management team using a model focused on ensuring compliance.

LPMA may use the Interchange brand for public facing uses. Interchange (BCUOMA) has operated an EPR program in British Columbia, Canada (population 5.5M) for used oil, oil filters and used oil containers since 2003 and for antifreeze since 2011. The model proposed for Colorado is similar to the BC program, where the average annual collection and recycling rate of used containers is over 90%. The annual recycling rates for all products included in the BC program are published in Interchange Recycling’s [Annual Reports](#).

Further information about LPMA is available on the [LPMA website](#).

3. Materials Covered by IPP

This IPP covers packaging for the uses summarized below. A more comprehensive list was developed in coordination with CAA as the first part of the [Coordination Agreement](#) and the current version, as at this amended IPP submission, is included in [Appendix C](#).

The packaging may be plastic (HDPE, non-HDPE, multi-layer), metal (including aerosol containers) or other materials, and is hereafter referred to as “Automotive Containers”.

- Lubricating oil
- Antifreeze
- Diesel exhaust fluid (DEF)
- Windshield washer fluid
- Brake fluid
- Sealers
- Conditioners
- Boosters
- Solvents
- Degreasers

- Lubricants
- Stabilizers
- Fuel system cleaners

Excluded: Products used to clean or maintain the interior or exterior surfaces of an automobile (e.g., car wax and upholstery shampoo)

The CAA Needs Assessment confirmed that contamination of packaging is a major operational issue for processors and end markets. To prevent contamination and environmental risks, Automotive Containers should not be collected along with other consumer goods packaging in a curbside collection system. This IPP provides for an alternative approach utilizing a state-wide depot-based collection system that will maximize diversion of Automotive Containers and reduce contamination or other environmental risks.

Given that Automotive Containers would be managed independently of other Covered Materials in the system, no impacts on these other types of packaging are expected.

4. Stakeholder Engagement

a) Producer Engagement during IPP development

To inform producers about LPMA and encourage early registration, targeted outreach was conducted throughout the IPP development process.

LPMA held two information webinars (November 6, 2024 and February 25, 2025) for Colorado producers. The webinars covered topics such as key data points needed for EPR compliance, how to navigate the reporting process effectively, an overview of LPMA, updates on the registration process, and details of the Colorado program. The sessions also included Q&A opportunities. [Replays](#) of both webinars and copies of the presentation decks are posted on the LPMA website. Additional producer webinars are planned following the plan submission, with the next one scheduled for June 10, 2025.

To ensure producers were aware of the webinars, LPMA sent direct email invitations to a comprehensive list of petroleum and automotive industry organizations. The invitation was also shared publicly on LinkedIn and distributed to members of the Independent Lubricant Manufacturers Association (ILMA) through both email and social media posts.

Much of LPMA's producer outreach has focused on ILMA members, who represent the largest share of independent lubricant manufacturers. Partnering with ILMA allowed LPMA to avoid cold outreach and engage producers already active in the space. LPMA representatives spoke at multiple industry events to introduce EPR, explain LPMA's mission, and invite members to get involved. These sessions led to several in-person conversations and follow-up meetings.

In addition, LPMA engaged companies from its broader network, including those affiliated with the National Lubricant Container Recycling Coalition (NLCRC). Altogether, the outreach channels included direct emails, ILMA event participation, one-on-one remote meetings, and public LinkedIn posts through NLCRC, ILMA, and LPMA accounts.

Outreach to non-members will continue through the program implementation, as discussed in [Producer Compliance](#).

b) Additional Stakeholder Engagement during IPP development

To prepare this IPP proposal, LPMA conducted surveys of Colorado service providers on the existing system including the volumes of used Automotive Containers currently collected. The feedback was intended to supplement the information on Automotive Containers gathered through the CAA Needs Assessment.

Fourteen key stakeholders participated, including local governments providing material collection, retailers, and household hazardous waste (HHW) transporters and collectors. The survey provided good insight on how used motor oil is currently collected and managed in the state, including collection sites and events, as well as the frequency of pick up from collection sites. The survey asked additional questions to quantify the current collection and management volume and cost, however additional follow up is needed to better quantify state estimates.

The survey also served to provide a baseline on the lack of recycling of Automotive Containers and there was high interest and engagement from key stakeholders.

In addition to the stakeholder survey, LPMA engaged in direct outreach to several local government HHW collection providers, as well as service providers to introduce the program concept, build connections, and plan for program implementation.

LPMA also delivered presentations to the Advisory Board on each of November 13 (IPP overview) and November 25, 2024 (IPP details) with the opportunity to provide feedback or ask questions. The comments received from the board, included in [Appendix B](#), assisted in informing the content of this proposal. In addition, LPMA attended several scheduled Advisory Board meetings and technical sessions which helped to clarify or interpret the Act's requirements. The Board's assessment of the Act to develop a reference with the requirements that specifically apply to an IPP served as key input to the LPMA plan.

LPMA will provide the opportunity for additional stakeholder input in 2025 during the program plan implementation.

c) Ongoing Engagement

As part of its ongoing operations, LPMA is committed to engaging with and being accessible to its program stakeholders, which will occur in a variety of ways. LPMA will:

- Provide the opportunity for Colorado’s consumers, service providers and other stakeholders to bring forward questions or concerns to LPMA at any time by direct telephone or email, based on contact information to be published on the [LPMA website](#).
- Survey the Colorado public for feedback on awareness of the LPMA program annually.
- Hold quarterly partnership meetings with program service providers, including collectors and processors, to assist in keeping current on any challenges to program operations.
- Hold quarterly partnership meetings with other programs and local governments that manage the regulated products to coordinate efficient program operations.
- Deliver monthly communication to LPMA’s Producer Members via enewsletter to provide updates on key program or producer obligation and compliance matters.
- Conduct targeted stakeholder consultations/surveys/webinars on specific program topics as needed.
- Support dialogue between LPMA’s Producer Members and the director who represents the member on LPMA’s Board of Directors, allowing any member concerns to be conveyed to the board and staff.
- Utilize LinkedIn to reach trade associations that represent the covered producers.
- Monitor for scheduled Colorado and external conferences or events and attend those where LPMA’s participation would be beneficial.

LPMA is also proposing a comprehensive education and outreach program, as detailed in [section 13](#).

5. Performance Targets

a) Containers Available for Collection

To estimate the amount of material available to collect, LPMA seeks to identify and use the best available information which will be gathered from its Producer Members, service providers and, where needed, qualified external consultants. For purposes of this IPP, it is assumed that all Automotive Containers sold into the Colorado marketplace are available for collection.

As input to the IPP, LPMA engaged with existing Colorado service providers on the historical volumes of Automotive Containers currently collected by programs in the state. While there appears to be a robust system of both permanent collection sites and community collection events for collecting and managing residual product, any containers collected are generally diverted to landfill.

b) Collection and Recycling Targets

LPMA’s overall goal for Automotive Container collection and recycling is year-over-year improvement, as demonstrated by the specific minimum targets in the table below. LPMA’s emphasis on delivering a robust consumer [awareness and education program](#) in coordination with other recycling initiatives will increase knowledge of the proper disposal methods and improve annual material collection and recycling performance through both 2030 and 2035.

Automotive Containers	Calendar Year									
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Target Collection Rate	+	+	+	+	44%	+	+	+	+	58%
Target Recycling Rate	+	+	+	+	35%	+	+	+	+	50%

Performance against targets will be reported in LPMA’s [Annual Reports](#), with further data available by both the [included product categories](#) and the material types.

c) Post-Consumer Recycled Content Targets and Verification

LPMA recognizes the need to support and report on Post-Consumer Recycled (PCR) content. LPMA will promote PCR content through eco-modulated PRDs ([section 9\(a\)](#)), with the goal of achieving the cross-producer rates for rigid plastic as shown below, and increasing the baseline rates for the other materials by the minimum amounts identified.

To establish baselines, LPMA will gather data on PCR content usage by its Producer Members in the first two years of program delivery. No types of Automotive Containers will require PCR content waivers.

Material Type	PCR by 2030	PCR by 2035
Plastic – Rigid	23.5%	30%
Plastic – Flexible	Baseline + 1%	Additional 1%
Metal	Baseline + 2%	Additional 5%
Cardboard/Fiber	Baseline + 5%	Additional 5%

Plastic – Rigid

LPMA’s targets are adapted from recommendations for Colorado made by the Packaging Design Working Group of the NLCRC, comprising industry producers and value chain members. After thorough review, the group determined that incorporating PCR is the most effective strategy to achieve eco-modulation in packaging. For Colorado, the NLCRC recommended a phased

approach to PCR targets for the transportation and industrial applications lubricant industry, ensuring a gradual increase in recycled content while allowing time for industry adaptation, testing, and supply chain development. Given the technical challenges and required investments associated with using higher PCR levels in HDPE containers, their proposed targets are designed to drive progress while remaining achievable within the industry. NLCRC's specific target recommendations were 2025 - 15%, 2028 - 20%, 2031- 25%, 2035 - 30%. LPMA has adjusted NLCRC's 2031 target to represent the target that would be applicable for 2030.

While some states have enacted legislation mandating up to 50% recycled content by the mid-2030s, these targets are primarily achievable for PET materials. HDPE, predominantly used in packaging for petroleum-based and related products as well as cleaning products, presents unique challenges at higher recycled content levels due to product compatibility and the type of PCR used (natural or mixed color). Industry experience has shown that 25% recycled content is achievable at scale. However, as collection of HDPE containers is expanded through EPR programs, more time is needed to scale collection and processing capabilities. Although recycling these containers into new ones is feasible, further testing and broader implementation are required.

Verification

LPMA's data gathering will include the PCR content calculation methods currently employed by Producer Members. LPMA will assess those methods against the generally accepted chain of custody options. Any of the approaches below, as defined in the US Plastic Pact Principles, will be recognized by LPMA and are subject to further refinement.

1. Segregated (defined in section 5.3.2. of ISO 22 095)
2. Controlled blending (defined in section 5.4.1. of ISO 22 095)
3. Mass balance rolling average (defined in section 5.4.2.2.1. of ISO 22 095)
4. Mass balance credit method (defined in section 5.4.2.2.2. of ISO 22 095)

Fuel exclusion: The portion of recycled feedstock used for fuel production will not be considered recycled material and will be removed from a mass balance calculation.

The PCR content reported by Producer Members must be independently verified by an [Association of Plastic Recyclers](#) (APR) accredited body.

Through its ongoing communication with Producer Members on obligation and compliance matters, LPMA will ensure that members interested in working to achieve the minimum PCR content targets are aware of the Registered Processors from which PCR material feedstock can be purchased at market prices, as well as resources such as the [APR Buyers & Sellers Directory](#). In addition to eco-modulation, LPMA is assessing additional approaches to promote PCR use by its members.

LPMA will also work with service providers in seeking opportunities to identify end markets that can return PCR materials to their original use, provided those materials meet other laws impacting the automotive product packaging.

d) Reuse/Refill Targets

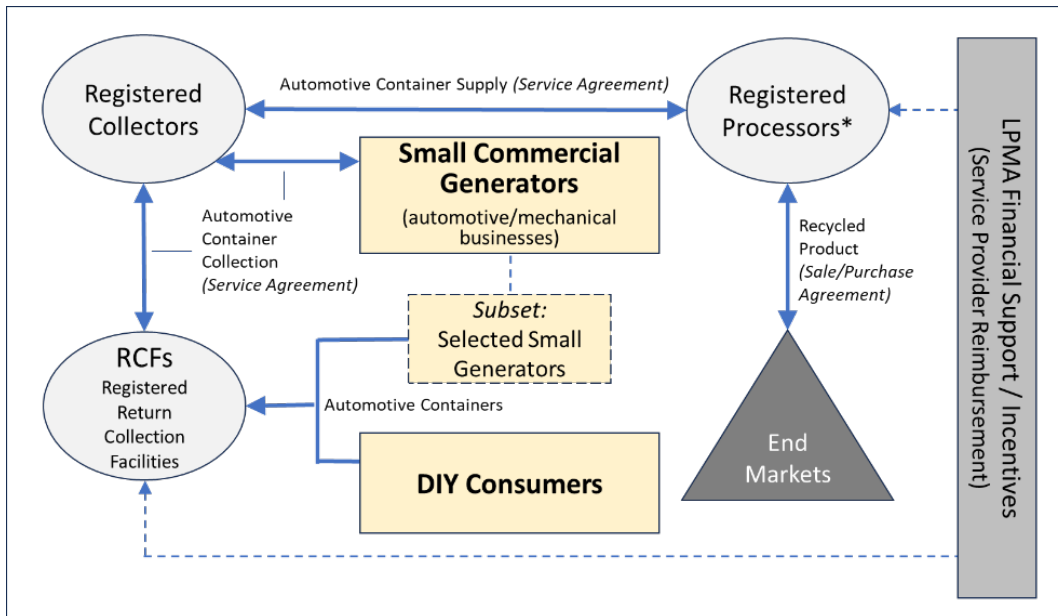
In 2026, LPMA will begin to track Producer Member efforts and progress on reusable and refillable packaging for target-setting purposes. As automotive oils, windshield wiper fluids and cleaners are hazardous products, they require additional safety measures to store, refill and reuse and can present challenges not associated with most products. A comparable example is propane tanks, which cannot be refilled in-store. Some oil producers have, however, begun to investigate packaging and marketing options to accommodate reuse/refill, and LPMA will maintain a global watch on emerging innovation to support and advance the efforts of its Producer Members.

In 2026, LPMA will also begin to collect reuse/refill data from Producer Members for purposes of progress-reporting in the annual report. Once a baseline is established, and prior to the end of the current IPP term, LPMA will set specific targets that demonstrate ongoing performance improvement. At that time, LPMA's system to promote increased reuse/refill will also be implemented, potentially through eco-modulated PRDs and/or other incentives.

6. LPMA Alternative Collection Program

In accordance with the Act, the LPMA collection program will provide do-it-yourself (DIY) consumers and small Commercial Generators access to collection services.

The diagram below depicts the overall LPMA collection model and is followed by descriptions of its components. (LPMA's financial support/incentive program for service providers, also depicted in the diagram, is detailed in [section 11](#).)



a) Collection Model

Collection facilities, collectors and processors must register with LPMA before they are eligible to participate in the program. Registrants must manage materials in accordance with the law and meet LMPA program plan and contractual requirements.

LPMA's approach to paying the cost of material collection and management is discussed in [section 11](#).

Return Collection Facilities

Public Return Collection Facilities (RCFs) will be available for Automotive Container drop-offs by **DIY Consumers**. Consumers who change their own oil or antifreeze generally represent a lower percentage of the overall generation of used Automotive Containers than the commercial, industrial and institutional generators.

Some smaller Commercial Generators with low quantities of containers may also use RCFs, should they prefer this option over the Commercial Collection system (discussed next in this section). Usage of RCFs by these small Commercial Generators will, however, be subject to the capacity of individual RCFs, which should be confirmed in advance of the drop-offs. Small Commercial Generators may include businesses such as service stations, mechanic shops, quick lube shops, and auto dealerships.

Prospective RCFs must submit a LPMA Registration Form for review and approval. RCFs can be privately operated multi-material depots (bottle depots), local government operated recycling and landfill sites, eco depots, retail sites or other businesses. Colorado's existing service providers, HHW facilities, and solid waste facilities that accept a variety of products

for recycling will be actively encouraged by LPMA to request registration with the program. The RCF selection process will be open, fair and competitive while aligning with the LPMA [service standard](#) committed for Colorado. The form and review process will be similar to those used by Interchange Recycling in BC and as planned for Interchange Yukon. Details for the BC program are provided in the [BC RCF manual and related registration form](#).

Once the RCF locations are finalized, the [LPMA website](#) will include a search tool for consumers to locate their nearest free drop-off facility. Each RCF will be required to accept all formats and sizes of the included Automotive Containers. Materials dropped at RCFs will be picked up regularly by **Registered Collectors** based on agreements between the two parties.

RCFs will provide dedicated storage areas for Automotive Containers (stored by material type) to reduce the risk of contamination from or to other materials that may be collected at the site. The containers may be sorted (e.g., oil, antifreeze, others) and transported directly to Registered Processors, depending on the logistical requirements of the chosen transport provider.

An instruction manual for RCF staff, similar to the [manual developed by Interchange Recycling in BC](#), will be provided to all Colorado RCF operators. The Colorado manual will include the mechanism for reporting to LPMA on contamination events for follow-up by LPMA and annual reporting to the CDPHE. In the case of frequent or ongoing contamination events, LPMA will assess the facility for any non-compliance with storage/process standards, and work with the site to bring them into compliance. The RCF training will include monitoring for and segregating containers where significant residual product remains. Any residual oils received will be collected and redirected for recycling.

Commercial Collection

Commercial Generators are non program-registered businesses that regularly handle Automotive Containers (and other used oil products) as part of their commercial or industrial operations, or from the maintenance of vehicles and equipment. As public RCFs have limited storage capacity, they are not intended for drop-offs by any Commercial Generators with quantities markedly higher than a DIY consumer. Instead, these generators will be directed to choose the Registered Collector(s) with which they want to make direct pick-up service arrangements. The resulting collection agreements between the two parties ensure ongoing material access and diversion, often outlining the collection frequency, collection requirements, storage requirements and any payments or charges. While these agreements are between the generator and the collector and do not involve LPMA, the Registered Collectors making the pick-ups and the Registered Processors receiving the materials are [compensated](#) by LPMA based on the generator's location and the collected volumes.

The commercial collection system provides the cleanest material and leads to the best environmental outcome for that material. In a commercial setting, the Automotive Containers can be stored and kept clean and free of contaminants, which significantly improves recyclability. As with the public RCFs, the containers at Commercial Generator sites may be pre-sorted and then transported directly to Registered Processors.

Expansion to other Covered Entities by 2028 – Large Commercial Generators, Industrial, Institutional

The LPMA model for Small Commercial Generators as described in this IPP is readily expandable to larger commercial generators as well as industrial and institutional consumers prior to 2028. The participation of existing service providers (RCFs, Registered Collectors and Registered Processors) will not be impacted by the expansion.

With the expansion, no changes would be required to the collection options available to the Small Commercial Generators already accessing the program. However, given their higher volumes of Automotive Containers generated, large Commercial Generators and industrial/institutional consumers would be expected to use only the Commercial Collection system whereby the containers are picked-up directly from their locations by Registered Collectors. This system will already be in place, as will the related Registered Collector compensation mechanism.

As the required program infrastructure will exist before the expansion, approximately six months' lead time would be sufficient to include the larger generators. This would allow LPMA to deliver education and awareness initiatives for both the collectors and the added generators, and to ensure that the necessary collector and processor capacity will be in place. LPMA proposes the expansion to take effect on September 1, 2027.

Registered Collectors are required to ship the Automotive Containers collected from both RCFs and Commercial Generators to a **Registered Processor** for an LPMA-approved end use, based on supply agreements between the parties.

Prospective collectors and processors must submit a Registration Form for review and approval by LPMA. The service provider selection will be an open, fair and competitive process similar to that used by Interchange Recycling in BC and as planned for Interchange Yukon. Registration details for BC are provided in the [BC collector and processor manual and related registration form](#). Specific documents must be submitted with the registration application, including an initial Letter of Regulatory Compliance (discussed below), scale calibration certificates and, specific to any producers of plastic shredded flake, an end-fate confirmation letter.

As Automotive Containers often contain a certain amount of used oil or antifreeze, measures are required to ensure that proper equipment and vehicles are used for their transport. As a result, it

is important that any Registered Collectors and Processors handling this packaging are doing so in compliance with the required environmental standards. LPMA requires that, as a condition of registration and every two years thereafter, each collector and processor engage an independent third-party qualified professional to conduct an environmental audit of their operations and state in a Letter of Regulatory Compliance that the operation is in substantial compliance with all applicable state and federal environmental legislation and regulations. In addition, upon registration and every two years thereafter, they must submit to LPMA their Certificate of Good Standing for the business registration with the Colorado Secretary of State. LPMA will not approve/retain the registration of a collector or processor unless both conditions are met.

b) Other Collection

LPMA will assist with other Colorado initiatives that advance Automotive Container collection and/or program awareness.

Community Collection Events

LPMA will provide financial support for community collection events operated by local governments, tribal nations and community groups. These are often multi-material events that are supported by other recycling programs and provide residents with an opportunity to recycle a variety of products at the same location.

The funding for these collection events will be similar to the [Round Up Event Grant](#) offered by Interchange Recycling in BC. The grant offered in Colorado will represent 100% of LPMA's estimated share of the costs for its material types or a minimum of \$1,500 (plus the transport and processing incentives paid to the collector/processor), as calculated on an event-by-event basis and negotiated with the event organizer. Organizations will be invited to apply for the grant, which is offered with the goal to help increase the number of free collection services available to residents across Colorado.

These events are geared to communities that are interested in having an event in place of a facility, or as a consumer awareness initiative in communities that already meet LPMA's Service Standard ([section 7](#)).

Working with the Curbside System

LPMA will work with other programs to ensure collection and management of any Automotive Containers inappropriately discarded by consumers at residential premises into the curbside system. However, the preference will be that consumers are directed to bring this packaging to a RCF or Community Collection Event to reduce contamination risks.

7. Collection Service Accessibility (Convenience Standards)

Any Covered Entities in Colorado with access to recycling services on December 31, 2022 (Act section 25-17-706c(3)(c)) will continue to have comparable access through the LPMA program. These Covered Entities include all single-family or multifamily residences, the non-residential locations identified in this plan (such as small Commercial Generators) and tribal nations. Based on LPMA's Service Standard (defined below), the aim will be to increase accessibility and service levels over the lifespan of the IPP, while still operating a cost-effective program.

a) Service Standard

Following is the LPMA methodology for determining the service for each Colorado community. The standard is intended as a guide and more customized approaches may be required to achieve the best collection solution for individual communities or groups of communities.

Distribution Criterion: Provide 90% of the state's residents access to a permanent (e.g., year-round) drop-off site within 15 miles (otherwise, a collection event).

Density Criterion: For Urban Areas with more than 50,000 residents, provide one additional permanent drop-off site for every 30,000 residents of an Urban Area.

Population counts are based on United States Census Bureau data, as updated annually. The Bureau defines "Urban Area" as a statistical geographic entity consisting of a densely settled core created from census blocks and contiguous qualifying territory that together have at least 2,000 housing units or 5,000 persons.

Tribal Nation Inclusion: LPMA will work directly with all Tribes to understand their needs specific to Automotive Container collection, and to develop the appropriate LPMA services for each Tribe.

LPMA will leverage the Colorado [enviro-screen tool](#) to help ensure the program is targeting the communities in most need of services.

b) Access to Facilities

As part of the planned depot search tool on the [LPMA website](#), LPMA will provide the location and operation hours of the RCFs that accept Automotive Containers.

8. Processing and Responsible End Markets

LPMA requires Registered Collectors to ship Automotive Containers to Registered Processors that are an LPMA-approved responsible end market. LPMA processors provide mechanical recycling of the end of life materials, which differs from Colorado's Material Recovery Facilities (MRFs) that focus on advance sorting of comingled recycling materials.

Registered Processors must ensure that materials are managed in a way that benefits the environment, minimizes risks to public health and worker health and safety, and is in compliance with environmental requirements. To that end, every two years, LPMA requires that these registrants engage an independent third-party qualified professional to conduct an overall [environmental audit](#) of their operations.

All processed containers will be sold as raw material commodities to manufacturers of new plastic and metal products. At the program onset, the containers will be shipped out of state or country, as close to the generation source as possible, until other market options are developed to serve Colorado and the surrounding states.

LPMA Registered Processors are facilities that:

- Shred the plastic containers, remove the oil and antifreeze from the plastic, and pelletize it into reusable plastic resin;
- Shred the plastic containers, remove the oil and antifreeze from the plastic, and create “shredded flake”; or
- Smelt the metal containers for processing into recycled steel.

For bag-in-box packaging, the box will be directed for fiber recycling and the lightweight bladder bag will be sent to molecular recycling or landfill. As these bags contain nylon, there is currently not a feasible mechanical recycling option at end of use.

Once the program is operational, LPMA will work with service providers to identify opportunities to invest in the development of closer-to-home markets for the collected materials. Currently, there are no markets for Automotive Containers within Colorado or the immediately surrounding states. To be recycled, these containers must be cleaned to remove the residue, which can be expensive and energy intensive.

Reporting on the end markets of all Automotive Containers collected will be provided in LPMA’s Annual Reports and on its website. LPMA’s reporting reflects that Registered Processors receiving compensation from the program are required to demonstrate independently verified, responsible end markets which are subject to LPMA desk, field and compliance reviews. Upon the CDPHE’s request, LPMA will also be required to conduct [Material Tracking Audits](#).

9. Funding Mechanism and Producer Members

The program will be funded by Producer Responsibility Dues (PRDs) payable to LPMA by its Producer Members on the sale or commercial use of new materials in Colorado. Each Producer Member will determine if/how it will recover the PRDs, noting that consumers will not be charged at the point of sale to recoup costs. Once producers are registered and reporting, LPMA commits to assessing a de minimis level in which no dues are charged and an optional flat rate

for producers below a certain size to minimize the administrative and reporting costs of the producers and LPMA.

The PRDs will be structured to reflect the complexity and cost to manage each type of Automotive Container. PRDs will be reviewed annually and following input from the Producer Members, updated to reflect any changes to program costs, including costs incurred to recycle the materials, or modifications to the program plan.

The preliminary schedule of dues is designed to be simple, but these dues will change as eco-modulation and other cost factors are incorporated. The current dues schedule applicable to Colorado Producers, by product format, is published on the [LPMA website](#). Initially set at \$0.56 per gallon, the range of dues based on product management cost is expected be +/- 25% from the initial amount.

The total PRDs collected will not exceed the direct and indirect costs for:

- Providing Recycling Services (Act section 17-703(40));
- Meeting reporting requirements;
- Auditing and verification;
- Conducting LPMA needs assessments (through supplier surveys);
- Developing and updating the IPP;
- Implementing education and outreach; and
- Contributing to the costs of the department in overseeing the program, including administration, implementation, and enforcement.

LPMA's share of the CDPHE oversight costs to be paid to the department by LPMA will be based on a cost allocation proposal made to the state by LPMA and CAA (targeted for spring 2025). LPMA proposes that the department review the cost allocation methodology every three years following the IPP approval date to ensure that these costs are reasonable, and the allocation is fair. Details will be provided in the LPMA/CAA Coordination Agreement.

At the request of its Producer Members, LPMA may also implement special assessments, payable by the producers, to support improvements to the collection and recycling of Automotive Containers.

The administrative costs of the program will be established by the LPMA Board and borne by the Producer Members. Over the term of the program, LPMA's administrative costs will be limited to a maximum of 5% of the PRDs.

LPMA will also maintain a financial reserve sufficient to operate the program in a fiscally prudent and responsible manner. The reserve will be a minimum of three months' operating costs and a maximum of six months' operating costs. Any surplus funds generated by the

program will be placed back into the program for program improvements or a reduction in PRDs.

Should LPMA cease to exist or cease to administer the Automotive Container program, any PRDs that have not been used to implement the program will be transferred to another organization designated by the CDPHE to administer the program, or to a fund to be managed by the department until transferred to another designated organization.

a) Eco-Modulation

By January 1, 2026 and each year thereafter, the CDPHE shall develop an eco-modulation bonus schedule designed to reduce the PRDs of producers that meet certain benchmarks established by the executive director by rule. The CDPHE will consult with LPMA and the Advisory Board in developing the bonus schedule, and LPMA will reduce the PRDs in accordance with that schedule. The eco-modulated dues are estimated to range by +/- 25% from the product management cost-based dues, and will be adjusted as needed to meet the product performance target.

Below are both the bonus and malus eco-modulation factors applicable to an IPP as confirmed to LPMA by the Advisory Board. As required by the Act, eco-modulation will begin on the first year of the program (2026).

1. Incentives (bonus)	2. Disincentives (malus)
a) <i>Reductions in the amount of packaging materials used for products</i>	a) <i>Designs and practices that increase the costs of recycling, reusing, or composting Covered Materials</i>
b) <i>Innovations and practices to enhance the recyclability or commodity value of Covered Materials</i>	b) <i>Designs and practices that disrupt the recycling of other materials</i>
c) <i>High levels of post-consumer recycled material use</i>	
d) <i>Designs for the reuse and refill of Covered Materials</i>	
e) <i>High recycling and refill rates of Covered Materials</i>	

Following is LPMA’s preliminary assessment of the application of eco-modulation factors for Automotive Containers. All factors implemented by LPMA will be applied after the base dues have been calculated.

- **High levels of PCR content use – 1(c)**
 - Good candidate for LPMA bonus for using high levels of PCR materials
 - This factor is verifiable, measurable and applicable
 - Further information is provided in [5\(c\), Post-Consumer Recycled Content Targets and Verification](#)
 - PCR requirements would vary depending on the material
 - Would be specific to producer packaging and product design choices within a material category
 - Factor potentially based on weight or a threshold percentage of PCR content for the material
- **Reduction in amount of packaging materials – 1(a)**
 - Potential candidate for LPMA bonus for reductions in the amount of packaging materials used for products
 - Would be specific to producer packaging and product design choices within a material category
 - Incentive would be granted following a verification process in which eligible producers submit additional data to substantiate their claims on the stated performance of their selected packaging, and to ensure risks and fraudulent claims are minimized
 - Factor potentially based on number of components, or product/package ratio, or average unit weight
- **High recycling and refill rates – 1(e)**
 - Potential candidate for LPMA bonus for high recycling rates
 - Would be applied at the material reporting category as an adjustment to base dues
 - Would decrease dues for all producers supplying like packaging
 - Factor potentially based on \$/weight or as a percentage of the payable base dues
- **Designs/practices that increase recycling costs – 2(a)**
 - Potential candidate for LPMA malus for designs and practices that increase the costs of recycling or reusing Covered Materials
 - Would be applied at the material reporting category as an adjustment to base dues
 - Factor potentially based on \$/weight or as a percentage of the payable base dues
- **Designs for reuse and refill – 1(d)**
 - Potential candidate for eco-modulation prior to the end of the IPP term
 - Further information is provided in [5\(d\), Reuse/Refill targets](#)
- **Innovations/practices to enhance recyclability or commodity value – 1(b)**
 - Potential candidate for eco-modulation prior to the end of the IPP term

- **Designs/practices that disrupt recycling of other materials (2b)**
 - Poor candidate for Automotive Containers

LPMA has recognized that incentivizing one variable may inadvertently impact another, e.g., a reduction in packaging could lead to less recyclable packaging, which makes a well-established plan important. As such, LPMA will engage subject matter experts to assess the eco-modulation factors for Automotive Containers, recommend on the material categories, and advise on bonus and malus thresholds. Industry design guidelines will also be taken into consideration.

LPMA's work plan includes the following steps:

- Collect baseline data in year one (2026).
 - Data includes current PCR use, progress on reuse/refill and other packaging reduction, and existing material recyclability initiatives;
- Assess the potential shift in packaging by weighting different factors;
- Establish eco-modulated incentives/disincentives;
- Within 6 months of the baseline year, adjust the PRDs;
- In the ensuing period, develop materials for producers to incent reduction, reuse/refill, recyclability, and the applicable factors;
- Deliver promotion and education to producers to encourage design changes; and
- Apply the year one data to refine the approaches for 2027 and forward.

10. Producer Compliance

LPMA's required Participation Agreement for producers is available on the [LPMA website](#) and includes producer obligations for participation in the program. LPMA may terminate an agreement immediately if the producer ceases to carry on business or fails to comply with LPMA's rules, policies or the terms of the agreement.

LPMA will specifically monitor individual Producer Member compliance with their obligations under Part 7 of the Act. Should a producer be non-compliant with the Act or any LPMA participation terms, they will be notified of their non-compliance and LPMA will work with them to resolve the issue in a timely manner. If resolution cannot be reached within a reasonable timeframe, LPMA will notify the CDPHE of the unresolved non-compliance and may temporarily suspend the producer's registration. LPMA will arrange meetings with CDPHE on an as-needed basis to discuss the appropriate actions on any unresolved compliance matters.

Each Producer Member is required to report on and submit PRDs monthly on the prescribed LPMA [remittance form](#). The form captures data by product type/size and facilitates ongoing

reporting on the quantities of Automotive Containers containing PCR materials. Data submitted in the producers' monthly reports is subject to periodic audits by LPMA.

As with [producer outreach during the IPP development](#) period, LPMA will continue to proactively reach out to any non-members to ensure they are aware of and understand producer obligations under the Act, where to find further information, and how to become compliant if they are obligated. As with Producer Members, LPMA will work with any obligated non-members to bring them into compliance, and to notify the CDPHE if this cannot be achieved in a timely basis. LPMA's annual report to the Advisory Board will identify any non-compliant producers.

A current list of registered producers will be maintained on the LPMA website. LPMA will also regularly and separately inform the CDPHE of additional registrants.

11. Service Provider Reimbursement (Financial Support/Incentives)

LPMA's depot and commercial-based collection system for Automotive Containers requires a compensation approach that differs from the reimbursement approach for curbside collection. LPMA will pay the cost of material collection and management by providing financial support or incentives to the marketplace to drive desired results. LPMA will demonstrate independently verified, responsible end markets associated with the incentives it pays under the program.

Participants will continue/have the ability to market the material, provided they meet program standards, thereby supporting a competitive marketplace. LMPA payments will remain competitive to ensure high levels of program participation to meet program performance targets.

Return Collection Facilities

As shown in the [diagram in section 6](#), direct support will be offered to RCFs by LPMA. This support is in the form of **Infrastructure Grants** as well as marketing support such as signage and social media posts. As noted earlier, RCFs can be retailers, depots, local governments, HHW facilities, or other businesses that choose to enter into an agreement with LPMA and to separately enter into a service agreement with a Registered Collector(s).

The grants will be fully funded by PRDs to support improved facility standards such as storage shelters and containment materials, with the amounts based on individual RCF needs. Applications for Infrastructure Grants outlining the facility's proposed expenses will be accepted upon the Colorado program's launch, using processes and forms similar to those applied by Interchange Recycling in BC ([BC Infrastructure Grant manual and related application form](#)), and as planned for Interchange Yukon.

To be eligible for the grant, applicants must have an approved RCF registration from LPMA, must agree to act in accordance with the program’s instruction manual for RCF operators, and must comply with the terms and conditions identified in the grant manual and application form. Applications will be evaluated based on:

- Organization type including quality, efficiency and stability of the organization;
- Recycling services including products being accepted and breadth of services;
- Hours of operation that the RCF is open to the public; and
- Current level of service in the area and the anticipated benefit that new infrastructure would have on the service level standard.

As the needs of the specific community are an important factor in LPMA’s evaluation, an RCF may be eligible for more than one grant. Approved applicants will receive payment from LPMA for the authorized expense items following submission of an invoice to LPMA within 60 days of their delivery.

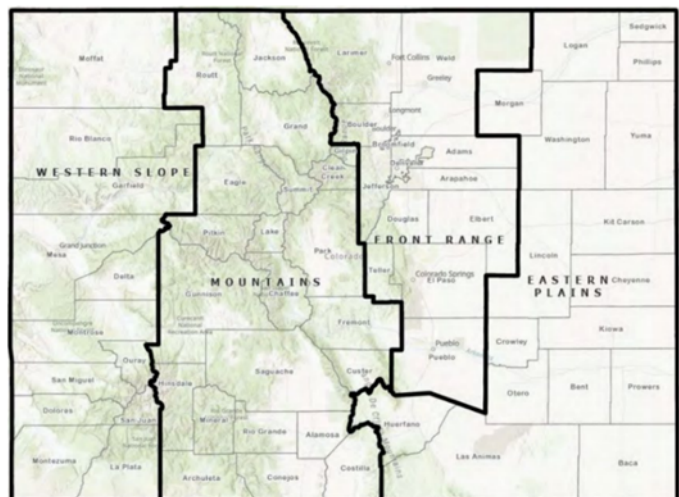
Expansion of RCF compensation – 2026:

Within the first six months of program operation LPMA will assess, and implement assuming the need is confirmed, a RCF incentive which would be offered based on container weight. This would be provided by LPMA directly to the RCF operator to offset site operating costs in return for receiving used Automotive Containers at no cost to consumers.

Registered Collectors and Processors

LPMA provides a **Return Incentive (RI)** to Registered Collectors and Processors based on the material weight (lbs) multiplied by the rate assigned to the **collection zone** in the state where the materials are sourced. As shown in the [diagram in section 6](#), the RI is paid directly to Registered Processors, who in turn compensate their collectors for the materials they source from RCFs and/or Commercial Generators. Rates will be set at levels that will incentivize program participation and the cadence for revisiting them.

For incentive and reporting purposes, each of Colorado’s four regions will be designated as a collection zone – Western Slope, Mountains, Front Range and Eastern Plains. This division will be assessed over time as more is learned about service providers in Colorado. The variable RIs support economic and efficient collection of Automotive Containers across the state by offsetting the costs of collecting and



processing the materials at registered processing facilities.

RI claims provide regular reporting to LPMA on the volumes of containers collected by the Registered Collectors and processed by the Registered Processors.

a) Compensation Methodology

The four cost/revenue components included in LPMA’s proposed methodology are described below. The methodology identifies the cost elements specifically considered and the types of support or financial incentives provided to ensure that program accessibility and collection objectives are met.

Cost/ Revenue Component	Cost/ Revenue Elements Considered	Support/Incentives Provided by LPMA for	
		Commercial Collection	RCF Consumer Collection
Generator Site Costs	Labor Space Equipment Materials Other	No incentive provided by LPMA—these costs are considered to be a cost of business for all commercial operators who derive used Automotive Containers as a by-product of their normal business operations	Infrastructure grants are available to RCF operators to support improved facility standards for the RCF operators and collectors, and to allow RCFs to store containers safely and in economic quantities (See expanded compensation planned for 2026)
Market Value of Collected Materials	Positive or negative market value of the collected materials	No incentive provided by LPMA—this is considered to be a cost/revenue source for all commercial business operators who derive used Automotive Containers as a by-product of their normal business operations	No incentive provided by LPMA—this is considered to be a cost/revenue source for all commercial business operators who derive used Automotive Containers as a by-product of their normal business operations
Transport and Management	Fuel Labor Insurance Equipment Overhead costs Market price (cost) Other	A graduated Return Incentive based on defined collection zones is paid to registered collectors and processors to offset the costs of transporting and managing the used Automotive Containers from the generation point to the processing facility	A graduated Return Incentive based on defined collection zones is paid to registered collectors and processors to offset the costs of transporting and managing the used Automotive Containers from the generation point to the processing facility
Processing Costs / Revenue	Processing costs	Return Incentives paid to registered processors, when considered with the net revenues and/or costs of processing these materials, cover the costs of	RCF operators may benefit from revenue opportunities, where negotiated with collectors and/or processors

Cost/ Revenue Component	Cost/ Revenue Elements Considered	Support/Incentives Provided by LPMA for	
		Commercial Collection	RCF Consumer Collection
		processing Automotive Containers to LPMA approved processing standards	

The Return Incentive Rates are expected to range between \$1.03/lb and \$1.85/lb depending on collection zone and material management costs as described in the above table.

Following its implementation, LPMA will conduct regular reviews of the RI schedule for potential adjustments, or as triggered by changes in the relevant cost/revenue areas such as market values of collected materials and the costs of collection and management. LPMA anticipates frequent reviews within the first year of operation as more is learned about service provision in Colorado. This ongoing monitoring will ensure program goals continue to be met, despite fluctuations in the variables that attribute to cost/revenue for program participants.

LPMA will also work with Colorado’s Commercial Generators and its Registered Collectors and Processors to ensure the factors that dictate the cost of service are well understood by all parties so that efficient/timely collection is provided by all collectors, and processors receive high quality materials. Setting of standards for quality, contamination, minimum volumes and methods and the location of stored materials will also ensure that commercial operators can better manage their commercial agreements with Registered Collectors and Processors.

12. Proposed Budget

LPMA’s annual budget can be better established once the complete requirements and scope of the Automotive Container program are confirmed. A preliminary estimate of annual revenues/expenses, to be refined once producers are registered and reporting to LPMA, is \$1 to \$3M. Budgets will be adjusted annually or as needed.

13. Education and Outreach

To ensure compliance with the Act’s requirements for raising public awareness, LPMA will launch a comprehensive, statewide education and outreach program focused on the recycling and reuse of the Covered Materials. This initiative will educate consumers on proper material handling, available recycling services, and litter prevention strategies to help preserve material quality. By providing targeted, accessible resources, LPMA will strengthen public understanding of the environmental and economic benefits of recycling.

LPMA's outreach efforts will deliver clear, consistent messaging tailored to reach diverse demographics across Colorado, including—but not limited to—rural and urban communities, non-English speaking households, Indigenous populations, seniors, students, and low-income or historically underserved groups. Materials will be offered in multiple languages and formats (e.g., digital, print, audio, and visual content) to ensure equitable access to information and to accommodate varying levels of literacy, digital access, and cultural context.

To maximize reach and reinforce consistent messaging, LPMA will leverage existing state and local education and outreach programs, including those developed by the Colorado Department of Public Health and Environment (CDPHE), local governments, and regional solid waste authorities. LPMA will also coordinate, where appropriate, program messaging with CAA's messaging to reduce consumer confusion. By collaborating with these entities and aligning our messaging with what communities already recognize and trust, LPMA will streamline public education efforts and avoid duplication. LPMA's program will also provide additional funding and resources to help local partners scale their outreach within their communities.

To further enhance outreach, LPMA will partner with newspapers, magazines, and online periodicals, using advertising as part of the PRDs, which supports local publications while expanding public engagement. To measure effectiveness, LPMA will implement a method to evaluate and report on public response and recycling habits, ensuring the Education and Outreach program remains responsive, data-driven, and adaptive to community needs.

14. Dispute Resolution

LPMA is committed to understanding and addressing any matters as they are initially raised by stakeholders. Should issues or concerns be identified, the individual or organization can take the following steps:

- LPMA provides multiple communication channels to mitigate the need for issue escalation. As detailed in [section 4](#), LPMA offers clear pathways to raise matters of concern early on, including by consumers, the general public, Producer Members and service providers*. Should there be a matter that cannot be resolved collaboratively through the normal channels, the individual or organization can proceed through the next steps.
- Bring the dispute to LPMA's Chief Executive Officer.
- If the matter is not resolved at the previous levels, service providers can use normal commercial legal procedures such as Colorado's arbitration laws.

*With respect to potential service provider matters, of note is that LPMA's incentive system supports the competitive commercial market.

15. Annual Report, Audits and Records

a) Annual Report

Before March 31 of the second year of an approved IPP and by each March 31 thereafter, LPMA will submit an Annual Report to the Advisory Board describing progress on the plan. The report will include information on the preceding calendar year, as follows:

- (i) A detailed description of the progress toward each applicable element of the final plan as described in Act section 25-17-705 (4);
- (ii) A list of all the producers, brands and Covered Materials covered by the final plan;
- (iii) A list of producers that are not participating in the program and any producers that may be out of compliance with one or more obligations imposed by Act part 7;
- (iv) The total weight of the Covered Materials that producers used for products that are sold or distributed in the state;
- (v) The total amount of Producer Responsibility Dues collected under the program, including an annual schedule of PRDs assessed by weight for each type of Covered Material and any annual increases or decreases in the dues schedule and the reasons for these adjustments;
- (vi) The total weight of each type of Covered Material that is collected and recycled under the program, with the data broken down by
 - (a) means of collection, including by curbside service or drop-off center or other means,
 - (b) the number of Covered Entities, by type and by county, serviced through public collection sites ([RCFs](#)),
 - (c) the method used to handle the collected Covered Material, and
 - (d) geographic area;
- (vii) The recycling rate, collection rate, and post-consumer recycled content rate for each type of Covered Material and a description of the organization's process in achieving the minimum rate targets set forth in the final plan pursuant to Act section 25-17-705 (4)(p);
- (viii) The rate schedules for reimbursement (or [incentives](#) available) to service providers, any proposed adjustments to the rate schedules (or incentives available), and a summary of any disputes arising between the organization and service providers concerning rates (or incentives) and how the disputes were addressed;
- (ix) A summary of the education and outreach efforts implemented in accordance with Act section 25-17-707, including
 - (a) samples of any materials distributed, and

- (b) a description of the methodology used and the results of the evaluation conducted pursuant to Act section 25-17-707 (4);
- (x) A list of the names, locations, and hours of operation for RCF drop-off centers, and other entities accepting or collecting Covered Materials under the program;
- (xi) A summary of contamination reporting received from RCFs;
- (xii) A description of the organization's efforts to ensure that Covered Materials have been responsibly managed and delivered to responsible end markets under the program;
- (xiii) A list of the recycling end markets of any Covered Materials and, if the Covered Materials are processed through a method other than mechanical recycling, the list must include
 - (a) a description of how the method will affect the ability to recycle the Covered Material into feedstock for the manufacture of new products,
 - (b) a description of how the method will increase the types and amounts of recycled plastic for food and pharmaceutical-grade packaging and applications,
 - (c) a description of any applicable state and federal air, water, and waste permitting compliance requirements for the method, and
 - (d) an analysis of the environmental impacts of the method compared to the environmental impacts of incineration of solid waste in landfills;
- (xiv) A copy of an [independent third party's report](#) auditing the program pursuant to Act section 25-17-708 (5);
- (xv) A description of the status of reserve funds, an assessment of the adequacy of those funds to cover program costs, and a description of how any program shortfalls will be addressed;
- (xvi) Any amendments to the final plan in accordance with Act section 25-17-705 (6);
and
- (xvii) A description of the Advisory Board's feedback on any amendments to the final plan pursuant to Act section 25-17-705 (6)(a).

b) Audited Financial Statements

LPMA will submit annual independently audited financial statements which include a detailed list of the plan's costs and revenues from Producer Responsibility Dues. The audited statements will be included in the Annual Report submitted to the Advisory Board before March 31 of the second year of the program's implementation, and by March 31 each year thereafter.

c) Material Tracking Audits

To demonstrate that end markets meet the standards of “responsible”, if requested by the CDPHE, LPMA will conduct audits of records pertaining to Covered Materials tracking (e.g., chain of custody). The results will be included in the applicable Annual Reports.

d) Records

For a period of 5 years, LPMA will maintain all documents and records necessary for the CDPHE to determine compliance with the Program. The records will be open to inspection by the department at any time as permitted by the Act.

LPMA will submit documents and records related to the calculation and payment of Producer Responsibility Dues, recycling rates, collection rates, post consumer-recycled content rates, and any other materials necessary for the CDPHE to determine compliance with the program, to the department within ten business days or the timeline specified by the department, whichever is later.

Should it cease to exist or cease to administer the program, LPMA will transfer all producer data to the PRO designated by the CDPHE to administer the program. If no PRO exists, LPMA will transfer the data to the CDPHE to be managed by the department until transferred to a designated PRO.

Appendix A Draft (Dec. 2, 2024) Colorado Coordination Agreement

DRAFT (Dec 2, 2024)
 Colorado Coordination Agreement
between
 Circular Action Alliance
and
 LPMA Powered by Interchange 360

Circular Action Alliance (CAA) is a national Producer Responsibility Organization (PRO) that has been appointed by Colorado as the State PRO and is developing a Program Plan to be submitted to the State for approval. LPMA Powered by Interchange 360 is a national Extended Producer Responsibility (EPR) compliance agency for Producers of petroleum and petroleum related products and packaging and is developing an Individual Program Plan (IPP), complimentary to the CAA Plan, that is to be submitted to the State for approval. Coordination on key program elements is required for both programs to be successful:

	LPMA / Interchange 360	CAA
1. Product Scope	Petroleum and petroleum related packaging (<i>Appendix A: LPMA Colorado Product List</i>)	All product packaging except for LPMA managed packaging or packaging managed by another state approved PRO or IPP.
2. Producer Registration and Reporting	Separate Registration - Producers of LPMA managed products would register with and report to LPMA, and Producers of non-LPMA managed products would be referred to CAA or another state approved PRO or IPP.	Separate Registration - Producers of non-LPMA managed products would register with and report to CAA or another state approved PRO or IPP. Producers of LPMA managed products would be referred to LPMA
4. Collection	Separate collection of LPMA managed products at HHW depots, HHW events and automotive retailers and service stations	Separate Collection of non-LPMA managed products – curbside focused
4. Public Communication	Separate material-specific direct to consumer and stakeholder communication. Coordinate public messages with CAA to increase consumer awareness of all recycling options including where/how to recycle LPMA and CAA managed products.	Separate material-specific direct to consumer and stakeholder communication. Coordinate public messages with LPMA to increase consumer awareness of all recycling options including where/how to recycle CAA and LPMA managed products.
5. Post Collection Reconciliation and Reporting	Separate processing - Coordinate post collection material audit/verification to ensure reporting accuracy	Separate processing - Coordinate post collection material audit/verification to ensure reporting accuracy

Circular Action Alliance – Juri Freeman - juri.freeman@circularaction.org

LPMA Powered by Interchange 360: David Lawes – dlawes@interchange360.com

Appendix B Advisory Board Feedback – November 13 and November 25, 2024

Producer Responsibility Advisory Board Feedback			
Business Meeting #32 November 13, 2024			
Board Member	Plan proposal component	Board Feedback	Response from LPMA (unless otherwise stated)
Scott DeFife	IPP	A) How many states or provinces do you currently work in that have some sort of independent program plans like what is being proposed? Does this exist because of the packaging EPR in places like Colorado?	Yes. We have been running the program for 20 years in British Columbia. The programs facilitate collection and management for petroleum containers, motor oil and antifreeze which have been in place across Canada for many years. This product type sets itself up well for separate collections outside of the standard collection system as it creates problems at the recycling facilities. This is the first US IPP we are submitting as Colorado's deadline is first. We will also submit for Oregon.
Liz Chapman	IPP	A) Will your program plan include a plan for educating the public on how to recycle these materials? B) Will you be coordinating with CAA's education efforts?	A) There will be a consumer education component. This will be presented on November 25th. LPMA has a lot of experience in consumer education and wants to ensure confidence in responsible end markets. B) Yes, we will coordinate with CAA, and LPMA will build off this and direct consumer traffic to the appropriate place.
Rick Kattar	IPP	Are you planning on adding your processing facilities to existing MRFs? How do you plan to market that material?	Potentially. Most of the material in BC right now goes to a recycling facility called Merlin Plastics and RPM in Quebec. We are looking at options for bolt ons as well as using existing MRFs.
Michael Pratt	IPP	Will this be focused on strictly plastic packaging or will other types of packaging be in scope?	All formats of petroleum packaging will be included. HDPE is the most common but metal, 'bag in the box,' and other types of materials will also be included.
Scott DeFifes	IPP	Is Merlin the processor or do they clean the material?	Merlin now accepts pre-production plastic.

Producer Responsibility Advisory Board Feedback

TWS #7 November 25, 2024

Board Member	Plan proposal component	Board Feedback	Response from LPMA (unless otherwise stated)
Liz Chapman	IPP	<p>A) Do the products themselves have an impact on the recyclability of the containers?</p> <p>B) Are there increased expenses for processing because materials fall in the HHW category?</p>	<p>A) Yes, it is more difficult to recycle with product residue in it. I.e. motor oil residue in a container.</p> <p>B) Yes, it is more expensive to process packaging that has oil residue.</p>
Clinton Sander	IPP	<p>A) There are contamination similarities with what has been explained today and compostables being mixed in a compost stream. Can you speak to the contamination you see within the program and how you quantify and address that contamination?</p> <p>B) Can you please expand on the process for post collection reconciliation?</p>	<p>A) LPMA will have a process in place with CAA to do a post-collection reconciliation, which may involve an audit. Generally, at commercial facilities, materials are more homogeneous and there is less commingled material. There will be a big focus on managing contamination on the front end through consumer education.</p> <p>B) The post-collection reconciliation may happen at the processing consolidation facility and include counting and reporting to ensure LPMA understands the volume of non covered materials getting caught in the system.</p>
Rick Kattar	IPP	<p>A) Will you pay a facility for sorting the material, like the Boulder County MRF?</p> <p>B) Processing can mean different things, what do you mean by processing?</p> <p>C) Could a rebate or deposit refund system work?</p>	<p>A) It will be different facility by facility. They will have different arrangements with each facility for both processing and collection. In Boulder, there is a recycling facility next to an HHW facility, which is unique in Boulder.</p> <p>B) Processing means shredding, grinding, removal of oil, and pelletizing. I do not see HHW facilities as doing processing.</p> <p>C) I have not seen a deposit system work on these materials.</p>
Wolf	IPP	Can you please explain the existing programs you have in place and explain the final end market and material use?	LPMA needs to get more engagement with the industry to understand the cost and anticipated quantity and to develop B2B relationships to then be able to develop a comprehensive plan. Regarding end markets, decanting is a popular method, but there are other options where all items get transported as a whole. There are a lot of details and a business plan that needs to be considered, but they need flexibility in the system to be able to hit the targets. They are not going to be specific about who they are going to do business with.
Liz Chapman	IPP	<p>A) How many producers have registered and do you know what percentage of total producers that is?</p> <p>B) What is your plan for establishing collection locations where there is currently no collection site?</p>	<p>A) They are expecting 250 participants across the state, but they currently only have approximately 10 large registered producers.</p> <p>B) LPMA will look to hit their accessibility targets. They intend to use the eight HHW facilities currently in the state. They may work with non profits or small retailers as well as other partners to have collection events.</p>
Rick Kattar	IPP	Is there a unique type of drop off container or box that is required for your type of material?	LPMA uses modified sea containers with a reinforced floor to collect and store containers, which also captures any residue. It is preferred to have individuals triaging materials as they come in to reduce contamination.
Gail Garey	IPP	<p>A) Regarding the collection sites and the service standard, how will this work in rural areas?</p> <p>B) To clarify, Steamboat Springs has 12,000 residents.</p>	<p>A) We will develop a collection event and service standard for every community type.</p> <p>B) In the proposed standard, 12,000 people would necessitate a permanent event, but ultimately we would work with the community to ensure the population has adequate access.</p>
Caroline Mitchell	IPP	<p>A) Could you please provide further detail on the service standard?</p> <p>B) Are you looking for feedback on these community sites?</p>	<p>A) For Fort Collins with a population of 175,000, at a minimum they would have 1 facility but at the end of the day we want to make sure that we have a system that works. So for a population close to 200,000, they would likely have 2 facilities. They will modify it based on what works for each community.</p> <p>B) We want feedback to ensure that we are providing a solution to meet the community needs. Sometimes in the small rural communities, it needs to be a mix of drive time and population characteristics.</p>
Rick Kattar	IPP	<p>A) When you refer to a facility, what does this look like to LPMA?</p> <p>B) Will LPMA collect the materials?</p>	<p>A) A facility is whoever signs up with the program to take back materials from the public.</p> <p>B) LPMA won't handle the material but they will provide incentives to the marketplace to collect and process.</p>



LPMA Applicable Products List

The LPMA will manage all petroleum and petroleum related products and packaging up to and including 15 gallons, including oil-based lubricants, grease, antifreeze, engine additives, and other fluids typically used in transportation and mechanical applications and where these containers are often comingled with oil and antifreeze containers at generator sites.

Some common types of petroleum and petroleum related containers and packaging include rigid bottles (e.g., quart, gallon, etc.), pails (e.g., five-gallon buckets), multi-layer tubes and cartridges, and bag-in-box (e.g., 3- or 5-quart fluid-filled bags inside of a cardboard box) and aerosols. Materials used in packaging contain a range of materials including, but not limited to high-density polyethylene (HDPE), polypropylene (PP), polyethylene (PE), metal, cardboard, paper, and other constituents.

Included Products

- 2-cycle engine oil
- 3 in 1 oil for household / garage
- aerosol propelled lubricant
- agricultural spray oil
- anti-seize lubricant
- brake fluid
- chain oil
- circulating oil
- cleaning flushing fluids for motors/equipment
- compressor oil
- conveyor lube
- crankcase oil
- dedusting oil
- diesel exhaust fluid (DEF)
- diesel fuel treatment
- drawing, stamping, and shaping oil
- dripless lube
- electrical insulating oil
- emulsified oil
- engine conditioners
- engine degreaser
- engine oil
- engine sealers
- ethylene glycol engine coolant
- ethylene glycol heat transfer fluid
- food grade white mineral oil
- form release oil
- fuel boosters
- fuel system cleaners
- fuel/oil stabilizers
- fuel-line de-icing fluid
- gasoline/2 cycle engine oil mixes
- gear oil
- glycol-based heat transfer fluid
- grease
- gun oil
- hydraulic fluid
- hydraulic jack oil
- hydraulic oil dye



- lock de-icing fluid
- lubricants
- machine tool and slideway lubricant
- marine cylinder oil
- marine engine oil for vessels operating domestically
- metal working oil
- mineral heat transfer fluid
- natural gas compressor oil consumed in use
- natural gas compressor oil not consumed in use
- oil additive
- oil treatment
- paper machine oil
- parts degreaser
- penetrating oil
- petroleum crankcase oil
- phosphate ester hydraulic fluid
- pneumatic system oil
- polyglycol synthetic compressor oil
- polyolester fluids
- power steering fluid
- process oil
- propylene glycol engine coolant
- propylene glycol heat transfer fluid
- quenching oil
- refrigeration system oil
- re-refined oil
- rock drill oil
- rustproof oil
- saw guide oil
- sewing machine oil
- silicone heat transfer fluid
- silicone lubricant
- solvents
- synthetic aromatic hydrocarbon heat transfer fluid
- synthetic crankcase oil
- textile oil
- transmission fluid
- turbine oil
- vacuum pump oil
- vegetable oil for lubrication
- water glycol hydraulic fluid
- windshield washer fluid
- winter start fluid
- wire pulling lubricant