Ontario's Experience: Transitioning to Full Producer Responsibility

Nova Scotia Municipal Planning for PPP Summit

December 6, 2022





Agenda

- Current Context
- What's Changing
- Core Municipal Considerations
- Available Resources

Municipal 3Rs Collaborative

Established: 2017

Members:











Purpose:

 Develop & promote policies & programs on behalf of all municipalities in Ontario to support the transition to a circular economy

Municipal 3Rs Collaborative

Transition Working Group



Current State in Ontario

- Over 250 Blue Box programs across the province
- Currently, municipalities make all operational decisions on Blue Box programs and receive ~50% of costs from producers
- Means differences between programs
 - What is collected (e.g., allowed, not allowed, curbside and/or depot collection)
 - How it is collected (e.g., single/dual stream, curbside/depot, multi-residential, public space)
 - How services are provided (e.g., in-house, private sector, municipal association, region)

Blue Box Transition to Full Producer Responsibility



Eligible Sources

Pre-Transition: Shared Industry Funding

Local municipalities with 5,000+ population



Collect or accept from same sources as residential garbage







• 50% funding does not include costs for Industrial, Commercial and Institutional (IC&I), even if delivered through municipal program

Post-Transition: Producer Responsibility

All Ontario communities outside of the Far North, including First Nation







seasonal dwellings



multi-unit residential buildings



public & private schools



specified retirement & long-term care homes



specified public spaces

(O. Reg 391/21 s. 1 & 4)

Non-Eligible Sources



Industrial or commercial properties



Not-for-profit organizations



Municipal buildings or facilities (e.g., libraries, arenas)



Daycare



Places of worship



Commercial buildings along residential routes





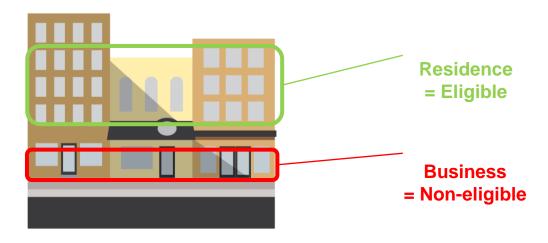
Campgrounds and trailer-parks (without permanent or seasonal households)





Commercial Farm

Business Areas



Mixed Use Properties



There are some properties that have both eligible and non-eligible materials. These will need to be separated from residential collection and serviced in an alternative way, starting in 2026.

Mixed Use Properties:

- Residential apartments on top of a business are considered eligible
- Industrial or commercial property underneath the residential building are non-eligible
- Found in Business Improvement Area (BIA) or along residential routes

Commercial Buildings Along Residential Routes:

- Residential buildings (single family homes/ multi-unit residential buildings) are eligible
- Industrial or commercial properties (e.g., coffee shop, convenience store) are noneligible

Designated Materials

Pre-Transition: Shared Industry Funding

All of these:



Aluminum cans



Glass bottles & cans



PET plastic bottles



Steel cans



Newsprint

for food and beverages

At least two of these:



Aluminum foil



Boxboard & paperboard



Cardboard





Office paper



Polycoat

Polystyrene materials

containers & packing



cartons



Magazines



Paper cups & plates



Plastic film



Rigid plastic containers (HDPE, PS)



Telephone Directories



Textiles

Varies by Municipality

(O. Reg 101/94: Schedule 1)

Post-Transition: Producer Responsibility

Packaging, Paper Products, & Packaging-like products:



✓ Typical "blue box packaging" items, made of paper, glass, metal or plastic

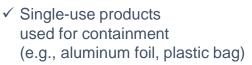


✓ Single-use products used for consumption (e.g., straws, cutlery, plates, coffee cups)



✓ Printed and un-printed paper (newspaper, magazines, flyers, office paper)



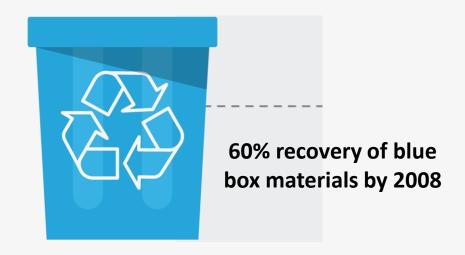


Consistent across the Province

(O. Reg 391/21 s. 2)

Targets (Minimum Requirements)

Pre-Transition: Shared Industry Funding



- Announced by the Ministry in 2003
- Not codified in the regulation

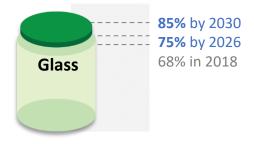
Sources: 2009 Stewardship Ontario Annual Report

"McGuinty Government builds on Success of Blue Box Program" December 22, 2003

Post-Transition: Producer Responsibility

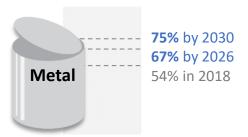


85% by 2030 **80%** by 2026 72% in 2018





60% by 2030 **50%** by 2026 48% in 2018





40% by 2030 **25%** by 2026

7% in 2018

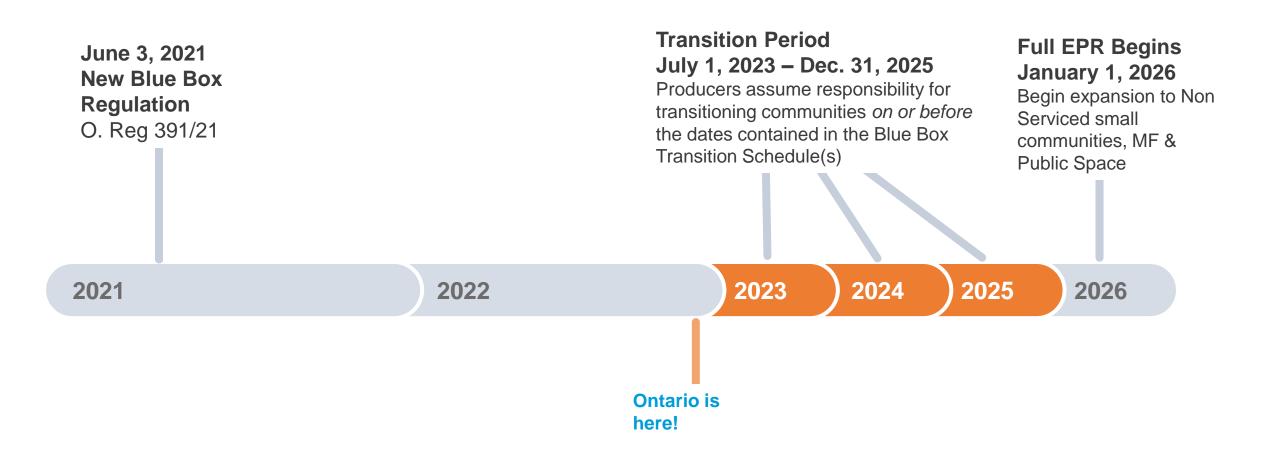


75% by 2026 (Data not available for 2018)

80% by 2030

(O. Reg 391/21 s. 42)

Blue Box Transition Timeline



Municipal Considerations



Transitional Considerations

- 1. Informing Council, decision-making process & timeline
- 2. Proper assessment of new role (if any)
- 3. Expectations of work with PRO/s
- 4. Information needed by PRO/s
- 5. Coordination Needs
- 6. Change Management

Council, Decision-Making, Timeline

- Major change as producer, not municipality is operationally responsible (i.e., municipality no longer needs to provide servicing)
- PROs/producers will seek to contract services (e.g., collection, public space, processing, consolidation, education)
- New concept for municipalities to assess contract terms
- Need to ensure time is built in to inform, seek approvals or obtain delegated authority
- Significant opportunities for municipalities to work together and share resources

Assessment of New Role (if any)

- Fundamental rethink by municipalities in what servicing they continue to provide
- For curbside collection some have decided to fully exit due to what they foresee as risks; some want to continue to provide services in short term; not expected many will be involved in the longer term
- For processing Many that own MRFs have moved forward with processes to sell or lease their assets to the private sector
- Some may also use assets for other purposes
- Tools developed to assist considerations

Work with PROs

- Expect PROs to want to take a standard approach to contracting of servicing
- Unlikely to be individual negotiations
- No guarantee they will continue to want to contract with municipalities
- New regulatory requirements will mean changes to systems
- Concerns in Ontario's contracts
 - New Requirements
 - Increased Financial Risk
 - Imbalance of Power
 - Compensation Terms

Information Needed (in Ontario) By Producers / PROs on Collection

- number of single family dwellings, multi-residential dwellings with number of units and other eligible sites (e.g., schools, long-term homes) receiving recycling collection by the municipality
- addresses of single family dwellings, multi-residential buildings and other eligible sites receiving service
- number of single family dwellings receiving curbside garbage collection by the municipality but not receiving curbside recycling collection by the municipality and addresses of these dwellings with a map
- number, type and location of entities on collection routes that are non-eligible
- level of service being provided to single-family dwellings as of a specified date including materials
 accepted, type of container, frequency of collection (weekly, bi-weekly, alternating weeks), day of the
 week on which collection occurs, approach if collection day falls on statutory holiday, maps of collection
 schedules and collection routes, quantity collected
- level of service being provided to multi-residential dwellings as of a specified date including materials
 accepted, type, size and number of containers, location of containers at each building (e.g., outside,
 inside, underground), whether keys or codes are required to access building or containers, frequency of
 collection, maps of collection schedules and collection routes, quantity collected
- location of depots accepting designated materials including hours of operation, materials accepted, type, size and number of containers, frequency of collection and quantity collected from each depot

Change Management

- Residents (e.g., communication)
- Impact on Waste Management System (based on selected role)
- Non-eligible sources
- Internal staffing

Potential Coordination Needs Between PRO/s & Municipalities

- Coordination of curbside collection activities to ensure safe routing
- Coordination of collection schedule PROs want to use to minimize disruption and confusion to residents
- Coordination of customer service calls/complaints about Blue Box service i.e. how calls will be routed, how this will be communicated to residents, how calls should be managed by municipality for blue box etc. to reduce burdens between parties and remove resident frustrations
- Coordination of Promotion and Education materials to reduce potential confusion to residences and drive efficiencies
- Process/service standards for bins that are not collected/rejected by PRO i.e. follow up to ensure removal from curb, litter clean up, etc. to address potential health and safety concerns
- Coordination of development requirements (i.e., set out requirements, storage, etc.) to ease collection from different types of residences (e.g., stacked townhouses, multi-residential building, other medium density developments)

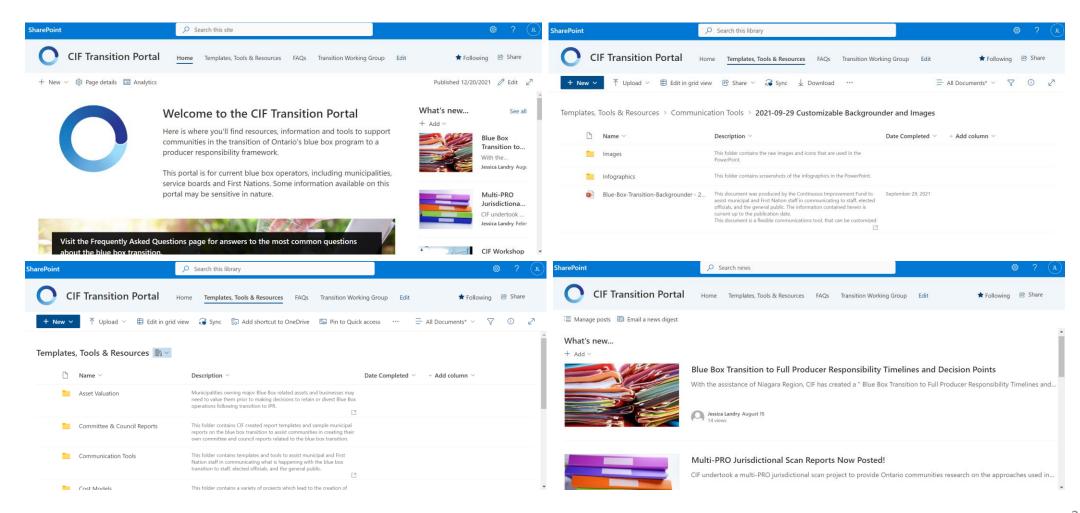
Municipality as a Producer

- May not apply to Nova Scotia but in Ontario some municipal governments are caught
- Many meet the thresholds based on
 - supply PPP to residents (e.g., property bills, recreation guides, waste calendars ...)
 - o gross revenue (e.g., over \$2 million)
- Requires internal work to calculate
- Work underway to develop calculator to assist municipalities

Lessons Learned

- Plan ahead and work collaboratively
- Firm timeline for transition is important
- Focus on desired outcomes and policy objectives
- High, material-specific targets are critical
- All packaging material types should be included
- Need a properly resourced, transparent and active oversight body

Available Resources



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Thank you & Questions

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