



March 19, 2018

**The Honourable Chris Ballard** – Minister of Environment and Climate Change

**Dave Gordon** – Senior Advisor, AMO

**Laura McDowell** – Director Environmental Promotion & Protection, York Region

**Lindsay Milne** - Manager, Sustainable Waste Management, York Region

**Claudia Marsales** – Senior Manager, Waste and Environmental Management, City of Markham

**Jennifer Rose** – Director, Environmental Services, City of Vaughan

**Chris Kalimootoo** – Director of Public Works Services, Town of Newmarket

**Al Downey** – Director of Parks and Recreation, Town of Aurora

**Peter Wyllie** – Manager of Operations, Town of Whitchurch-Stouffville

**Dan Pisani** – Director of Operations and Engineering, Town of Georgina

**Mike Cole** – Deputy Director of Engineering and Development, Township of King

**Jeff Meggitt** – Operations Manager, East Gwillimbury

Dear sirs/madams:

**Re: Amended Blue Box Program Plan**

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Please accept for your information, Richmond Hill's commenting submission provided to Stewardship Ontario (SO) and Resource Productivity and Recovery Authority (RPRA) on Jan 15, 2018 in response to the draft Amended Blue Box Program Plan (a-BBPP) released by SO on December 19, 2017.

Richmond Hill supports the concept of Full Produce Responsibility where Producers are environmentally accountable and financially responsible for recycling their products and packaging at end of life. However, the draft Blue Box Program Plan proposed by SO does not stay true to the overarching concepts outlined in the Minister's letter and it does not address the concerns put forward by municipalities and other stakeholders.

The intent of this letter is to inform our partners of Richmond Hill's concerns and suggestions for improvement regarding the a-BBPP. The comments contained in the letter to SO below, have been endorsed by Richmond Hill's Council. To summarize, Richmond Hill's key concerns relate to:

- A reduction in environmental outcomes
- The need for good governance and balanced decision making
- The need for shared accountability between SO and municipalities
- The need for defined customer service standards
- Information necessary for municipal decision-making regarding transition options

In addition, a special circumstance exists in York Region where responsibility for the Blue Box program is shared (lower tier municipalities collect and York Region processes BB materials). This poses unique challenges which must be properly addressed by the a-BBPP. For example, if York Region chooses to transition post-collection responsibilities (processing responsibilities) to SO, lower tier municipalities that remain un-transitioned will be left without a processor for the BB materials. Currently York Region collects a tax levy to fund processing of BB materials, but lower tier municipalities do not. The a-BBPP must ensure that processing capabilities will be available for any non-transition municipality that falls under this scenario, and options must be explored for how this added cost to lower tier municipalities could be addressed.

Despite these concerns, we remain hopeful that the Plan can be amended to better align with the Act, the Minister's direction letter and to address the key concerns raised by municipalities.

Sincerely,



Terry Ricketts  
Director, Asset Management Planning & Environment Services  
Environment and Infrastructure Services Department  
Town of Richmond Hill



January 15, 2018

John Coyne, Chair  
Stewardship Ontario

Dear Mr. Coyne:

**Re: Amended Blue Box Program Plan**

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Please accept the following comments from the Town of Richmond Hill regarding the Amended Blue Box Program Plan posted by Stewardship Ontario on December 19, 2017. Richmond Hill has been actively involved in consultation process on behalf of our community. Overall, Richmond Hill supports the transition to full Producer responsibility as outlined in the *Strategy for a Waste-Free Ontario (2017)* and in the Minister's direction letter to develop the Amended Blue Box Program Plan. However, the proposed a-BBPP does not meet the objectives set out in the Minister's direction letter and fails to address key concerns submitted by Richmond Hill and other stakeholders during the consultation process in November 2017. The following comments reflect key concerns for Richmond Hill that have not been adequately addressed in the draft Amended Blue Box Program Plan. We remain hopeful that the Plan can be amended to align with the Minister's direction letter and to address the concerns raised by municipalities.

### **Summary of Key Comments**

#### *Environmental outcomes*

The Minister's Direction Letter and the Accord both clearly articulated the need to improve environmental outcomes by expanding and harmonizing the list of targeted materials and incenting waste reduction through measures such as increased recyclability/reusability of packaging and reducing/eliminating use of problematic materials. Unfortunately, the a-BBPP does not progress the system beyond the current Blue Box programs and proposes reductions in the scope of materials collected by some communities today, as well as reductions in public space recycling. Therefore the proposed approach does not support improved environmental outcomes.

#### *Need for good governance and balanced decision-making*

It is in all stakeholder interests to ensure that good governance and balanced decision-making occurs during the transition to Full Producer Responsibility. The proposed a-BBPP gives unilateral decision-making powers over key elements of the transition to Stewardship Ontario. For example, this includes the ability for Stewardship Ontario to unilaterally change the standardized list of materials collected, which would have significant impacts for stakeholders. More balanced



decision making powers are required in the plan. In cases of conflict, a dispute resolution mechanism must be established and administrated by the Authority and the Province.

*Contamination penalties should reflect shared accountability between SO and collectors.*

The plan fails to acknowledge the principles of a circular economy by applying penalties to collection providers and residents, without connection to changes in public education and/or penalties to SO and stewards. The proposed contamination management process places accountability solely on collection providers without recognition that many factors influence program performance including Promotion and Education (P&E), convenience and problematic packaging. Since stewards will be responsible for these pieces, they must also share accountability for contamination management and the related penalties to provide an incentive to improve on them. In addition, by applying penalties to the collectors and residents alone, not only do we miss the mark on creating a 'circular economy', but the material will most likely be directed back into the waste stream for sake of ease, increasing municipal waste costs and reducing program performance. Further, the draft a-BBPP proposes no responsibilities for SO as it relates to penalties or controls on Paper Products and Packaging (PPP) found in the garbage or the organics stream. Just as municipalities will face contamination targets and responsibilities for waste in PPP, SO should shoulder the cost burden for PPP contamination in garbage and green bin. A fair balance of responsibility for cross-contamination is necessary for SO to better understand how PPP is being managed by residents, to guide future decisions about manufactured packaging that is convenient to recycling as well as to direct P&E efforts.

#### *Customer Service*

Customer service standards are missing from the a-BBPP. Customer service is a crucial component of the blue box program. Richmond Hill fields hundreds of calls and curbside questions each year from residents in support of program delivery. As municipalities will now have the opportunity to opt out of delivering and managing the blue box program, the amendment should outline customer service standards for communities where stewards will deliver the service directly. The draft a-BBPP provides opportunities to erode current service standards and transfer costs back to municipalities, without penalty or oversight. The a-BBPP should require service levels to be maintained or improved over current standards to ensure no disruption in customer service levels as a result of the transition.

#### *Information Needed for Municipal Decision-Making*

Municipal councils will require a business case analysis of the available transition options in order to make an informed choice. Key information that would heavily impact the financial outcome is missing for each scenario, and worse, leaves the definition of these costs unilaterally in the hands of other parties. For example, benchmark pricing, contamination rates and penalties have not

been adequately defined, which will drive contract and staffing costs. Without the ability to compare cost/service scenarios, municipalities won't have the tools they need to make informed decisions, and won't be able to adequately prepare for new or different contractual, organizational or financial stresses.

*Other significant concerns*

- Payments to municipalities based on SO benchmarked prices introduce a significant risk; a better approach is to base payments on competitively obtained unit pricing reflective of local conditions.
- The 2016 Datacall User Guide should continue to be used to verify costs for non-transitioned municipalities; the proposed changes in Appendix A should be eliminated.
- Processing capacity must be made available to non-transitioned municipalities who are not currently responsible for processing.
- Public space recycling programs must be protected under the Plan; instead of eroding these programs, they need to be used as a foundation for best practices and improvement.

Generally speaking, the proposed a-BBPP falls short of fulfilling the principles of the Act, as well as the Minister's direction in the Request Letter to the Authority and Stewardship Ontario, most importantly, concepts such as preserving the integrity of residential recycling; improving environmental outcomes; and building on current services/success as a foundation for continuous improvement, will not be realized. Below please find more specific examples as to why these principles are at risk, and recommendations to address them.



## Section Specific Comments

Please note that the order of presentation follows the topic headings provided in the a-BBPP, rather than the order of importance to municipalities. Some of the more critical comments are marked with an asterisk.

### **Non-Transitioned Communities & Municipal Datacall**

- *In-kind advertising should be eliminated (Section 6.2)*

For payment to non-transitioned municipalities, the a-BBPP states that the “majority” of the payment (verified through the Datacall) will be in the form of cash and the remaining amount will be provided in the form of in-kind advertising. Municipalities require the full 50% in cash to allow flexibility for the funds to be put to best use. In many cases, existing advertising approaches integrated with broader waste management programs are more effective than the in-kind approach suggested; the Datacall program funds are required to support other critical areas.

- *\*Processing capacity must be made available to non-transitioned municipalities who are not currently responsible for processing (Section 6)*

The draft a-BBPP does not address the unique situation in York Region, where the upper-tier municipality (York Region) is responsible for processing and the 9 lower-tier municipalities are responsible for the collection of recyclables. Should York Region transition processing responsibilities and the lower-tier municipalities remain non-transitioned for a period of time, the a-BBPP must ensure that the closest post-processing facilities will accept material from the non-transitioned municipality.

- *Payments should increase from 50% to 100% for all communities committed to transition*

For communities willing to transition but unable to do so immediately, the stewards’ payments should gradually increase from the current 50% to the full 100% during this time. This will help reduce the disproportionate financial burden placed on communities transitioning later in the process by virtue of catchment timing, or due to unavoidable delays related to existing collection contracts.

- *Vendor confidentiality agreements must be respected (Section 6.1)*

Access to information and facilities by SO must be in accordance with current confidentiality agreements in municipal contracts. The proposed a-BBPP does not honour this limitation and requires unilateral access to information by SO. The Plan should reflect more balanced sharing of information between SO and municipalities and respect existing agreements.

- *\*The 2016 Datacall User Guide should continue to be used to verify costs for non-transitioned municipalities (Section 6.1 & Appendix A)*

In previous consultation sessions lead by SO, it was mentioned that “existing eligible material sources and cost categories, as set out in the Datacall User Guide, will continue” with a few minor exceptions. However, Appendix A lists additional exclusions not mentioned during the consultation sessions and this is unacceptable. Richmond Hill believes that the 2016 Datacall User Guide should continue to be used to verify costs for all non-transitioned municipalities. In addition, other eligible costs need to be included in Appendix A, including operating cost of replacing damaged blue boxes, public space containers collected on a residential routes (i.e. community mailbox recycling containers), curbside/multi-residential waste audits, cost of staff that oversee contracted service delivery etc.

- *Ineligible Costs (Appendix A)*

Richmond Hill does not agree that all service level changes should be ineligible costs or that the date of August 14, 2017 should be the only factor in determining eligible vs. ineligible costs. It’s important to understand that routine improvements to the Blue Box program are a necessary part of regular business and will occur over the long transition period. Holding back on efficiencies or service updates throughout this time would penalize communities, which is not the intent of the Minister’s letter. Some changes may have been pre-planned, unavoidable and potentially advantageous to both parties. Although it is understandable that SO does not want to incur the cost of major service level changes, other factors such as the degree of change and rationale for the changes are important considerations in determining whether or not they should be eligible. The a-BBPP should develop criteria for eligible and ineligible services level changes which, at a minimum follow these guiding principles:

- The change makes meaningful progress towards the goals of the Waste Free Ontario Act, including increased waste diversion rates and capture rate for recyclables.
- Is in keeping with current best practices in waste management and provides more convenience to consumers/residents.
- Is needed to maintain the convenience, efficiency and safety of the waste management system (i.e. safety equipment such as cameras on trucks).
- Is prompted by a natural opportunity to update services (such as the start of a new contract).

In cases of conflict, a dispute resolution mechanism could be established and administrated by the Authority.



- *Costs associated with service level changes approved prior to August 14, 2017 must be eligible regardless of implementation date (Appendix A)*

Appendix A states that the cost of collection containers in use prior to August 14, 2017 is eligible, however, this should be tied to approval of the service level and not the installation of the containers. If the service level was approved prior to the August 14, 2017 cut off, then all associated costs including the cost of containers should be eligible regardless of when they were installed.

- *The 2016 Datacall User Guide should continue to be used for the calculation of administration costs (Appendix A)*

The calculation for administration costs described in Appendix A is defined as the lesser of reported administration costs or 5% for programs who provide service directly and 3% for programs who contract out service delivery. This places a cap on administration fees at 3% of collection costs for Richmond Hill which is not a suitable approach. The current approach should continue to be used.

- *The proposed 'ineligible costs' do not reflect a fair and balanced sharing of responsibility (Appendix A)*

We do not accept Stewardship Ontario's proposal that costs related to "penalties or fees incurred by Communities as levied by service providers resulting from service level failures (e.g. contamination in materials in-bound to processors) or other deficiencies in Community performance as in terms of their agreements with service provider" are ineligible costs. In non-transitioned municipalities the program remains a shared responsibility between the parties and with it comes with shared risks.

## **Transitioning to Full Producer Responsibility**

### Transition Timing

- *Transition timing should be adjusted to work with municipal Council processes and timing (Section 7.1.2.1)*

The timing allocated to communities to make their 'Preliminary Declaration of Transition Intent (30 days) and their 'Final Declaration of intent' (90 days) does not provide sufficient time for staff to review information provided by Stewardship Ontario (i.e. Master Service Agreements and Statements of Work), consult with their stakeholders including its current waste contractor(s), conduct the required financial impact analysis, and receive approval by municipal Councils. More appropriate timing would be 3 and 6 months respectively.



- *\*Far more information is needed to inform municipal decision-making regarding transition choices (Section 7)*

Information available to communities to inform their transition decisions is vastly inadequate. Without this information, transition decisions will be poorly informed and communities will be ill-prepared (the transition will not be 'seamless'). Municipalities will need to compare the costs/benefits of each transition option in the context of local circumstances as the basis for recommendations to Council. For example, communities would need to know the benchmarked payment amount(s) offered by SO if they choose to act as a collection service provider on behalf of SO. This is one of many examples provided through the consultation process of fundamental information required for even the most basic municipal decision making.

#### Catchment Design and Sequencing

- *Transition timing should reflect the 2023 target set in the Strategy (Section 7.6)*

The proposed plan includes a schedule for sequencing the transition of catchment areas. This schedule sets the target of 15% to 25% of Ontario households transitioning each year so that all communities will be transitioned after five years. The 25% cap for how many households will transition each year needs to be adjusted to meet the target date of 2023 set in the "Strategy for a Waste Free Ontario". This will also decrease the additional costs (such as costly short-term contract extensions or unnecessary capital investments) that may arise while a community is waiting for its transition catchment to open and it will and decrease the transitional support that Stewardship Ontario has offered to communities.

- *Transition timing should be adjusted to reflect more accurate contract commitment data (Section 7.6.2.3)*

It is our understanding, based on information provided in the consultation sessions that the proposed transition caps are based on the expiration date of *current* collection contracts obtained through the Datacall. Municipalities typically commit to new collection contracts one or two years prior to allow sufficient time for the contractor to obtain (order/build) waste vehicles. More accurate transition timing caps should be developed based on binding municipal contract commitments, rather than the end-date of active contracts.

- *\*Municipalities need a meaningful voice in final catchment area decisions (Section 7.6.3)*

The proposed approach to designing the catchment areas empowers SO with the final decision in the design of the catchment areas and does not include an opportunity for communities to provide feedback on the proposed catchments and timing. Where a disagreement arises, final decisions on catchment areas and timing should not lie solely with

SO. In these cases, decision should be made by the Authority or the Province with an option for arbitration.

#### Procurement and Payment for Collection Services

- *More information is needed regarding the proposed method for payment of services (Section 7.8.1.3)*

The a-BBPP proposes that communities will receive a per unit payment for contract administration. Information about eligible and ineligible costs under the umbrella of “administration” (such as wages of employees, vehicles, operation of call centres, etc.) is needed for communities to make informed decisions for transition.

- *\*Payments to municipalities based on SO benchmark prices introduces a significant risk; a better approach is to base payments on competitively obtained unit pricing reflective of local conditions (Section 7.8.1.3)*

In situations where communities contract out collection services, the a-BBPP proposes that municipal cost recovery be based on a benchmark price established by SO. With the diversity of services and collection contracts throughout Ontario, and with SO’s relative inexperience in this industry, the proposed approach exposes municipalities to significant risks. A more balanced approach would be to base cost recovery on the unit costs municipalities have secured through competitive procurement/contract negotiations. These contract costs take into account local conditions, integrated systems and differing service requirements between municipalities. Furthermore, these prices were established by municipal staff with a depth of experience and with a view to minimizing municipal costs. Finally, should disputes occur about fair compensation, a 3-rd party arbitration process should be available to municipalities.

- *\*If a benchmarked price approach is used, communities require the option to exit from their agreement with SO (Section 7.8.1.2)*

This flexibility will hold parties to a higher standard of accountability in setting a fair pricing approach. In addition, the proposed a-BBPP states that communities acting as collection agents will “Engage in an escalating series of remedial measures to engage Consumers where they place more than a set percentage by weight of non-PPP out for collection”. These contamination management activities are resource-intensive and will increase costs to municipalities. These costs, among others, are not currently reflected in the costs that will be used to establish a benchmarked price. SO needs to consider these and other added requirements when determining a benchmarked pricing, and be prepared for municipalities



to exit agreements if the benchmarked cost recovery is inadequate to justify acting as a service provider.

- *To honour the principle of a 'circular economy', SO must share in the response to missed contamination targets (Section 7.8.1.2 & Appendix C)*

One of the options for communities to transition includes acting as contract management agents on behalf of SO which may require the procurement of new collection contracts. In this case, the draft plan proposes that SO have a significant role in the procurement process, including selection of the Collection service provider. The draft a-BBPP also states that a community will be held accountable for meeting contamination level targets, and if they are not met, penalties will be assessed. This is an unbalanced approach. If SO has a central role in designing contracts, the selection of vendors, the promotion and education programs, as well as the design of PPP, then they must also be responsible for missed targets. If these costs and consequences are downloaded to municipalities and residents alone, the basic principle of a 'circular economy' has missed the mark. Furthermore, based on our experience in the industry, the most successful approach isn't penalties, but instead, to make recycling the most convenient option and by providing savvy P&E to reinforce positive behaviours.

- *In-kind advertising should be eliminated (Sections 6.2 & 7.11)*

Payments to transitioned communities for supply chain and promotion and education costs payable by CAN/OCNA members is proposed as in-kind advertising as opposed to direct cost recovery. Our past experience shows that the use of advertising space as a primary public education tool for waste management is minimally effective. Municipalities have experienced success with more progressive strategies that target barriers to public engagement related to local culture, language, geography, population density or climate. Using general space in local print media is not a forward-thinking enough approach to yield tangible results.

- *\*Public space recycling programs must be protected under the Plan; instead of eroding these programs, they need to be used as a foundation for best practices and improvement (7.8.6)*

Section 7.8.6 discusses payment for collection of PPP in public spaces but does not define what a public space is. This section also states that in transitioned communities where collection of PPP is turned over to SO, this service will be considered at a later date. This contradicts the Minister's direction by decreasing public space recycling services in transitioned Ontario municipalities. It also puts at risk the capital and program investments that many municipalities have recently made in this area. These services need to continue in transitioned communities. Furthermore, a clear plan to expand PPP collection in public space as a foundational best practice (such as for parks, public buildings and special events) should be established as part of the a-BBPP.

- *An oversight in the a-BBPP related to contract management agent roles and responsibilities should be addressed (Sections 7.8.1.3 & 8.1)*

The option for communities to act as contract management agents on SO's behalf by amending current collection contracts (i.e. Contract Status 2 as defined on page 17) is not addressed in several sections including in Section 7.8.1.3 Payment for Collection Services and Section 8.1 Promoting Competition and Ensuring Market Fairness. These sections should be expanded/completed to further address roles and responsibilities for this important option.

- *Responsible, cost-based decision-making for municipalities will require an opt-out option in the SO agreement (Sections 7.8.1.2 & 8.1)*

Once Communities receive bids for collection services and are able to compare these costs to the payments that SO will make (based on benchmarking), they require the option to opt out of acting as contract managers on behalf of SO. This comparison and exit clause should be included in the procurement process. Furthermore, under Section 8.1, more information is needed on "Cost-based assessments" that will be used to set or adjust benchmark prices when benchmarking information is not available or it contains salient differences.

#### **Obligated Materials and Standardized List of Materials**

- *The a-BBPP provides a wider revenue base for Stewardship Ontario while the list of eligible materials for inclusion in the Blue Box has diminished, in contradiction to the Minister's direction (Appendix A)*

It is difficult to determine from the list of standardized materials provided in the a-BBPP what is and is not included in the blue box (i.e. coffee pods, poly-coated cups, etc. not specifically addressed in the a-BBPP although referenced during consultation) – more clarity is required. Although acceptance of certain materials is not clear, this list definitely omits certain items currently accepted in the program (i.e. aerosol containers, plastic #7 etc). This approach contravenes the Minister's direction; the plan should assist Ontario in moving towards a circular economy and improvement of environmental outcomes. This plan should commit to accepting the widest range of PPP accepted today in Ontario or, SO should require/incentivize stewards to replace packaging that is difficult to recycle with other suitable packaging types that have robust end markets.

- *\*Removing materials from the blue box program will result in municipalities managing these materials at taxpayer's expense as garbage or as part of "contamination rate" calculations and penalties (Appendix A)*



Removing materials from the blue box program will increase municipal cost. This will become especially costly in consideration of heavy and/or high volume streams such as the exclusion for alcohol bottles. Although the deposit return option is preferred, glass and plastic alcohol bottles should not be treated as contaminants as they are composed of recyclable material.

- *\*Municipalities strongly object to powers granted to SO to unilaterally make changes to the a-BBPP; this uncontrolled approach could have significant financial impacts to stakeholders (Appendix B & Section 3.1 of the Program Agreement)*

The a-BBPP states on page 46 that “Changes to the list of materials targeted for collection will be made for operational reasons in response to changing technology and the availability of Diversion End-Markets”. This gives Stewardship Ontario unilateral decision-making and undermines Section 3.1 (i) of the draft Program Agreement requiring Stewardship Ontario to submit documents and information for RPRA’s approval in regards to proposed changes to the a-BBPP. It will also limit progress towards the environmental objectives outlined by the Minister, and creates wide-reaching program complexities (such as the need to re-educate residents or revised operational collection methods), with contamination penalties and costs falling exclusively on municipalities, vendors and residents.

- *The Plan must be expanded to outline how NEW packaging products will be managed (Section 7.10 and Appendix A)*

Some of the fastest growing packaging types (i.e. films, squeeze tubes, multi-laminated pouches etc.) are excluded from the targeted collection list; a more forward-thinking and progressive approach is needed to build a foundation for continuous improvement. In addition, for materials that are difficult to manage in blue box collection systems, alternative systems should be considered. For example, compostable residential PPP (e.g. shredded paper, soiled pizza boxes) composted in municipal facilities could be counted as ‘diversion’ provided stewards pay the cost of collection and processing. The a-BBPP should include an expanded definition of obligated PPP which encompasses products managed in organics programs, with funding responsibilities appropriately placed with SO.

- *Obligated PPP should be based on the RRCEA definitions for products, primary, convenience and transport packaging in a manner which does not strictly limit the obligation to “household” materials, but includes identical PPP consumed away from home*

This is a broader program approach that would have SO fund an appropriate share of obligated PPP, regardless of where the consumer disposes of the product. This approach is also consistent with the Minister’s Direction Letter “to consider accommodating associated public spaces, parks and other related services provided by these municipalities”.

## Promotion and Education

- *Municipalities should have a voice in P&E plans, and not be penalized for high contamination related to ineffective P&E (Section 7.11)*

It is important that the a-BBPP provide additional details including the approval and updating process for the annual P&E plan as well as an annual evaluation of how effective the P&E is at achieving the desired behavioral change. The a-BBPP proposes that SO will have full control of developing and approving the P&E plan which is quite concerning; not only should the Authority play a role in reviewing and approving the plan, but municipal input should be considered given our local understanding of public engagement strategies for waste management and the relationship that exists between PPP to the other waste streams. P&E efforts are directly correlated with contamination levels and collectors should not be penalized for high contamination if the P&E efforts are ineffective. Further detail must be provided on how this balance will be managed.

- *\*The Authority should oversee SO efforts to manage false advertising among members; false advertising as a marketing approach affects contamination rates (Section 7.11)*

Although P&E is a fundamental component of reducing contamination and educating residents, it is equally as important to ensure that PPP produced by stewards are easily identified as recyclable and that non-targeted PPP items are not advertised as such. The a-BBPP should outline SO's responsibility to ensure that its members are not falsely advertising materials as recyclable a marketing tool as this will inevitably discredit P&E efforts, cause consumer confusion and increase contamination rates at the expense of collectors. The a-BBPP must detail how this oversight will be provided and measured by the Authority.

## Dispute Resolution

- *\*The a-BBPP must define a balance and transparent process for decision-making and dispute resolution for all stakeholders impacted by transition (9)*

The proposed a-BBPP gives unilateral decision-making powers over key elements of the transition to Stewardship Ontario that will materially affect municipal and other business interests. Until the current municipally-operated blue box system can be successfully transitioned to individual producer responsibility, more balanced controls are necessary for the protection of all stakeholders. These controls must protect the interests of individual stewards, service providers, the Province, taxpayers and municipal governments. Further, key elements of transition such as catchment timing, terms of master service agreements, benchmarking of costs and contamination management protocols have significant impacts on municipal budgets and customer service standards. Staff appreciate that timing for this amendment does not allow for full development of all components of the transition process,

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however the amendment should clearly lay out the consultation process for future work with due consideration to upcoming municipal council elections and their impact on decision making. The amendment should also include decision-making criteria, how stakeholder feedback will be transparently addressed and a process for resolving disputes that may arise.

## **Waste Reduction**

- *In addition to the waste diversion program described in the a-BBPP, the plan must outline a more robust process for waste reduction (Section 11)*

The approach to waste reduction that SO has taken in the proposed a-BBPP does not support the definition and intent of waste reduction. The proposed plan fails to provide the foundation for a system that identifies problematic material and requires/incentivizes proactive research and re-design aimed at reducing the overall amount of PPP generated and reducing and eventually eliminating the use of materials that cannot be recovered.

- *Proposed timelines and reporting should be escalated to bring about waste reduction as a priority (Section 11.1)*

The proposed timeline for when materials are designated to be researched and added to the list of targeted materials is too long. Annual evaluations need to be made of all PPP to determine the percentages of non-targeted materials within all of the generated PPP and determine the feasibility of adding these materials to the list of targeted materials. Also, the proposed plan offers no clear or specific commitments in terms of research and development. The wording needs to be changed from “may” to “shall” in order to mandate that research and development is undertaken for materials not targeted for collection or those that have low diversion performance.

- *Changing targeted materials will impact collection – both financially and operationally – and these costs must be shared*

As new materials are added to the list of targeted materials in transitioned communities, collection contracts will have to be amended to include these. These contract amendments may include increased collection costs. In cases where communities act as contract management agents for SO, these increased collection costs must be the responsibility of SO and the a-BBPP should state this.

## **Contamination Management**

- *\*Stewards/SO need to share accountability and response for contamination (Appendix C)*

Municipal staff have concerns about the accountability proposed for contamination management. The process places responsibility for eliminating contamination squarely on the collection service provider/contract manager without recognition that many factors influence what gets put out to the curb for collection. Clear and engaging promotion and education material is vital to inspiring participation and clarifying what can go in to the program. The amendment should link tracking of common contaminants across the Province with continuous improvement of communication materials. Program design and convenience are also key. Residents want to recycle everything they can, so an inclusive program that captures packaging types popular in the marketplace is needed. Clear labeling on packaging rather than current “recyclable where facilities exist” terminology is another way stewards should be required to support reduction in contamination and shifting consumer purchasing habits. Stewards producing packaging that often ends up as a contaminant in the stream should also be penalized as part of the contamination management process. Further, the draft a-BBPP proposes no responsibilities for SO as it relates to penalties or controls on PPP that is placed in the garbage or organics stream. Just as municipalities will face contamination targets and responsibilities for waste in found in the recycling stream, SO should shoulder the cost burden for PPP contamination in garbage and green bin. A fair balance of responsibility for cross-contamination is necessary for SO to better understand how PPP is being managed by residents, to guide future decisions about manufactured packaging that is convenient to recycling as well as to inform public education efforts.

- *The plan needs to provide the planned targets/ceilings for contamination management (Appendix C)*

The proposed a-BBPP must include the planned contamination ceiling and target and these should be different for curbside, multi-residential and public space streams.

- *Contamination management process should be phased in to allow sufficient time for P&E (Appendix C)*

The proposed a-BBPP states that communities will be eligible for the contamination management process twelve months after transitioning. This is not a realistic target date to measure how effective the transitioned system is (for example the effectiveness of promotion and education).

- *Contamination management triggers to be based on verified and representative information (Appendix C)*

The proposed a-BBPP states that eligible collectors for the contamination management process may be selected randomly. This is unacceptable. Participation in this process must be based on some verified and representative information of service failure. It is further



unacceptable for a collector to pay for audits and tests if they are randomly selected to participate.

- *Further clarity on the contamination management process is needed (Appendix C)*

Further details are needed on the following contamination management approaches:

- The standard methodology for composition auditing, including the size and locations of the 10 samples, the sampling method and if curbside and multi-res streams will be combined. It also needs to be clarified as to who will be carrying out the auditing/sampling to ensure it is done by a qualified independent third party.
- How field observations of in-bound material will be done to determine if the load exceeds contamination targets
- How will the "Post-collection expense associated with the tonnes in excess of the contamination ceiling" be determined and how will the number of tonnes be assessed.

Sincerely,



Terry Ricketts  
Director, Asset Management Planning & Environment Services  
Environment and Infrastructure Services Department  
Town of Richmond Hill