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FOR IMMEDIATE RELEASE

RMC Levy on HCFCs to Increase \$1.00 on October 1, 2011

Mississauga, Ontario,— Refrigerant Management Canada (RMC) today announced an increase to the environmental levy on HCFCs of \$1.00 effective October 1, 2011. The levy rate will increase from \$2.50 to \$3.50 per kilogram on HCFCs or HCFC blends sold in Canada. This adjustment along with the CFC-11 disposal fee is in response to the high volumes of refrigerant being returned to the program for disposal and declining revenues.

RMC is funded by an environmental levy paid on sales of new and reclaimed HCFCs and HCFC blends. The phase-out of HCFCs over the last six years has drastically reduced the revenue stream for the program while volumes of surplus refrigerant entering the program continue to increase. Over 10 years of operation, it has cost more than \$32,000,000 to collect and destroy 2.4 million kilograms of surplus refrigerant waste. RMC has provided the industry with the means to easily comply with refrigerant stewardship regulations at both the provincial and federal levels.

The RMC Board understands there may be some impact on the industry with this levy increase. However, RMC is certain that the impact would be much worse if the program did not exist. According to RMC Chair Rob Flipse, “The decision by the RMC Board to apply a disposal fee to CFC-11 and increase the environmental levy to \$3.50 per kilogram was made after a thorough review of available funding options and anticipated returns. The high volumes returning to the program have significantly reduced the RMC fund and these measures will provide a near term solution that will immediately augment the cash flow for the program.”

RMC continues to pursue other revenue streams such as the carbon credit market and expanding the program to HFCs. It is important to recognize however, that these other revenue streams will take time to come to fruition and have a significant impact on the revenue base for the program.

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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