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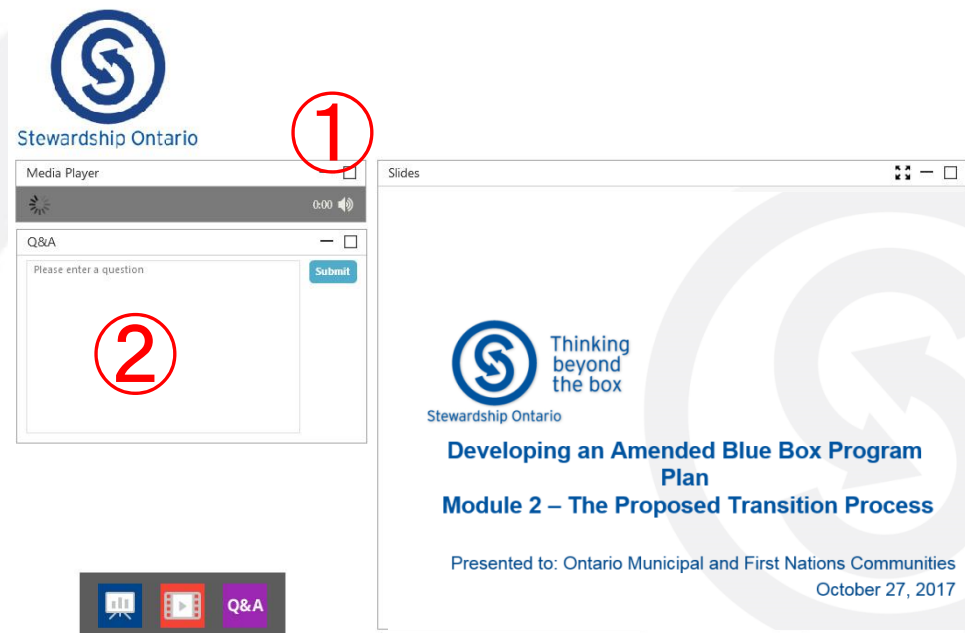
# **Developing an Amended Blue Box Program Plan Module 2 – Definitions and Performance Requirements for the Transitioned Recycling System**

Consultation with Municipal and First Nations Communities

**November 06, 2017**

# Webinar details

- Speaker advances slides
- Sound slider ①
- Questions/comments at 'Ask a Question' ② then click 'submit'
- If you have technical issues also let us know via the "Ask A Question" box



# Reminder about consultation and engagement materials

- a-BBPP communiques, documents, meeting details and more can be found at [www.stewardshipontario.ca/a-bbpp/](http://www.stewardshipontario.ca/a-bbpp/)
- Module 1 presentation and consultation workbook can be found on this page under 'Meetings' > 'October 12, 2017'
- If you have any questions about accessing the content, please contact [jjames@stewardshipontario.ca](mailto:jjames@stewardshipontario.ca)

# Today's Agenda

1. Engagement & Consultation Process
2. Transition: Reminder and an alternate approach
3. Proposals on:
  1. Definitions of steward and obligated paper products and packaging
  2. Standardized list of targeted materials for collection
  3. Performance targets
  4. Collection and management standards
4. Next Steps



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# ENGAGEMENT AND CONSULTATION PROCESS

# Your feedback Is critical

- The Stakeholder and Indigenous Peoples Engagement and Communications Plan jointly prepared by Resource Productivity & Recovery Authority (the Authority) and Stewardship Ontario
- Phase 1: Modular consultations with individual groups to discuss and gather feedback on proposed features of particular interest to them
- Two modules for municipalities and First Nations:
  - **Module 1 – October 12:** Proposed transition process including eligibility criteria and service procurement
  - **Module 2 – October 27:** Definitions and performance requirements for the transitioned recycling system

Today

# Regional meetings also planned

- A series of local, in-person meetings with interested municipalities and First Nations communities will be held throughout the province in November:
  - **November 9: Bracebridge, ON**
  - **November 10: Hamilton, ON**
  - **November 14: Perth, ON**
  - **November 15: London, ON**
  - **November 21: Sudbury, ON** – *also available via webcast*
  - **November 22: Thunder Bay, ON** – *also available via webcast*
- Invitations for the regional meetings went out on Oct. 17. You can also register at [www.stewardshipontario.ca/a-bbpp](http://www.stewardshipontario.ca/a-bbpp)

## Phase 2: Draft a-BBPP

- Authority and Stewardship Ontario will release a full draft of the a-BBPP proposal by December 22, 2017
- Consultation webinar for stakeholders will be held on January 8 and written feedback will be requested by January 15
- a-BBPP must approved by the Authority and submitted to Minister by February 15<sup>th</sup> 2018 deadline, along with a Consultation Report
- All consultation materials, including webinars and associated slide decks will be posted



# Timeline for consultations



# Watch for Consultation Questions

- Following each Phase 1 Module meeting, a Consultation Workbook with a series of questions will be distributed
- We encourage you to provide us with feedback using those questions as a guide
- Feedback is due by **November 17, 2017**
- Also, at any time, you can submit questions and comments here:

<http://stewardshipontario.ca/a-bbpp>



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# TRANSITION: A REMINDER AND AN ALTERNATE APPROACH

# Minister's Letter: Approach to Transition to Full Producer Responsibility



- Directs Stewardship Ontario and the Authority to propose “when and how the responsibility for the collection and management of PPP will be transferred smoothly”
- The transition approach will result in Stewardship Ontario assuming both the financial and operation responsibility (and accountability) of PPP collection and management.
- This first phase of transition “will set the stage for a second phase of transition that will result in individual producer responsibility under the Resource Recovery and Circular Economy Act, 2016 (RRCEA)”.

# Transition must meet four objectives

- Preserve integrity of residential recycling while improving environmental outcomes
- Seamless transition to producer responsibility: Uninterrupted collection service to Ontarians
- Avoid disruption of existing community contracts and ensure an open and competitive market
- Minimize disruption to municipal and First Nations capital assets

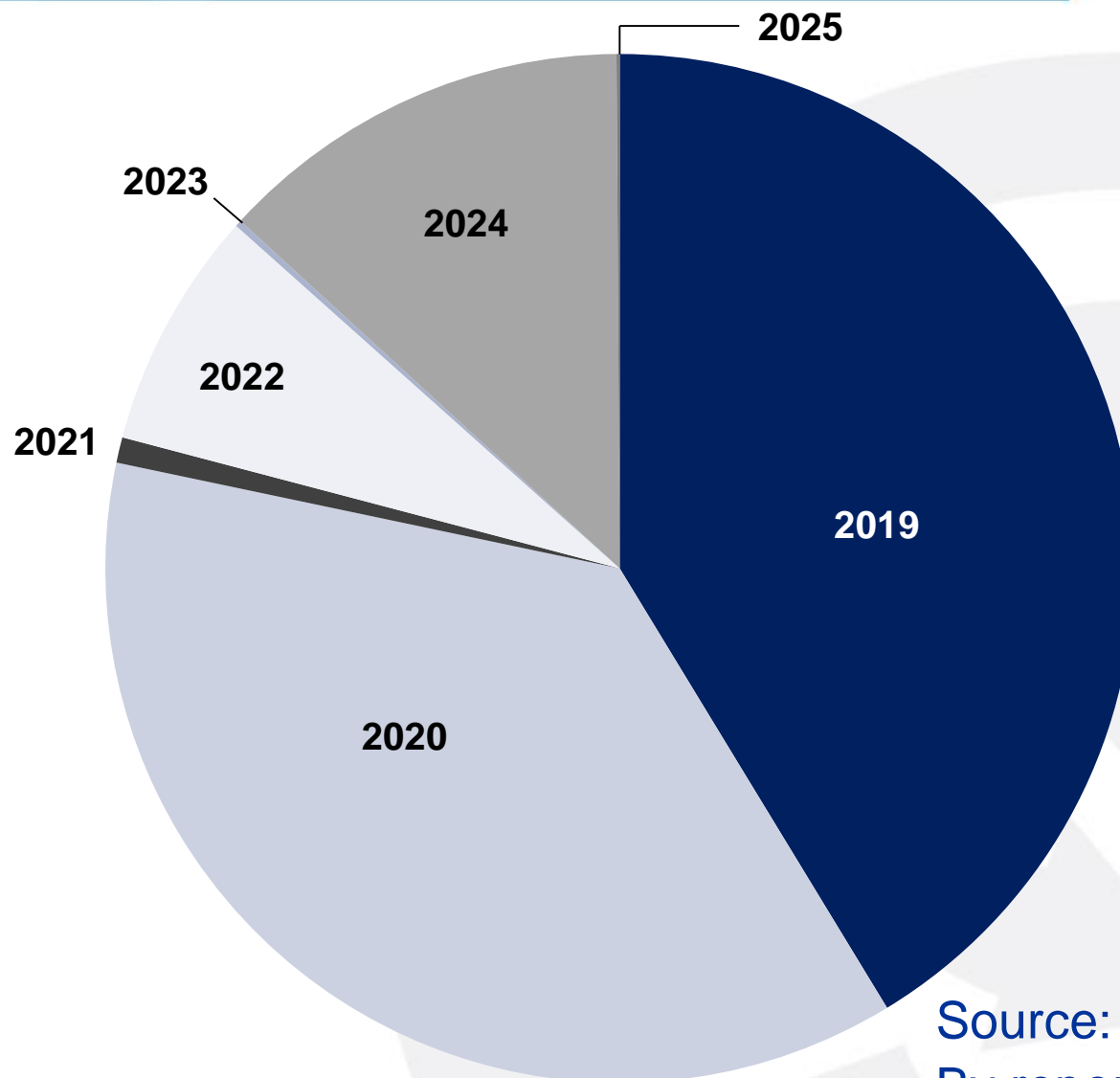
# Transition Process

- Transition from current shared responsibility model to full producer responsibility to be achieved in an orderly manner to ensure no disruption to residents
- Transitioned communities are those for which Stewardship Ontario has assumed responsibility for the collection and management of PPP
- Non-Transitioned communities are those that continue to deliver PPP collection and management services to residents under shared responsibility and will be paid under Section 11 of the WDTA

# Anticipating the Pace of Transition



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Source: 2015 Datacall  
By reported net cost <sup>15</sup>

# We Presented: Pacing the transition to ensure operational stability



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**Criteria One:** All contracts for collection and/or management of PPP have expired such that the community is unencumbered by agreements

Upon satisfying Criteria One communities may transition with no upper limit to number of transitioning communities.

**Criteria Two:** Contracts for collection and/or management of PPP have been terminated early such that the community is unencumbered by agreements

Communities wishing to transition under Criteria Two (early termination) will be selected by random lottery and capped once the total cost of transitioned communities has reached 20% of the 2016 annual net costs or an absolute number of communities transitioning is met.

**Criteria Three:** A community self-delivers service (i.e. does not have contracts for collection and/or management of PPP)

Communities that satisfy Criteria Three may transition with no upper limit to number of transitioning communities.



# What we heard: The approach to transition needs additional thought

## Positive Feedback:

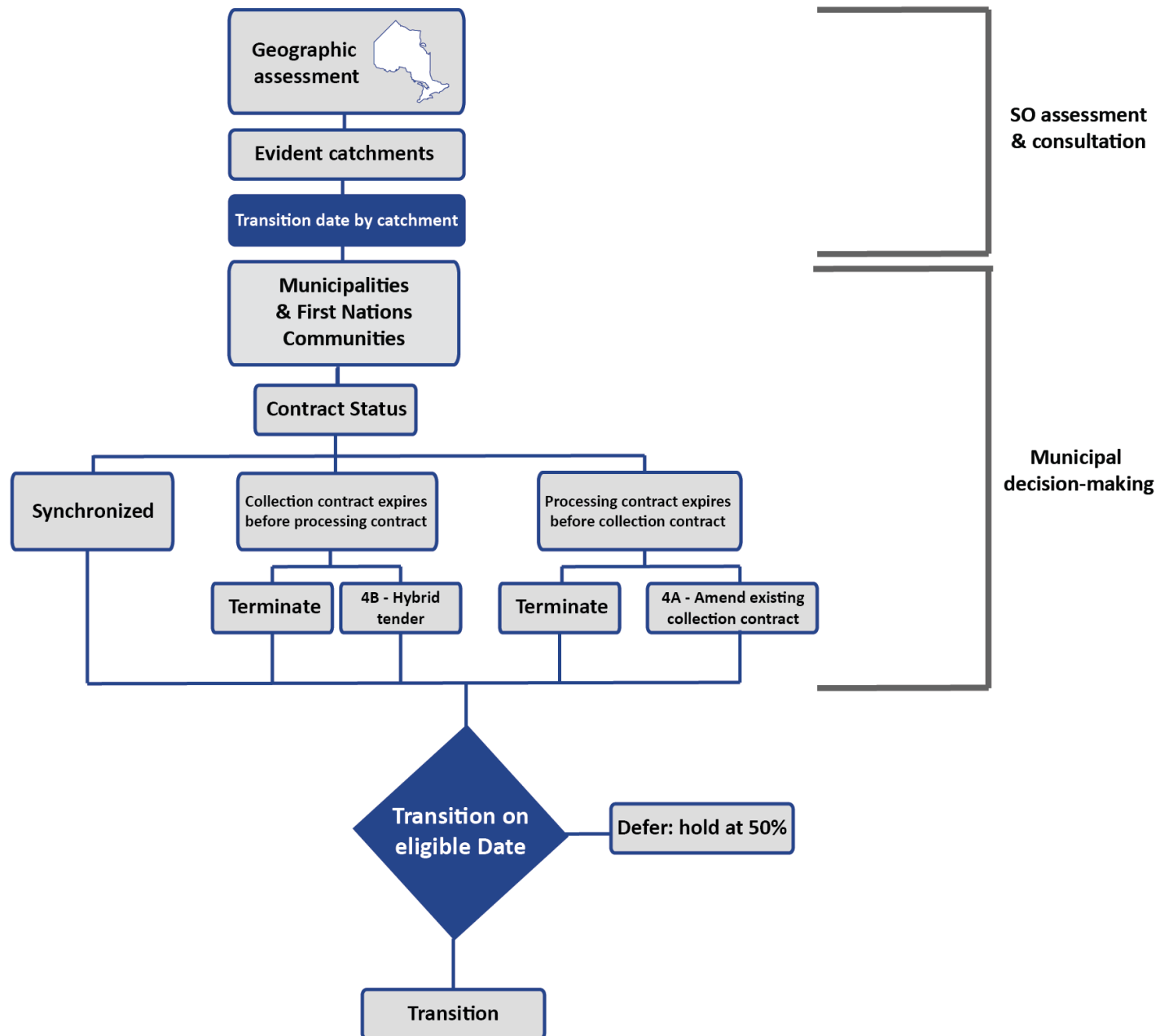
- Undertaking transition is viewed as supporting the objective of an orderly transition with no resident disruption
- The ability to amend existing contracts to align with Stewardship Ontario's collection standards
- Transition support to reduce financial risk of short-term contracts

## Areas of Concern:

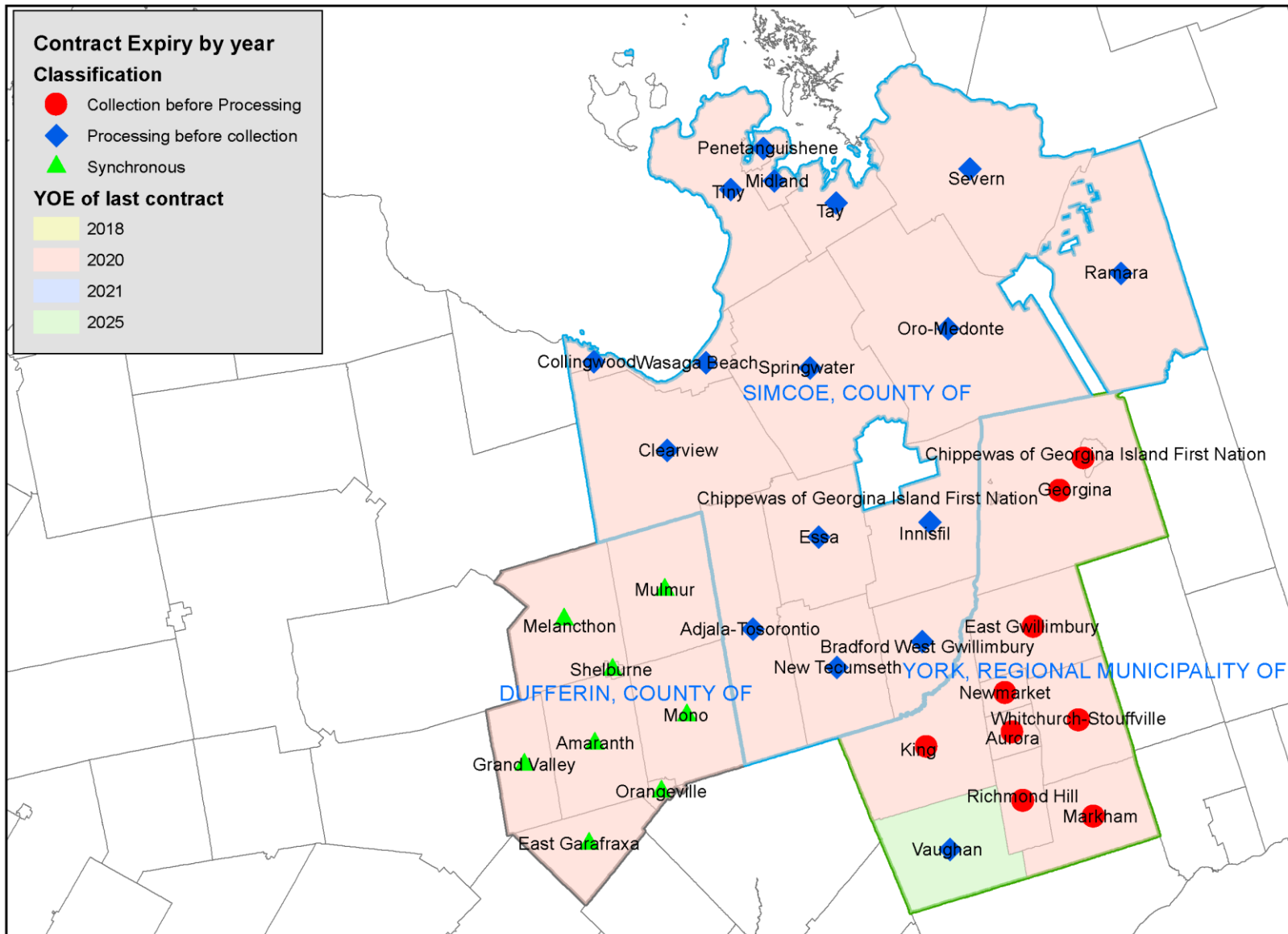
- A lottery approach introduces too much uncertainty

# Alternate Approach: undertaking transition by catchment

- The introduction of Option 4: Contract Amendment paves the way for a geographic-based transition
- The province could be divided into catchments, influenced by geography and informed by contract expiry dates
- Each year, one or more catchments would transition
- Increased certainty will provide communities and post-collection service providers with the ability to plan, order equipment and make commercial arrangements
- Communities could be informed at the launch of the program which year their catchment will transition



# Sample catchment approach



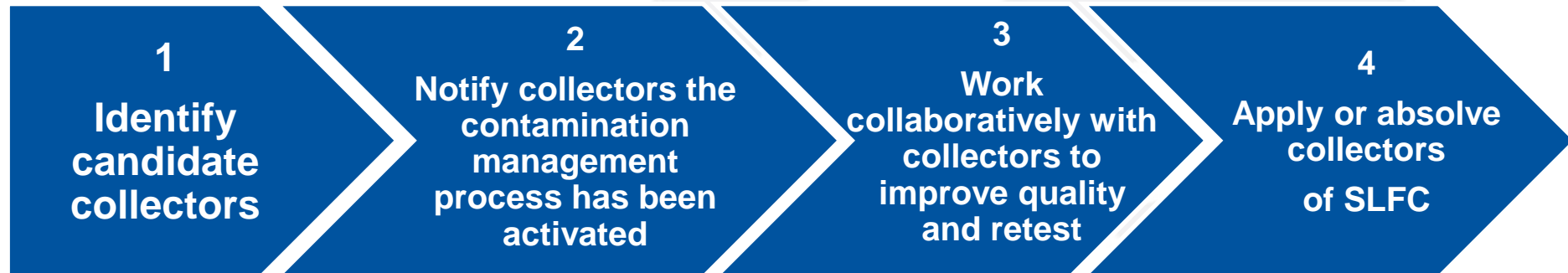
# Contamination management process

- Consider contamination management process 12 months after transition
- Provide sufficient notice between activation of process and the measurement of contamination levels
- In collaboration with collectors implement as early as feasible resident P&E and other behavioral mechanisms to encourage residents to minimize contamination
- Develop a composition audit methodology and communicate that methodology to collectors
- Offer rewards to collectors operating below the contamination target
- Not assume the post-collection expense related to excessive contamination
- Only apply Service Level Failure Credits/Financial penalties (SLFC) as a measure of last resort

# Contamination management process (cont'd)

- **A Contamination Ceiling** – the maximum level of acceptable contamination expressed as a percentage of non-PPP and non-targeted PPP in total collected volumes in-bound for post-collection management
- **A Contamination Target** as a percentage of non-PPP and non-targeted PPP in collected volumes in-bound for post-collection management

# Contamination management process (cont'd)



# Consultation questions on alternate approach to undertaking the transition

1. Do you prefer the catchment-based approach to undertaking transition? If not, why not? What would you propose instead?



# Questions?



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# DEFINITIONS OF STEWARD AND OBLIGATED PAPER PRODUCTS AND PACKAGING

# The Minister's letter requires definitions in the a-BBPP

- Define steward
- Define obligated materials which shall include:
  - Paper products
  - Primary packaging
  - Convenience packaging
  - Transport packaging
- The Minister further directed that the definitions for primary, convenience and transport packaging follow the definitions in the *RRCEA*

# Definition of stewards remains as is

- **Obligated stewards fall into two main categories:**  
*brand holders and first importers into Ontario of products that result in Blue Box wastes under the program.*
- Descriptions in the Steward Rules further specify the types of businesses that fall into these categories
- There are no material changes to the definition of steward proposed under the a-BBPP

# There are some changes to the definition of PPP

- Paper products (**NEW**)

- Paper for writing, printing and copying and other general use, but does not include books or paper products intended for hygienic use.

- Primary packaging (**EXPANDED**)

- **Packaging-like Products:** Aluminum pie plates, aluminum foil, corrugated cardboard boxes for moving or mailing items, plastic or paper-based beverage cups, Kraft paper bags, re-sealable plastic bags, tissue paper, wrapping paper.
- These materials are similar to Primary Packaging, have a similar function to packaging and are found in the Blue Box.

# There are some changes to the definition of PPP (Con't)

- Convenience packaging
  - This definition remains the same.
- Transport packaging
  - This category is new. The definition is intended to capture e-commerce packaging supplied by brand holders and first importers, but **not IC&I**.

# Consultation questions on proposed definitions of steward and paper products and packaging

1. Do you agree with the proposed definition of steward? If not, why not and what would you propose instead?
2. Do you agree with the expanded definition of PPP? If not, why not and what would you propose instead?

# Questions?



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# **STANDARDIZED LIST OF TARGETED MATERIALS FOR COLLECTION**

# Minister's Request

- Provide for continuous improvement of environmental outcomes by “Expanding and harmonizing the list of materials in the existing Blue Box program that are accepted from Ontario residents.”

# Proposed objectives

- Accept materials in the Blue Box that can be sorted and that have end markets
- Expand list of accepted (targeted materials) as markets become available and materials can be sorted

# Proposed approach

- Establish a list of materials that are targeted in all transitioned municipalities because they can be sorted and have end markets
- Expand programs to include materials such as coffee cups and mixed rigid plastics that have sorting capabilities and end markets
- Initially exclude materials, such as coffee pods, and polystyrene packaging that do not yet have end markets
  - Expand material list as end markets, sorting technologies become available
  - Conduct R&D to advance these outcomes

# Consultation questions on proposed approach to define a standardized list of materials to be collected and managed

1. Do you agree with the proposed approach to expanding and harmonizing the list of materials in the Blue Box program to include those materials for which end markets exist and expanding the list of materials as markets become available? If not, what approach would you prefer we consider?

# Questions?



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# PERFORMANCE TARGETS

# Minister's Request

- Increase the diversion target for the Blue Box Program to 75% in transitioned communities
- Establish material-specific management targets in transitioned communities



# Proposed objectives

- Propose achievable targets that will contribute to the overall diversion target
- Focus on increasing the performance of materials currently under the 75% future target

## Attainable Targets + Appropriate Tools + Time = Success

BBPP (2004-2008)	BBPP (2008-present)	Amended BBPP
50%	60%	75%

- Stewards achieving a 64% diversion rate today
- The Minister's prescribed overall target of 75% is achievable over a reasonable period of time and will be facilitated by:
  - Standardizing the list of materials
  - Expanding collection to multi-family households and new communities

# Proposed material-specific management targets

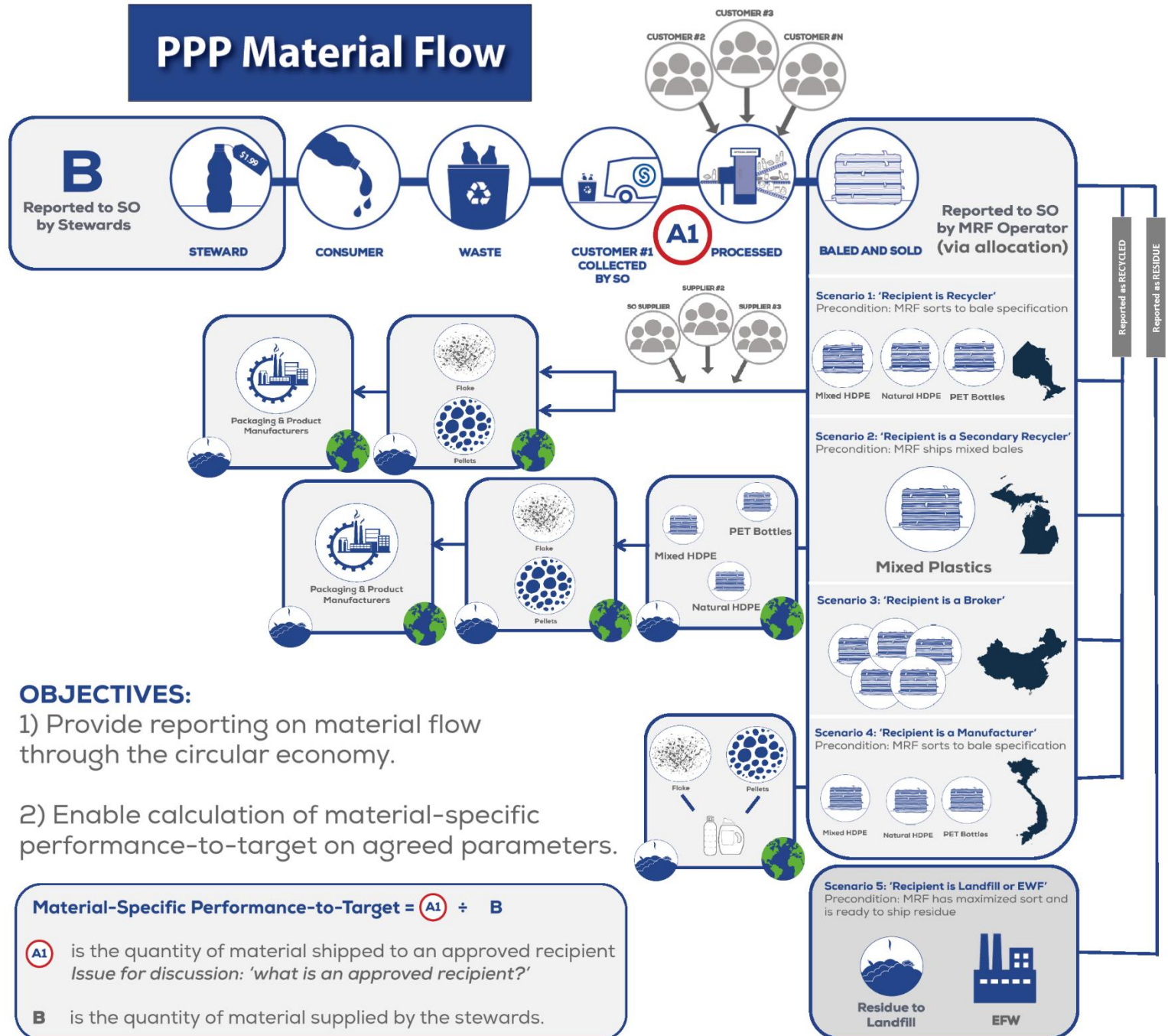
Stewardship Ontario is proposing the following material-specific management targets for four (4) categories of PPP:

Material	Today*	Amended BBPP	Improvement
<b>Paper products/packaging</b>	94%	95%	+ 1 %
<b>Glass packaging</b>	73%	75%	+ 2 %
<b>Plastic packaging</b>	35%	40%	+ 5%
<b>Metal packaging</b>	55%	65%	+ 10 %

Targets apply only to transitioned communities (calculated on a per household prorated basis).

*\*Assumed based on changes to definitions of PPP and other proposed changes*

# PPP Material Flow



## OBJECTIVES:

- 1) Provide reporting on material flow through the circular economy.
- 2) Enable calculation of material-specific performance-to-target on agreed parameters.

$$\text{Material-Specific Performance-to-Target} = \frac{\text{A1}}{\text{B}}$$

**A1** is the quantity of material shipped to an approved recipient  
*Issue for discussion: 'what is an approved recipient?'*

**B** is the quantity of material supplied by the stewards.

# Improving environmental outcomes through waste reduction

- Fee setting methodology as a tool to improve environmental outcomes by adding costs to materials requiring investments in new technologies or end markets
- Develop collaboration forums between stewards and the waste management industry to generate solutions for problematic materials.

# Consultation questions on performance targets and reduction initiatives

1. The Minister has requested a 75% diversion target. Do you think this is achievable using the approach outlined? If not, what else do you propose Stewardship Ontario consider? Why?
2. Do you support the introduction of material-specific targets? If so, why? Are the proposed targets achievable in your view? If not, what do you see as the challenges? Are there any suggestions you could offer to address these challenges?
3. Do you support our proposed approaches to encourage improved environmental outcomes? If so, why and if not, what suggestions would you offer instead to address problematic materials? Do you support investigating the provision of recycled content credits for qualifying materials?
4. Are you in favour of using supply chain collaboration forums to develop solutions to problematic materials? Do you have any experience with such forums that you would like to share? Do you have any advice for how these forums can best be utilized?



# Questions?



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# COLLECTION AND MANAGEMENT STANDARDS



# Minister's Request

- Identify geographically-based collection and management standards, including rural, northern and remote areas

# Proposed Objectives

- Maintain convenience and accessibility standards including the provision of services where those services exist today (i.e., provide curbside collection where it is available today)
- Set baseline services for new communities and triggers for “upgrade” to curbside from depot

# Proposed approach

- Stewardship Ontario will provide reasonable and free access to collection facilities for residential PPP, in consideration of the need for:
  - Services in large, urban areas as well as remote, sparsely populated areas
  - A collection system designed with sufficient capacity to achieve performance targets
  - Collection services that is appropriate to geographic area

# Proposed approach (con't)

- Informed by O.Reg 101/94
- Stewardship Ontario will provide:
  - Curbside, multi-family and depot collection where it currently exists
  - Not less than bi-weekly curbside collection
- In areas where Stewardship Ontario considers expanding collection services, it may:
  - Provide curbside service to communities with a population greater than 15,000, if they currently receive garbage collection
  - Provide depot collection services to communities with population less than 15,000

# Consultation questions on geographically based collection and management service standards

1. Do you agree with the proposed approach to maintaining existing service standards and the proposed triggers for determining eligibility for upgrading services? If not, what approach would you prefer we consider?

# Questions?



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# NEXT STEPS

# Watch for Consultation Questions

- This presentation and webinar recording will be posted on <http://stewardshipontario.ca/a-bbpp>
- Online Consultation Workbook will be emailed to you by tomorrow
  - The Consultation Workbook will contain information provided to you today accompanied by questions inviting your responses.
  - Your feedback will be carefully considered as the draft a-BBPP is developed
  - **Please submit your feedback by November 17, 2017**



# Questions? Feedback?

Submit questions and comments here:

<http://stewardshipontario.ca/a-bbpps-feedback-questions>

Project updates will be posted here:

<http://stewardshipontario.ca/a-bbpps>

