



FOR IMMEDIATE RELEASE

RMC Levy on HCFCs to Increase \$1.00 on June 1, 2010

Mississauga, Ontario, May 31, 2010 – Refrigerant Management Canada (RMC) today announced an increase to the environmental levy on HCFCs of \$1.00 effective June 1, 2010. The levy rate will increase from \$1.50 to \$2.50 per kilogram on HCFCs or HCFC blends sold in Canada. This adjustment is in response to the 30% reduction in allowable HCFC import volumes that came into effect on January 1, 2010, and is necessary for the sustainability of the RMC program. The 30% reduction in import volumes translates into a 30% reduction in RMC revenue.

RMC is an industry-led extended producer responsibility (ERP) program committed to ensuring that refrigerants are disposed of in an environmentally responsible manner. The program is funded by a voluntary environmental levy remitted by the industry on sales of new and reclaimed HCFCs and HCFC blends. No government funding is provided for the program. The levy has been maintained at \$1.50 per kilogram since January 1, 2006. However, the 30% volume reduction of HCFCs will not allow the program to remain financially viable without an increase in the levy.

In 2007, after seven years of operation, RMC had collected and destroyed over one million kilograms of surplus ozone depleting refrigerants. In 2010, RMC will reach two million kilograms collected and destroyed. This next benchmark in refrigerant destroyed by the program will have been accomplished in under three years and calls attention to the significant volume increases the program is handling as revenues decline.

From a regulatory perspective, RMC is the solution to an environmental issue that is the responsibility of the entire industry. Federal and provincial regulations require that the refrigeration and air conditioning industry recover and dispose of all surplus refrigerants that are sold in the Canadian marketplace. Without the RMC program, the significant costs associated with the obligations under these regulations would be born individually by each member company who provides refrigeration and air conditioning products and services.

RMC recognizes that this levy increase on HCFCs is a short term measure as the volumes of available HCFCs significantly decline over the next ten years. In addition to this levy increase, RMC is pursuing two other revenue streams to fund the program into the future. These streams include actively pursuing the carbon credit market to leverage the environmental benefits of the refrigerant destroyed into funding for the program and working with Environment Canada on a proposed federal stewardship regulation for all halocarbons that will effectively provide the opportunity to extend the levy to HFCs.

- 30 -

About Refrigerant Management Canada (RMC):

RMC is a not-for-profit corporation established by the Heating, Refrigeration and Air Conditioning Institute of Canada (HRAI) and the Canadian refrigeration and air conditioning industry. It is an industry-led environmental care program committed to the responsible disposal of surplus ozone depleting refrigerants from the stationary refrigeration and air conditioning industry. The RMC Board of Directors oversees the Program's operations and includes representatives from the refrigeration and air conditioning industry, equipment owners and environment/community groups. Visit www.refrigerantmanagement.ca for more information.

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