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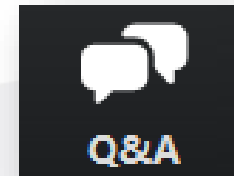
Stewardship Ontario

MHSW Wind Up Plan Update Webinar: Ceasing Operations on September 30, 2021

September 14, 2021

Today's Webinar

- To ask a question, click the Q&A button on the bottom of your screen:
 - You may have to toggle your cursor on the screen to show the Q&A button.
 - You can ask questions at anytime during the webinar.
 - We will respond to stakeholders as soon as possible to any questions we don't get to during the Webinar.
- This presentation and webinar recording will be available on the MHSW Wind Up webpage by tomorrow:
StewardshipOntario.ca/MHSW-WindUp/.



Focus of Today's Presentation

- Review of key current MHSW Program wind up steps and activities which is ceasing operations on September 30, 2021.
- Information on the new Hazardous and Special Product (HSP) regulation under the *Resource Recovery and Circular Economy Act (RRCEA)* Program can be found on the Resource Productivity and Recovery Authority (RPPRA) website at <https://rpra.ca/programs/hazardous-and-special-waste/>:
 - Related stakeholder questions to RPPRA can be submitted to registry@rpra.ca

Today's Agenda

- MHSW Wind Up Plan (WUP) Update
- Key Service Provider Dates and Activities
- Key Steward Reporting Deadlines and Dates
- Winding Up MHSW Program Operations:
 - Communications
 - Data Management
 - Final MHSW Program Financial and Operational Arrangements
- Summary Key MHSW Program Dates
- Questions/Comments

MHSW Wind Up Plan Update

- Original MHSW Wind Up Plan approved by RPRA in December 2019:
 - Plan subject to amendments as per Ministerial directions (Approved Addendums available at [StewardshipOntario.ca/MHSW-WindUp/.](https://www.stewardshipontario.ca/MHSW-WindUp/))
- Program for single-use batteries ceased operations on June 30, 2020.
- Surplus funds disbursed (summary by material category next slide):
 - \$34.98 million disbursed to ISOs to implement fee reductions for their members;
 - \$8.8 million disbursed to Stewardship Ontario stewards as fee reductions.
- On June 11, 2021 RPRA appointed Administrator to oversee the wind up of both MHSW and Blue Box programs.
- On June 22, 2021, RPRA approved extension of the MHSW program until September 30, 2021:
 - Key MHSW Wind Up Plan dates have been adjusted to align with new date to cease program operations.

MHSW Program Surplus Fund Disbursements



MHSW Surplus Funds Disbursed as of July 2021

ISO Surplus Funds Transfers	\$34,982,600
Stewardship Ontario Steward Fee Reductions	\$8,811,500
<i>Stewardship Ontario Surplus Fund Disbursement by MHSW Material Category</i>	
Antifreeze	\$1,941,200
Oil Containers	\$9,241,600
Oil Filters	\$9,251,300
Fertilizers	\$294,900
Paints and Coatings	\$14,592,000
Pesticides	\$250,200
Solvents	\$1,270,400
Pressurized Containers - Refillable	\$200,000
Pressurized Containers - Non-Refillable	\$260,000
Single-use Batteries	\$6,492,500
	\$43,794,100

- \$43.8 million in surplus funds disbursed by Stewardship Ontario as of July 2021.
- Further Stewardship Ontario steward fee reductions anticipated on December invoices (amounts to be determined).



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MHSW Wind Up Plan: Key Service Provider Dates and Activities

Key Service Provider Dates and Activities

Date	Activity
MHSW Program Ceases Operations Sept 30, 2021	<p>Pressurized containers collected by September 30, 2021 are eligible for transportation and processing incentives.</p> <p>Municipalities are eligible for incentives (depot hours and collection events) up until September 30, 2021.</p> <p>All Orange Drop branding should be removed from collection sites and depots.</p>
Oct 15, 2021	<p>Deadline for pick-up (by approved transporters) of pressurized containers that were collected by September 30, 2021.</p>
Nov 30, 2021	<p>Final submission deadline for municipal incentive claims occurring prior to September 30, 2021 (e.g. MHSW collection events).</p> <p>Final submission deadline for service provider incentive claims.</p>



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MHSW Wind Up Plan: Key Steward Reporting Deadlines and Dates

MHSW WUP Supply Reports

- Stewards continue to be obligated to submit quarterly supply reports as per existing schedules:
 - Final program supply report due October 31, 2021 (one month after program ceases operations).
- MHSW Wind Up Plan required changes to former two-year window for steward supply report adjustments:
 - Adjustments for data related to 2020 and earlier were required to be submitted by February 12, 2021.
 - Final adjustment reports for data related to 2021 are due no later than November 30, 2021.

Supply Report	Report Due Date	Report Obligation Period
Q4 2021	October 31, 2021	Q3 Data (July 1 – Sept 30)
Final Supply Adjustment Requests	November 30, 2021	For 2021 data only

Fee Reduction Process for Final MHSW Steward Invoices

- Stewardship Ontario will delay final steward invoices until approximately 90 days after program termination (December 2021) in order to enable more complete financial reconciliations prior to determining the amount of surplus funds available for disbursement via a fee reduction in the final quarter of the program.
- Following the completion of all MHSW financial arrangements there may also be residual funds (contingency amounts that cannot be released until all invoices have been resolved) in material categories that will be disbursed to stewards.

Steward MHSW Wind Up Plan Invoicing

- Stewards will continue to be obligated to pay quarterly invoices (reduced by fee reduction).

Invoice Payment	Quarterly Costs Used in Fee Calculation	Fee Payment Due Date	Summary
Q4 Invoice (by Dec 31, 2021)	Q3 material management & administrative costs	January 2022 (within 30 days of receipt of invoice)	Q3 Report (Q2 data) & Previous 3 Quarters Q3 Costs & True Up Q4 Invoice (adjusted for fee reduction)

- Final MHSW Program steward invoices in 2021 will be delayed until approximately 90 days after termination date to accommodate final financial reconciliations.

Fee Reduction Process for Stewards not in Good Standing

- As per the MHSW Wind Up Plan, stewards not in good standing with Stewardship Ontario will not be eligible to receive fee reductions or residual fund disbursements.
- Stewards with accounts in arrears to Stewardship Ontario at the time fee reduction notices are issued may have amounts owing to Stewardship Ontario deducted from their potential fee reduction notice.
- Stewards with accounts in arrears will be notified of:
 - Any adjustments made by Stewardship Ontario in relation to potential fee reductions; and
 - The status of the steward in relation to potential future fee reductions or residual fund disbursements.



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MHSW Wind Up Plan: Final Wind Up Steps



Resources:

- Stewardship Ontario website wind up page now includes summary documents outlining key steward and service provider wind up steps and dates (available at [StewardshipOntario.ca/MHSW-WindUp.](https://www.stewardshipontario.ca/MHSW-WindUp))

Websites and social media:

- Orange Drop (resident-facing) and Stewardship Ontario (stakeholder-facing) website changes will be reflected as of October 1, 2021:
 - Consumers and stewards will be directed to RPRA for information on new HSP programs;
 - Stewards will also receive relevant information about remaining MHSW Program wind up activities.
- As of October 1, 2021, Orange Drop social channels will no longer publish content. Channels will still be monitored for resident questions.
- Orange Drop legal title and domain to be transferred to RPRA.

- Stewards will continue to have access to MHSW supply data on the WeRecycle Portal after September 30, 2021 but:
 - Ability to submit MHSW report adjustments will end as of November 30, 2021;
 - Stewardship Ontario will give stewards at least 45-days notice regarding anticipated changes in access to MHSW data through the web portal.
- MHSW Wind Up Plan requires Stewardship Ontario to transfer program data to RPRA and eventually destroy program data:
 - Data transfer and destruction security protocols to ensure protection of confidential and financially sensitive information;
 - Access protocols will protect data until removal and destruction.

Final Program Financial and Operational Arrangements

- Final steward invoices payment due January 2022.
- Following completion of steward MHSW Program category financing and resolution of outstanding program operational obligations any remaining residual funds distributed to Stewards (see next slide).
- Schedule for data transfer to RPRA finalized and begun – MHSW data destruction to be coordinated with destruction of Blue Box data.
- Necessary staff arrangements and service contract adjustments and terminations implemented.
- Final MHSW Wind Up implementation report submitted to RPRA and Minister – target June 2022.

MHSW Residual Fund Process

- Following termination of the MHSW Program, any residual funds remaining in the program will be disbursed to Stewardship Ontario stewards and current ISO members:
 - Share amounts calculated using methodology used to disburse surplus funds;
 - Disbursements subject to a de minimus threshold of \$25 per steward;
 - Stewards not in good standing not eligible to receive disbursements;
 - Stewardship Ontario steward payments to be issued by cheque or EFT transfer.
- Determination of residual amounts for each material category will be completed following the resolution of MHSW Program financial and operational obligations:
 - Any unused contingency amounts will contribute to residual fund disbursements;
 - Any unused general reserve funds will be allocated to category reserves.
- Stewardship Ontario anticipates that residual funds would be disbursed to stewards and ISOs prior to June 2022.

Summary Key WUP Dates

Sept 30, 2021	MHSW Program ceases operations.
Oct 15, 2021	Deadline for pickup of pressurized containers collected prior to September 30, 2021.
Oct 31, 2021	Steward Q4 supply reports (Q3 data) due.
Nov 30, 2021	Steward final supply Adjustment Reports due (2021 data). Deadline for service provider and municipal incentive submissions.
December 2021	Stewardship Ontario issues final steward invoices.
January 2022	Deadline for payment of final steward invoices.
TBD	Disbursement of residual funds to stewards if applicable.



Questions?



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Thank you