
Subject: Electrical Electronic Equipment (EEE) Regulation - Lighting Materials

Report To: Public Works Committee

Report date: Tuesday, April 9, 2024

Recommendations

1. That the Director of Waste Management **BE AUTHORIZED** to execute an agreement with Product Care Association of Canada for the collection and funding of designated lighting materials under the Electrical and Electronic Equipment Regulation (O.Reg. 522/20) made under *the Resource Recovery and Circular Economy Act*, 2016, in a form satisfactory to the Director of Legal and Court Services; and
2. That the Director of Waste Management **BE AUTHORIZED** to negotiate and execute future agreement(s) with one or more producers and/or Producer Responsibility Organizations for the collection and funding of designated lighting materials under the Electrical and Electronic Equipment Regulation (O.Reg. 522/20) made under the Resource Recovery and Circular Economy Act, 2016, provided that any such agreement(s) provide compensation to Niagara Region for the collection, haulage, proper recycling and/or disposal of designated lighting materials in accordance with a Council approved program; and are in a form satisfactory to the Director of Legal and Court Services.

Key Facts

- Historically, Niagara Region has funded the collection and disposal of electronic equipment brought to Niagara Region Household Hazardous Waste Depots.
- Implementation of the Electrical and Electronic Equipment Regulation (O.Reg. 522/20) places responsibility for the collection and disposal of electronic equipment with Producer Responsibility Organizations (PROs).
- The purpose of this report is to request authorization to enter into a funding agreement with Product Care Association of Canada (PCA), a Producer Responsibility Organization (PRO), to reimburse Niagara Region for allowing continued use of Niagara Region Household Hazardous Waste Depots as collection sites for designated lighting materials (Appendix 1).
- The funding agreement will have a net benefit of approximately \$50,500 in 2024, with a net benefit of \$5,500 annually beginning in 2025.

- The report also seeks delegated authority to negotiate and execute future collection and funding agreements with producers and/or Producer Responsibility Organizations (PROs) of designated lighting materials.

Financial Considerations

Niagara Region's 2024 operating budget included a \$45,000 expense for the recycling and disposal of designated lighting materials collected at Niagara Region Household Hazardous Waste Depots. A funding agreement with PCA will eliminate these recycling and disposal operating costs as well as provide additional revenues. Niagara Region will receive additional compensation for acting as a collection site based on the number of light bulbs collected equating to approximately \$5,500 annually.

The funding agreement with PCA is retroactive to January 1, 2023, covering all costs incurred since that date. Therefore, Niagara Region will be able to retroactively recover the 2023 recycling and disposal costs of approximately \$45,000 and further be compensated as a 2023 collection site in the amount of \$5,500.

Beginning in 2025, the historical recycling and disposal costs (\$45,000) will no longer be included in the operating budget making the net financial benefit of this funding agreement, going forward, approximately \$5,500 annually.

Analysis

The enactment of the Resource Recovery and Circular Economy Act, 2016 (RRCEA), marked the transition to an Extended Producer Responsibility framework in Ontario. Under the Extended Producer Responsibility framework, Producers and brand holders are accountable for recovering resources and reducing waste associated with their products and packaging.

The Ministry of Environment, Conservation and Parks (MECP) finalized O. Reg. 522/20: Electrical and Electronic Equipment Regulation (Regulation) on September 20, 2020. The Regulation was implemented in phases, with Producer obligations for electronics commencing on January 1, 2021, and designated lighting materials on January 1, 2023. Throughout 2023, it became evident that PCA would serve as the PRO representing producers of designated lighting material. Over the past twelve (12) months, PCA and municipalities, including Niagara Region, have been collaborating to develop a funding agreement for the collection of designated lighting materials. The final agreement was provided to municipalities for execution in late 2023.

Niagara Region's hazardous waste program has been operating since the 1990s, providing residents options for household hazardous waste disposal (including lighting materials). Since 2010, Niagara Region's operating budget has included lighting material collection and recycling / disposal costs amounting to approximately \$45,000 annually.

The transition to an Extended Producer Responsibility framework under the Resource Recovery and Circular Economy Act, 2016 includes Electrical and Electronic materials which incorporates lighting materials. The timeline for the transition of lighting materials under the Act has progressed as follows:

Sept. 20, 2020:

- The Ministry of Environment, Conservation and Parks finalized O. Reg. 522/20: Electrical and Electronic Equipment Regulation (Regulation).

Jan. 1, 2021:

- Producer obligations for electronics begins.

Jan. 1, 2023:

- Producer obligations for designated lighting materials begins.

Throughout 2023:

- Product Care Association registers with Resource Productivity and Recovery Authority as the Producer Responsibility Organization for designated lighting materials.
- Product Care Association and municipalities develop a compensation agreement for designated lighting materials collection.

Late 2023:

- Final agreement was provided to municipalities for execution.

2024:

- If an agreement is executed, PCA as the Producer Responsibility Organization for designated lighting materials takes on the responsibility for the collection and recycling/disposal of lighting materials, divesting those operating costs from the municipality.

Alternatives Reviewed

Alternative 1, Do not execute funding agreement with PCA - If Niagara Region does not execute a funding agreement with PCA, the annual operating budget will continue to include approximately \$45,000 for the recycling and disposal of lighting materials. Additionally, Niagara Region would not be compensated for the number of designated lighting materials collected, estimated at approximately \$5,500 annually.

Alternative 2, Niagara Region stops collects lighting material – This could result in improper disposal of these materials.

Both alternatives are not being recommended as a continuation of the program with an executed funding agreement would provide safe disposal options for lighting materials and result in annual cost savings and net benefit for Niagara Region.

Relationship to Council Strategic Priorities

This report supports the Council's Strategic Priority of an Effective Region.

Other Pertinent Reports

- PWC-C40-2020 on the Electrical and Electronic Equipment Regulation (EEE)
- PW 21-2021 Proposed Producer Responsibility Regulations for Hazardous and Special Products

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This report was prepared in consultation with Brian Wilson, Legal Counsel, and reviewed by Renee Muzzell, Manager, Program Financial Support and Catherine Habermebl, Director, Waste Management Services

Appendices

Appendix 1 Designated Lighting Materials under O. Reg. 522/20

PW 8-2024 Appendix 1 - Designated Lighting Materials under O. Reg. 522/20

The Regulation specifies the designated lighting materials that Producers must manage, encompassing all associated costs related to collection, haulage, and processing.

The types of lighting materials for which Producers are responsible to manage include:

- Bulbs
- Dimmable light bulbs
- Fluorescent bulbs
- Halogen bulbs
- Headlight bulbs
- High-intensity discharge (HID) lamps
- Indicator lights
- Incandescent bulbs
- Lamps
- Light emitting diode (LED) bulbs
- Mini and miniature bulbs
- Motion-activated bulbs
- Replacement bulbs & lamps
- Tube lights
- UV lamps
- Wi-Fi light bulbs