



Thinking
beyond
the box

Stewardship Ontario

**DRAFT REVISED
BLUE BOX PROGRAM PLAN**
Report on Consultation
March 2010



Introduction

This Report on Consultation is intended as a companion piece to the Draft Revised Blue Box Program Plan that Stewardship Ontario has developed in response to a Program Request Letter from the Minister of the Environment (August 2009) regarding the Blue Box Program Plan. The Minister's letter directs Stewardship Ontario to amend the six year old plan to achieve a recycling rate of 70% by the end of 2011 and to submit the draft revised plan to him by the end of April.

This document describes the consultation activities Stewardship Ontario undertook with stewards and stakeholders during development of the draft plan. It includes a list of the participants and summarizes the comments received and how they were addressed in the development of the revised plan. Comments are grouped into five categories: reporting clarification; packaging-like materials: inclusions and exclusions; program costs and efficiencies, achieving 70% diversion and other.

Context for Plan Development

Stewardship Ontario prepared the Draft Revised Blue Box Program Plan in accordance to the directions in the Minister's Program Request Letter:

- Establish a diversion target of 70% to be achieved by December 31, 2011.
- Improve the methodology for calculating diversion by including additional avenues where residential Blue Box materials are collected.
- Include packaging-like materials, sold as products that are compatible with current collection and management systems.

To provide context for the comments included in this document, Stewardship Ontario recommends that stakeholders read the draft revised plan first.

Consultation Steps

Stewardship Ontario advised all stewards and a broad range of stakeholders of the opportunity to participate in the consultation process through a series of three e-newsletters, Need-to-Know, and highlighted information posted on the Stewardship Ontario website, www.stewardshipontario.ca.

This information alerted stewards and stakeholders to the availability of the draft revised plan for posted for review on February 12 and of the consultation webcast on February 17, which highlighted the chief components of the draft plan and invited comments and questions.

Interested parties also were encouraged to submit questions and comments during a "comment period" of 14 days following the consultation webcast.

A total of 154 individuals participated in the online consultation webcast and 48 comments and questions were submitted. Stewardship Ontario received a further 14 submissions from municipalities, associations and businesses at the end of the comments period.

The list of participant organizations follows the summarized comments provided in the next section.

Summarized Comments and Questions

General Top	Specific comment or recommendation	Response
Reporting Clarifications	If a steward sells bottles with a paper or polystyrene label applied onto bottle, will the new plan require the steward to report the bottle as plastic and the label as either paper or polystyrene? The label is minimal weight in comparison to the bottle. What reporting year will this take effect?	The current practice of reporting only the bottle and not reporting the label separately will continue for now. Once the Minister approves the revised plan he will establish a commencement date. It has been assumed in this plan that the date would be January 1, 2011.
Reporting Clarifications	EEQ is requesting that steward's report on materials with post-consumer recycled content. Will Stewardship Ontario also be requesting this information?	At this time Stewardship Ontario will not require stewards to report recycled content. However, the provision exists for this to be considered in the future.
Reporting Clarifications	If making pharmaceutical products, we are obligated to use the packaging, insert, etc. by the Canadian government. Based on this, can there not be an exemption based on using higher sales in the reporting year?	The scope of the program is defined in the Minister's Program Request Letter and encompasses all packaging whether required by stewards for consumer, business or regulatory reasons.
Reporting Clarifications	How will cold & hot drink cups be categorized under the new plan?	They will be reported exactly as they are today, according to the material of which they are made.
Reporting Clarifications	It has always been our understanding that fees were required to be paid on these 'packages' (we have been paying fees on many of those items for the past 5 years.)	Service packaging has been included since the program began. The additional materials refer to in this draft plan as 'products' have a similar packaging function, e.g. cups sold for use by the consumer at parties.

Reporting Clarifications	"Storage containers intended for use with consumables" - is this a travel mug, for example?	No.
Reporting Clarifications	Since hot drink cups are already categorized (and fees paid) why are disposable cups (aka hot drink cups) being considered a new addition to packaging??	Service packaging has been included since the program began. The additional materials refer to in this draft plan as 'products' have a similar packaging function, e.g. cups sold for use by the consumer at parties.
Reporting Clarifications	When we purchase items at a local store for use as supplies (cups or paper products) in our retail location, are we to report on them? Aren't they already included in reporting by the business that is selling them to us?	Products that a retailer sells to another retailer for use by that retailer are not included in the plan and need not be recorded by either party.
Reporting Clarifications	My understanding from this discussion is that the filing due at the end of March will not include these changes.	Correct.
Reporting Clarifications	Can you please clarify the difference between a package and a product. Specific to a garbage bag, this is a product that is purchased by consumers. Is not the applicable packaging the boxboard that the bags are sold in?	Yes, the boxboard is packaging and the bags are the type of products being considered for inclusion. Subject to comments received, garbage bags are no longer included in the list of packaging-like materials sold as products.
Reporting Clarifications	Is the program double counting many products since the retailer and purchaser of many consumer products like cups and paper will be obligated to report on them and pay a fee?	The rules define who the steward is of each material and as such is required to report on any of the designated materials. The consumer is the purchaser and would not be a steward and therefore does not report on the material.

Reporting Clarifications	It is my understanding that a new electronic reporting format for the steward's report is forthcoming. Is it true? If so, please give some details of this new format.	Yes. The system "WeRecycle" became live on March 1. You may access it from the Stewardship Ontario's website, www.stewardshipontario.ca
Reporting Clarifications	Please provide an accounting mechanism between the Blue Box and MHSW Programs so stewards are not double-paying for materials covered under both programs.	Stewards pay through their Blue Box fees for industry's share of the net cost of managing printed paper and packaging captured in the Blue Box system. Stewards of the Municipal Hazardous and Special Waste Program pay the cost of managing the designated products and packaging at end of life. The two programs and their related costs are distinct and separate. It is Stewardship Ontario's intention to review this in the future and to provide information that will help avoid confusion.
Reporting Clarifications	Please clarify where hot and cold drink cups will be reported.	They will be reported exactly as they are today, according to the material of which they are made.
Packaging-like Materials: included/excluded	Will photo paper used at home be exempt?	Yes, as a result of the comments received, photo paper used at home will not be included in printed materials.
Packaging-like Materials: included/excluded	Regarding Section 3.3, the addition of including unprinted, blank printer paper and photocopy paper sold as a product in the Printed Paper category, why are you proposing that companies producing products that are easily recycled, and part of the Blue Box materials such as the blank photocopy paper, be charged a Blue Box fee while other companies that produce products that are not part of the Designated Blue Box Waste and end up in a landfill are exempt from paying fees? It does not seem like a level playing field.	The scope of the program is defined in the Minister's program request letter. Stewardship Ontario has sought to include only those packaging-like products that are more like packaging than they are like other consumer products.
Packaging-like Materials: included/excluded	Why are garbage bags now included (their natural home will be a landfill)?	As a result of comments received, garbage bags are no longer included in the list of packaging-like materials sold as products.
Packaging-like	The list of newly obligated materials is	As a result of comments received, the list of products to be

Materials: included/excluded	incomplete and lacks clarity. Products which are easily recycled are penalized. Please provide more reasoning.	included has been revised. The criteria are described in Section 3.3 of the draft plan.
Packaging-like Materials: included/excluded	Fees on products will require companies to reduce their output, contradicting economic growth in Ontario. Please uphold our competitive advantage.	The requirement for stewards to report data and pay fees is the law under the Waste Diversion Act (WDA).
Packaging-like Materials: included/excluded	Why does the draft Plan not consider the inclusion of ICI material?	The Minister's Letter of Request did not provide direction to include industrial/commercial/ institutional (IC&I) material. The extension to IC&I material is under consideration as part of the review of the WDA.
Packaging-like Materials: included/excluded	Please do not include garbage bags in the Packaging-like materials.	As a result of comments received, garbage bags are no longer included in the list of packaging-like materials sold as products.
Packaging-like Materials: included/excluded	Please provide more supporting data, criteria, cost/benefit analysis, life cycle information, etc. for the inclusion of products. Is there is a collection system in place for such products? How will these items contribute to the waste diversion goals in Ontario?	As a result of comments received, the list of products to be included has been revised and criteria have been added to section 3.3.
Packaging-like Materials: included/excluded	Please specifically exempt photographic papers as these are intended to become permanent products.	As a result of comments received, the list of products to be included has been revised and criteria have been added to section 3.3. Photographic papers are not included.

Packaging-like Materials: included/excluded	Several items under the Packaging-like products could be considered durable products and should be excluded: boxes, CD boxes, clothes hangers, disposable cups, plates, bowls and containers, and storage containers for use with consumables.	As a result of comments received, the list of products to be included has been revised and criteria have been added to section 3.3.
Packaging-like Materials: included/excluded	Please do not include garbage bags in the Packaging-like materials.	As a result of comments received, garbage bags are no longer included in the list of packaging-like materials sold as products.
Packaging-like Materials: included/excluded	Many of the new items added are not collected in the Draft Revised Blue Box Program. If they are not part of the program, why would they be subjected to fees designated to fund the program?	As a result of comments received, the list of products to be included has been revised and criteria have been added to section 3.3.
Packaging-like Materials: included/excluded	Please provide guidelines for determining what products should be included.	As a result of comments received, the list of products to be included has been revised and criteria have been added to section 3.3. Guidebooks will be revised to reflect the changes, if approved, and these would provide additional information.
Packaging-like Materials: included/excluded	Why does the draft plan not consider the inclusion of ICI material?	The Minister's Letter of Request did not provide direction to include industrial/commercial/ institutional (IC&I) material. The extension to IC&I material is under consideration as part of the review of the WDA.
Packaging-like Materials: included/excluded	Please provide guidelines on how products will be included or excluded.	As a result of comments received, the list of packaging-like products to be included in the plan has been revised to reflect the Ministers direction and criteria have been added to section 3.3.

Packaging-like Materials: included/excluded	The newly designated materials should be added as “other” or “products” rather than “packaging/printed paper-like”. The system-wide optimization and the review of the three-factor formula should be completed first.	Noted.
Program Costs & Efficiencies	Are the sales of recyclable material taken into account in the net cost of the program?	Yes. The calculation is shown in Section 6 of the plan.
Program Costs & Efficiencies	Has Stewardship Ontario assessed collection of loose and/or flexible plastic packaging, including mixed plastics in the management of materials?	Stewardship Ontario is making investments to increase the recycling capacity for mixed rigid and flexible plastics. It will be working to increase both the supply of and demand for these materials as technology and market infrastructure can be established.
Program Costs & Efficiencies	Figure 2.2 identifies net system costs as reported by municipalities and verified by industry. Does the term verified by industry refer to the Best Practice cost estimate?	Yes.
Program Costs & Efficiencies	The report identifies "packaging-like materials" to be charged fees and help address 70%. Most of these materials can't be processed in the material recovery facility (MRF) infrastructure. What are the steward's expectations?	As a result of comments received, materials which are not generally included in the recycling programs have been excluded in this revised plan.
Program Costs & Efficiencies	Why is Stewardship Ontario proposing an extension of the Continuous Improvement Fund (CIF), a municipal fund, in this report? This is of particular concern as municipalities have not had a chance to consider if, how, to what extent the CIF should be extended. This must be left to MIPC negotiations, it is	Stewardship Ontario believes the continuation of the CIF is necessary to reaching the 70% diversion target. We appreciate that agreement among the parties--AMO, Toronto, Stewardship Ontario and WDO-- is required for its continuation. The revised plan reflects this.

	not appropriate in this report.	
Program Costs & Efficiencies	What is the likelihood that the Blue Box program gets dismantled into producer responsible collection and management? What is Stewardship Ontario doing to circumvent this?	This question should be addressed to government. Stewardship Ontario is working within its authority to ensure that stewards can meet their obligation in a cost-effective way.
Program Costs & Efficiencies	Can you provide details of the new plastic recycling projects? Where are they located? What types of possible commercial products could be possible?	Stewardship Ontario has and continues to invest in market development for materials. Please refer to the website at: www.stewardshipontario.ca/bluebox/market/marketdevelopment.html for more details.
Program Costs & Efficiencies	Are you accounting for LCBO materials recovered from the residential stream as part of the 70%?	Yes.
Program Costs & Efficiencies	What steps have been taken to reduce packaging requirements in the first place to reduce waste?	Steward's fees are designed to incentivize reduction. Individual stewards are taking initiatives to reduce packaging as outlined in section 9.3 of the revised plan document.
Program Costs & Efficiencies	As a resident of Peel Region, I've noticed recent changes have "combined Blue Box collection" [glass + paper + plastic] at curbside. It may be perceived that this process is more costly?	As technology has evolved the trend to mixing recycling materials at curbside is growing. This has decreased collection costs but tends to increase sorting costs. The optimal system depends on many factors. Currently municipalities are responsible for the design and operation of their community programs and aim to optimize their programs to meet local circumstances.
Program Costs & Efficiencies	Were your estimated costs net and if so what market value did you place on the mixed plastics? Or, obviously for municipalities to extend their programs to include these items, they will have to have decent revenue, can you estimate a possible market value for them?	Yes, costs consider revenues for diverted materials. For the purpose of estimating an indicative net cost, it was assumed that after the market development initiatives have been implemented, the revenue for mixed plastics and film would increase slightly over historic averages.

Program Costs & Efficiencies	Are you proposing that if we collect these materials (described in the plan) you will provide us with reliable markets?	Stewardship Ontario is working to develop markets for the materials collected, e.g. mixed plastics. We will make investments to address other market barriers as technology evolves. As a result of comments received, materials which are not generally included in the recycling programs have been excluded in this revised plan.
Program Costs & Efficiencies	Are concepts such as reprocessing MRF residuals to achieve greater recovery included in the cost estimates (presented in Figure 9.1) or is it based solely on the concepts of Consistent Materials collection and additional Paper and Packaging like materials?	Those initiatives will be considered in striving for 70% diversion. The cost estimates have not been developed at such a specific level.
Program Costs & Efficiencies	The CIF fund is \$14 million or more annually of municipal funds. What will Stewardship Ontario's commitment be?	The CIF is created from stewards obligations to municipalities and it is designed to ensure those funds are invested in recycling system improvements. In addition to those contributions, Stewardship Ontario has made and continues to make investments in market development as noted in the revised plan.
Program Costs & Efficiencies	Are there any opportunities for universities to tap into financial resources to help achieve the 70% diversion? (We operate similarly to small municipalities, offering P&E programs, house thousands of students, pay for private collection, etc.)	The Blue Box Program Plan covers only material supplied to the consumer market and typically is managed by municipalities.
Program Costs & Efficiencies	Is incinerating waste considered to be recycling? Do you count any incineration now in your recycle percentage?	Incineration is not counted as recycling.
Program Costs & Efficiencies	The proposal to extend to CIF requires negotiation between industry and municipalities. The costs for any improvements to the system must be	Noted. The current system is one in which municipalities and stewards each contribute 50% of the cost.

	paid for by producers and no municipalities.	
Program Costs & Efficiencies	The diversion calculation should include Reduction, Reuse and Recycling to encourage efforts in all these areas. This would include “avoided” generation, such as plastic bags or newsprint.	The trends in generation are captured over time and are influenced by many factors. However, data are not available to track individual increases and decreases of specific products.
Program Costs & Efficiencies	Implementation of solutions for increased recycling of difficult-to-handle materials should only be instituted after full EPR becomes a reality.	Comment noted.
Program Costs & Efficiencies	The system being optimized should be expanded to include the processing of recycled material at recycling mills (i.e. – include downstream processing in diversion calculation). We suggest using estimates of recycling-mill residue rates in the interim while the WDO better defines “diversion rate”.	The consideration of residuals from downstream processors was recommended by the WDO to the Minister. Little or no data are available at this time to include such a provision. There was no direction to amend the diversion calculation in this way in the revised plan.
Program Costs & Efficiencies	The revised plan should include an open review of the three-factor formula that includes input from relevant stakeholders.	The three-factor formula was reviewed extensively in 2006. Stewardship Ontario may consider changes to the three-factor formula as appropriate in the future.

Program Costs & Efficiencies	We do not believe that the CIF should be extended before the WDA review is better understood. The status of the CIF is to be negotiated at the MIPC level, not within the scope of BBPP review.	Stewardship Ontario believes the continuation of the CIF is needed to reach the 70% diversion target. Stewardship Ontario appreciates that agreement among the parties -- AMO, Toronto, Stewardship Ontario and WDO – is required for its continuation. The revised plan reflects this.
Program Costs & Efficiencies	The CNA/OCNA contribution continues to be a concern for the Region of Peel. Peel is currently advocating to key stakeholders that the in-kind contribution be eliminated and that members pay the same fee as everyone else.	Noted
Getting to 70% Diversion	If we were to standardize the collection and processing capabilities of the municipalities utilizing the items currently collected only, without adding the additional items, would this enable a 70% diversion rate?	It is expected that standardizing the collection and sorting systems would provide opportunities to increase diversion. However, that is not within Stewardship Ontario's authority. It would still require additional investment as the composition of the waste stream evolves.
Getting to 70% Diversion	In adding books to the list of new products to be collected, does this mean that book publishers will become stewards on everything they sell into the marketplace, and won't the collection of books significantly help to reach the 70% target?	As a result of comments received, books are not to be included in the revised plan.
Getting to 70% Diversion	Adding Printed Paper-like and Packaging-like products will not help to increase Ontario's recycling rate.	That is correct. It would re-distribute the fee rates. However, as a result of comments received, such paper products are not included in the revised plan.

Getting to 70% Diversion	Many of the listed products are not compatible with current collection and management systems. Their inclusion does not contribute to the 70% diversion target. Please remove film bags, wrap and storage bags and all "Printed Paper"-like items. Please develop clearer criteria for what should be included and excluded.	As a result of comments received, the list of packaging-like products to be included in the plan has been revised to reflect the Ministers direction and criteria have been added to section 3.3.
Getting to 70% Diversion	We support the shared responsibility model in getting to 70% diversion.	Noted.
Getting to 70% Diversion	We support the shared responsibility model in getting to 70% diversion.	Noted.
Getting to 70% Diversion	We are VERY disappointed that the plan focuses on the processing and recovery stage of the packaging life cycle and places no responsibility on the design of the actual packaging itself. No changes should be made until the WDA review is complete. Peel will not consider nor support any operational changes or capital investments in infrastructure until the WDA review is understood	As a result of comments received, the list of packaging-like products to be included in the plan has been revised to reflect the Ministers direction and criteria have been added to section 3.3.
Other	Where are you in discussions with the Canadian Health Food Association with regards to having Natural Health Products removed from the program or reduce fees?	This relates to MHSW program. Natural Health Products are included and fees will be recalculated following reporting in March.
Other	Are you working with the SPI for updating the recycle code numbers for plastics? If so will these redefine the cost categories?	Work is underway to update the codes. SO monitors but is not involved in this process.

Other	Cling Wrap s is a brand name; did you mean "plastic wrap"?	Yes.
Other	When would Section 3.3 be implemented?	Once the Minister approves the revised plan, he will establish a commencement date. It has been assumed in this plan that date would be January 1, 2011.
Other	Clarify roles and responsibilities of the MOE.	The Minister provides direction through a program request letter. The Minister then reviews the program plan submitted by the WDO. The Minister may then post the plan on the Environmental Registry for between 30 and 90 days, after which the Minister may approve or reject the plan.
Other	Please clarify the role of the MOE in decision making.	The Minister provides direction through a program request letter. The Minister then reviews the program plan submitted by the WDO. The Minister may then post the Plan on the Environmental Registry for between 30 and 90 days, after which the Minister may approve or reject the plan.

Organizations that Participated in the February 17, 2010 Consultation Webcast

Food & Consumer Products Of Canada
Allergan Inc
Dell Tech Laboratories
Boehringer Ingelheim
Gardena Canada Ltd.
Pepsi Bottling Group
MD Management Limited
Association of Municipalities of Ontario
Electro-Federation Canada
Region of Peel
TELUS
Shoppers Drug Mart
Amway Global
JELD-WEN Of Canada
RONA

Home Hardware Stores Limited
Yellow Pages Group
Permatex
Ocean Spray
Waste Diversion Ontario
Frito Lay Canada
M&M Meat Shops Ltd.
Payless Shoesource
Quinte Waste Solutions
Sharp Electronics
Metro.Ca
Ocean Spray International Inc
Honeywell CPG
City Of Hamilton
Canadian Council Of Grocery Distributors
City Of Hamilton

Fanshawe College
Fred Deeley Imp
Visionquest
Invesco Trimark Ltd.
GSK
Iko Industries
Whirlpool Canada
Citi Cards Canada Inc.
Bayer Inc.
CAHI
Dare Foods Ltd.
Mcdonald's Restaurants Of Canada Ltd.
Ministry of the Environment
The Dominion
Loblaw
Wal-Mart Canada Corp.

County Of Simcoe
Mad Catz Inc.
Agropur
Church & Dwight Canada
MN Pollution Control Agency
Metagenics
Canadian Vehicle Manufacturers'
Association
Henkel
Gates Canada Inc.
Kraft Canada
3M Canada
Teva Novopharm
CKF Inc.
CRFA
Apple Canada Inc.
Viewsonic Corporation
Honeywell
Honda Canada Inc.
Canadian Tire Corporation,
Limited
Snap-On Tools
Recochem Inc.
Sunproject Toro
Recochem Inc.
Kimberly-Clark Inc.
Unilever
Alberto Culver
Colgate-Palmolive Canada Inc.
General Motors Of Canada
Task Tools And Abrasives
Toshiba Of Canada Limited
University Of Guelph

CCSPA
407ETR
Mcmullan Safety Services
USANA Health Sciences, Inc.
Hewlett-Packard
Free Daily News Group Inc.
Government Services
Yamaha Canada Music
Honeywell
Revlon Canada
Hain Celestial Canada
Tahitian Noni International
Solo Cup Canada Inc.
Dell Canada Inc
Lenovo (Canada) Inc.
Kleen-Flo Tumbler Ind. Ltd.
The TDL Group Corp.
Boutique Jacob Inc.
Sally Beauty Supply LLC
Costco Wholesale Ltd
Steward
Clover Leaf Seafoods
General Electric
Kruger Products
Best Buy Canada
Coca-Cola Bottling
CIF
Centoco Plastics Ltd.
LCBO
Quinte Waste Solutions
Innovative Foods Corporation
MIPC BB

Home Depot
Dainty Foods
City Of Toronto
Dell Canada Inc
CICA
IPEX Management Inc.
Sears Canada Inc.
Avery Dennison
Royal Bank
Powerstream
Trent University
Municipality Of West Nipissing
The Source (Bell) Electronics Inc.
Faithlife Financial
Alberto Culver
Holt Renfrew
Henry Company Canada
Centura Brands Inc
Heinz Canada
Amway Canada Corporation
Clorox
City Of Toronto
Lise Watier Cosmetiques
JVC Canada Inc.
Clover Leaf Seafoods
Ingram Micro
Reckitt Benckiser
Smith & Nephew
Pacific Coast Feather Canada
CDSPI
Kodak