



BUSINESS PERFORMANCE AND ENVIRONMENTAL SUSTAINABILITY MEMORANDUM

Page: 1
File:
Pending #:

TO: MAYOR J. LEHMAN AND MEMBERS OF COUNCIL

FROM: K. SIREN, WASTE REDUCTION COORDINATOR
S. BRUNET, B.SC., MANAGER OF BUSINESS PERFORMANCE AND ENVIRONMENTAL SUSTAINABILITY

NOTED: A. MILLER, RPP, GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH MANAGEMENT
M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RE: NEW BLUE BOX REGULATION AND TRANSITION TO FULL PRODUCER RESPONSIBILITY

DATE: MAY 17, 2021

The purpose of this Memorandum is to provide members of Council with an update on the draft Blue Box Regulation under the *Resource Recovery and Circular Economy Act, 2016* (RRCEA) that imposes producer responsibility for municipal Blue Box Programs and its implications on City of Barrie Waste Management Programs.

BACKGROUND

In 2016, the Province of Ontario passed the RRCEA; legislation that shifts the management of several Waste Diversion Programs to Full Producer Responsibility (FPR), including the Blue Box Program.

Under the RRCEA, several regulations have already been implemented, shifting responsibility for end-of-life management for used tires, waste batteries and electronics, to Producers.

The Blue Box Regulation, once enacted, will transition the responsibility of the Blue Box Program from Municipalities to Producers. Producers will be wholly responsible for the Blue Box Program and Municipalities will no longer be obligated to deliver Blue Box related services.

Producers are the brand holders, first importers of a product into Ontario, or retailers who supplied the blue box packaging, paper, or packaging like products to the consumer.

The draft Blue Box Regulation, establishing a Producer Responsibility Model for the Blue Box Program, was released for comment on October 19, 2020. The City of Barrie (City) has provided written feedback through our collaboration with the Association of Municipalities Ontario, Municipal 3R's Collaborative, Regional Public Works Commissioners of Ontario, and the Municipal Waste Association.

Through a resolution adopted by Council on January 27, 2020, the City expressed a preference for a transition date of May 1, 2024. This date was chosen to align with the current waste collection contract extension end date.

Although the Regulation was reputed to be passed in mid-February of this year, this has not yet occurred.

Of note, the "Blue Box Program" is the generic provincial term for the Recycling Program. The City of Barrie Recycling Program includes both blue and grey box collection. All references to the Blue Box Program in this Memo apply to the City's Recycling Program as a whole: both blue and grey box.



BUSINESS PERFORMANCE AND ENVIRONMENTAL SUSTAINABILITY MEMORANDUM

Page: 2
File:
Pending #:

IMPACTS OF THE DRAFT REGULATION

Responsibility for the Blue Box Program – As of the transition date, the City will no longer be responsible for the Program and will not be obligated to provide collection. However, the City will continue the collection of other waste streams: garbage, organics, and yard waste.

Eligible Sources – Under the draft legislation what is being defined as an 'eligible source' does not encompass all the sources eligible in the City's current Program. A comparison is provided in Appendix A. The option to continue servicing non-eligible sources is available, however it would require City specific contractual agreements fully funded by the City.

Designated Materials – the draft Regulation expands the list of eligible blue box materials and includes some materials that residents currently place in their recycling boxes for collection.

Common List of Materials – Producers will collect the same recyclables in all communities across the Province with the intent to create province-wide consistency and reducing resident confusion.

Promotion and Education - Producers will be responsible for communicating changes to the Blue Box Program to designated eligible sources. The City will continue to provide information to residents regarding all other waste collection services.

Asset Changes - Producers will be responsible for providing and replacing recycling containers with the City continuing to purchase and distribute green bins.

During Transition Period (2023-2025)

The draft Regulation lays out a three-year period during which all communities operating a Blue Box Program are scheduled to transition to FPR. During this period, Producers are required to maintain the same collection type, service standards, and service levels as the current Municipal Program. This means that City residents will not see any changes to collection service during the Transition Period.

Post Transition Period (2026 and forward)

As of January 1, 2026 all existing Blue Box Programs will have transitioned and Producer requirements may change. This is when City residents may experience a change in the provision of the Blue Box Program.

Service Level Changes - Producers may change collection frequency, sorting requirements and container type. Potential resident confusion may accompany these service level changes, albeit this would be experienced province wide.

Depot Recycling - Producers are not obligated to provide depot collection in Municipalities where curbside collection services exist. Recycling at the City's current Depot could continue under new specific contractual arrangements.

Alternative Collection Systems – Producers can be exempted from the Common Collection System if they implement an Alternative Collection System to collect the specific materials they supply in Ontario, provided it meets the requirements. If Alternative Collection Systems are viewed as inconvenient by residents, it could result in more recycling being disposed of through the garbage stream. An example of an Alternative Collection System would include a 'return to retailer' model.



BUSINESS PERFORMANCE AND ENVIRONMENTAL SUSTAINABILITY MEMORANDUM

Page: 3
File:
Pending #:

FINANCIAL IMPACTS

Transitioning the Blue Box Program to Producers will reduce the costs of the current waste collection system, however this will be accompanied by a decrease in system associated revenues. Currently, the City receives some revenue on the sale of recyclables through the waste collection contract, as well as receives funding through the current Shared Responsibility Model. In this model, Producers currently are required to pay 50% of the costs associated with running the Blue Box Program.

The City will continue to receive partial funding from Producers based on the current funding model until the City transitions in 2024. Once transitioned, the costs for collection from eligible sources, and processing, as well as promotion and education, would be borne by the Producers.

The City may choose to continue servicing non-eligible sources; however, no funding would be available for these services, and the City would be required to enter into contractual arrangements to continue providing these services.

NEXT STEPS

The Regulation was to be released in mid-February of this year and based on this timeline, a plan for the transition of the City's Blue Box Program to Full Producer Responsibility had been developed by Staff. The delay in the release of the legislation will have impacts on this plan.

One major impact is associated with the development of the City's next Waste Collection Contract. Staff have engaged the assistance of a Consultant to assist with the development of the procurement document and includes an assessment of the changes required from the existing contract and an evaluation of options available to the City under the new Blue Box Regulation.

The Consulting Firm has cautioned that further delays in the release of the Regulation could mean the procurement document may be developed during a time of uncertainty and the associated risk may necessitate discussion with Council.

Should the regulation be released before the summer, Staff will need Council's direction with respect to the options to be exercised for the provision of waste services post May 2024.

Should the release of the regulation be further delayed, Staff will update Council with respect to next steps.



BUSINESS PERFORMANCE AND ENVIRONMENTAL SUSTAINABILITY MEMORANDUM

Page: 4
File:
Pending #:

APPENDIX A

Eligible Sources

Currently receive recycling collection (* indicates that this source is not eligible for funding under current regulation)	Eligible for recycling collection under the draft regulation **
<ul style="list-style-type: none">• Residential dwellings• Multi-residential Buildings and complexes• *Industrial, Commercial, and Institutional sector• Public space bins (parks, BIA, and transit stops)• *Special Events• *City Facilities	<ul style="list-style-type: none">• Residential dwellings• Multi-residential Buildings and complexes• Long-term care homes, retirement homes, and schools• Public space bins in parks and BIAs

**** Based on Draft Regulation**