
MEMORANDUM

WMPSC-C 25-2019

Subject: Municipal Hazardous or Special Waste Update

Date: Monday, June 24, 2019

To: Waste Management Planning Steering Committee

From: Emil Prpic, Associate Director, Waste Disposal Operations

The purpose of this memorandum is to provide members of the Waste Management Planning Steering Committee with an update on the wind up of the Municipal Hazardous or Special Waste program.

Background

On June 9, 2016, Bill 151, An Act to enact the *Resource Recovery and Circular Economy Act, 2016* and the *Waste Diversion Transition Act, 2016* received Royal Assent. This new legislation – called the *Waste-Free Ontario Act, 2016* – is designed to replace the *Waste Diversion Act, 2002* with a new producer responsibility framework that makes producers individually responsible and accountable for their products and packaging at end of life.

The Resource Productivity and Recovery Authority (“RPRA”) will be overseeing the wind-up of Ontario’s four waste diversion programs operated by Industry Funding Organizations, consisting of Used Tires, Waste Electrical and Electronic Equipment, Blue Box, and Municipal Hazardous or Special Waste.

On April 12, 2018 the Minister of the Environment, Conservation and Parks (MECP) directed Stewardship Ontario, the Municipal Hazardous or Special Waste (MHSW) Industry Funding Organization, to wind up the MHSW program by December 31, 2020. Following wind up, all of the materials collected under the MHSW program will be managed according to the requirements of an individual producer responsibility framework under the Resource Recovery and Circular Economy Act.

As directed by the Minister, Stewardship Ontario is required to develop a MHSW wind up plan and submit it to the RPRA by June 30, 2019. In developing the wind up plan, Stewardship Ontario consulted with various stakeholders including municipalities. Once the RPRA has received the wind up plan, they will continue to further consult with stakeholders prior to implementation.

Response to Stewardship Ontario Wind Up Plan Consultation

In early May 2019, Niagara Region provided comments to Stewardship Ontario regarding the wind up plan. A number of the key comments submitted include the following:

- That Stewardship Ontario ensures current service levels are maintained for residents during the MHSW wind up process
- Funding surplus – at the current time the MHSW program has an overall funding surplus. Niagara Region's comments were that the process for appropriating funds must be fair and transparent. Additionally, Stewardship Ontario needs to review previous funding allocations to ensure that municipalities have been compensated appropriately.
- Contractual Implications – since contracts may need to be amended or terminated, Stewardship Ontario will need to provide sufficient notice to allow municipal legal departments time to review contractual implications and determine the appropriate manner to deal with existing contracts
- Industry Stewardship Plan (ISP) role - RPRA needs to inform municipalities of the role that ISPs will have and if there will be any changes in materials associated with the new plan moving forward

Implications to Niagara Region

There are a number of implications to consider as the MHSW program transitions to a full producer responsibility framework. Those considerations include:

- Contracts – Niagara Region currently has two contracts for the management of MHSW materials – one for collection and the other for processing. In consultation with Legal Services, these existing contracts will need to be appropriately amended or terminated.
- Acceptable materials – at the current time Niagara Region accepts a wide variety of MHSW materials. As part of full producer responsibility there is no guarantee that all of the current materials collected will be acceptable under the new program. Niagara Region will need to determine how to best manage any MHSW materials that are deemed unacceptable.
- Service level – Niagara Region's current network of MHSW collection depots provides a high level of service to residents, both in terms of accessibility and types of acceptable materials. Once the new MHSW program is implemented it will need to be determined if Niagara Region's current collection depots remain operational and its role in providing MHSW services.
- Budget – in 2017 and 2018 the total gross cost to operate Niagara Region's MHSW program has been approximately \$580K per year. Over this same time period the province has provided \$465K or about 80% in funding to cover Niagara Region's costs.

Next Steps

During the second half of 2019 it is anticipated that the RPRA will approve a wind up plan no later than December 31, 2019. Staff will monitor wind up plan progress; continue to participate and provide input throughout the consultation process; determine impacts as the details of the wind up plan are finalized; and provide Committee and Council with recommendations on how to proceed forward.

Respectfully submitted and signed by

Emil Prpic
Associate Director, Waste Disposal Operations