



Municipal Hazardous or Special Waste Program Wind-Up Plan Consultation Report

November 29, 2019

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Introduction and context

On April 12, 2018, the Minister of the Environment, Conservation and Parks (the Minister) directed Stewardship Ontario (SO) to wind up the Municipal Hazardous or Special Waste (MHSW) Program on December 31, 2020 to enable the transition of hazardous or special materials to the Individual Producer Responsibility regulatory framework for resource recovery under the *Resource Recovery and Circular Economy Act, 2016* (RRCEA).

The Minister directed SO to submit a wind-up plan to the Resource Productivity and Recovery Authority (the Authority) by June 30, 2019. SO held consultations on its wind-up plan starting in April 2018. Changes to wind-up deadlines and additional ministerial direction required SO to conduct a second phase of consultations in August 2019 before submitting a revised wind-up plan to the Authority on September 27, 2019.

As part of its approval process, the Authority consulted on the proposed plan from October 7 until November 21, 2019. This report details the Authority's consultation process and the feedback received.

Questions about this report can be emailed to consultations@rpra.ca.

About the Authority

The Authority is a regulatory body created by the Ontario Government to enforce the requirements of the *Resource Recovery and Circular Economy Act, 2016* (RRCEA) and the *Waste Diversion Transition Act, 2016* (WDTA).

The RRCEA establishes a new resource recovery regulatory framework where producers are individually responsible for their products and packaging at end-of-life. The Ontario Government designates materials subject to individual producer responsibility requirements. Producers responsible for designated materials must register with the Authority and report on their progress towards meeting mandatory collection and management targets. The RRCEA gives the Authority enforcement powers to ensure producer compliance.

The WDTA allows for the continuation of existing waste diversion programs and sets out requirements to wind up those programs as directed by the Minister of the Environment, Conservation and Parks.

Principles for public consultation

The Authority's consultations are guided by the following best practice principles developed by the Organization for Economic Cooperation and Development (OECD):

Inclusiveness and openness: *Engage broadly with a wide variety of stakeholders, provide clear and understandable information, and make the consultation process accessible, comprehensible and responsive.*

Timeliness: Engage stakeholders early before decisions are made and provide regular opportunities for engagement on key program and policy matters.

Accessible and cost effective: Consider a variety of tools and methods to gather feedback that promote efficient and cost-effective consultations.

Balance: Provide opportunities for diverse perspectives and opinions to be heard and considered.

Transparent: Record feedback, report back a summary to stakeholders, and synthesize feedback into programs and policies as appropriate.

Evaluation: Demonstrate the impact of public consultations on program delivery and policy development.

Consultation process

The Authority’s 45-day consultation on SO’s proposed [MHSW Program Wind-Up Plan](#) began on October 7, 2019 and ended on November 21. The Authority emailed its general mailing list on October 7, Stewardship Ontario emailed its general mailing list on October 8, and reminder emails were sent throughout the consultation period. Authority staff worked closely with SO staff to inform MHSW program participants of the consultation. A [dedicated web page](#) was created on the Authority’s website with background information on the consultation, how to register for a session, and presentation materials and recordings. Stakeholders were invited to submit feedback on the plan via email or by attending a session.

Below is a table that shows the Authority’s consultation sessions and number of registrants who participated:

Location	Date	Registrants
Webinar	October 22, 2019	224
Vaughan / GTA	October 23, 2019	25
London	October 29, 2019	19
Smiths Falls	November 5, 2019	34
North Bay	November 6, 2019	10
Dryden	November 12, 2019	6
Webinar	November 15, 2019	58
		Total: 376

The Authority also worked to encourage the participation of municipalities in the consultation process by partnering with the Association of Municipalities (AMO) and the Continuous Improvement Fund (CIF) to source community hubs and meeting space for in-person consultations across the province. AMO and CIF were conducting their Fall 2019 Blue Box Program Update at the time. The Authority, AMO and CIF coordinated these meetings strictly for logistical reasons. AMO and CIF were not involved in the content or design of the Authority's consultations on the proposed MHSW Program Wind-Up Plan and the Authority had no role in the content or design of AMO and CIF's update on the Blue Box Program. The Authority held in-person consultations in the morning, while AMO and CIF met with stakeholders in the afternoon.

In addition to the webinars and in person group consultation sessions, one on one consultation meetings were offered to key associations with an interest in the MHSW wind up.

The Authority's presentations were led by Cameron Parrack, Manager of Programs and Planning and Geoff Rathbone, Director of Transition, who attended the Vaughan in-person consultation as well as the two webinars. At least one representative of SO attended each consultation session to answer any technical questions related to the plan.

What we heard

The Authority fulfilled one request for a one-on-one meeting; received 16 written submissions via email; and over 70 questions and comments were asked and answered during the public in-person sessions and webinars.

The feedback received is summarized below. Some comments have been edited for length and clarity. RPRA has categorized feedback and comments according to the following themes:

- Conflict of Interest
- Data Management
- Financial Forecast and Budget
- Use of Surplus Funds
 - Fee Reduction
 - Residual Funds
- Operations
- Orange Drop Website and Branding

Conflict of Interest

Consistent with the Minister's direction, the Authority required SO to develop and implement a Conflict of Interest Mitigation plan as part of its MHSW Program Wind-Up Plan. SO enlisted an external governance advisor to develop and submit a Conflict of Interest Mitigation Plan prior to the development of the MHSW Program Wind-Up Plan.

During the Authority's consultation, some participants expressed concerns the staff appointed to SO's new executive team could provide or be perceived to be able to provide CSSA with a

competitive advantage over other market participants if they transition to roles within CSSA following SO's dissolution. It was suggested that SO executive staff commit to post-service, non-compete clauses to reduce any potential for CSSA to gain or be perceived to have a competitive advantage over other potential market participants under the RRCEA.

Stakeholder feedback was also received indicating support for SO's conflict of interest plan and that the proposed Plan supports competition and prevents conflict of interest.

Data Management

Many participants expressed comfort with SO's planned digital transfer of MHSW program data to the Authority, provided measures were implemented to maintain data security throughout the process. Stakeholders conveyed to the Authority that it will be crucial that a strong baseline of data be established for the MHSW program, as the materials transition to the RCCEA regime, because accurate data tracking and monitoring of toxic and harmful MHSW substances is imperative to safeguard the natural environment.

Financial Forecast and Budget

Stakeholders requested that the financial tables provided within the Plan include a greater level of detail to help readers understand the source of funds used to finance SO's wind-up costs, contingency amounts, SO steward fee reductions and ISP member fee reductions. A general concern was expressed by some stakeholders that material specific reserve amounts should not be used to fund wind-up costs.

Surplus Funds

In 2018 the Canada Revenue Agency ruled in favour of SO's ability to claim Input Tax Credits (ITC) between 2011 and 2017, resulting in a CRA HST tax refund of \$29.375 M. This amount combined with SO's general reserves brought the total amount held in reserve to \$53.09 M at the end of 2018. In a subsequent direction letter, the Minister directed SO include in its Wind-Up Plan a proposal to return surplus funds to consumers of municipal hazardous or special materials (MHSM). In response, SO conducted a second round of consultations specific to the use of surplus funds to consult on several options to return surplus funds to consumers. Based on stakeholder support received during their consultation, SO proposed to implement a fee reduction to SO stewards and ISO members during wind up, under the assumption that any steward savings would filter down to consumers purchasing MHSM products.

During the Authority's consultation, there were several comments and feedback on the matter of SO's surplus. As some stakeholders were just learning about the surplus funds during the consultation, this report has separated comments related to surplus funds into multiple categories: surplus funds (as noted above); fee reduction plan, and management of residual funds.

Fee Reduction

The proposal to return surplus funds to consumers through the implementation of a fee reduction to SO stewards and ISO members was met with both concern and support.

Municipal stakeholders suggested the surplus be allocated towards their MHSW collection efforts, which in turn would benefit consumers, residents and taxpayers. Some stakeholders questioned whether SO could prove that reduced stewardship fees would filter down to the consumers, and if there is any existing research to support this plan.

Industry stakeholders were supportive of the fee reduction. This stakeholder group expressed the opinion that the large surplus, including the CRA ITC amount, was a result of contributions made by SO stewards over the past decade. Industry stakeholders asked for assurances that the fee reductions be fair and reflect each steward's historical contributions to the SO reserves.

Residual Funds

In its wind-up plan, SO proposed that residual funds left in the program at the point of program wind up should be transferred to the Authority to help offset registry-related costs under the RRCEA framework. Some stakeholders requested clarification on why there should be any residual funds remaining after wind-up and sought assurances, that if approved, any residual funds be applied proportionately by material to help off-set fees. Other stakeholders felt that any remaining residual funds following program termination should be returned to stewards and not used to offset any of the Authority's registry expenses or fees.

Some municipal stakeholders felt the residual funds should be allocated toward promotion and education campaigns to help convey changes to the MHSW program to residents.

Operations

In terms of the cut-off dates proposed in the Plan for final service provider claims submissions, deadlines for collection sites to be serviced at program wind up and the deadlines for steward supply report and adjustment submissions to be received, no concerns were conveyed by stakeholders during the consultation with regard to the compressed timelines.

A great deal of feedback was received from municipal service providers during the consultation with respect to the transition from the WDTA to the RRCEA. Municipal stakeholders unanimously expressed concerns that without a regulation in place for batteries and MHSM, they would not be able to plan effectively for the upcoming transition due to the uncertainty surrounding whether municipalities will have a role to play as collectors following wind up. Authority staff communicated to stakeholders during the in-person consultation sessions that once the battery and MHSM regulations have been finalized, individual producers and PROs would be able to engage with service providers to establish relationships that would help them to satisfy their individual producer responsibility performance requirements.

Orange Drop Website and Branding

The SO MHSW Wind-Up Plan proposes to continue using the Orange Drop brand and the website as the consumer-facing brand of the MHSW program throughout the wind-up period. Following transition, SO proposed transferring the legal title of Orange Drop to the Authority. The feedback received from municipal stakeholders on this element of the Plan varied based on geography. Generally, municipal stakeholder representatives of urban areas conveyed an awareness of Orange Drop and were therefore supportive of maintaining this asset during wind up and transferring it to the Authority following program termination. Conversely, several municipal stakeholders representing rural regions were unaware of the Orange Drop brand or the website's location-finding functionality to direct Ontario residents to MHSW and battery collection points nearby.

Despite the varying awareness of Orange Drop, municipal stakeholders expressed support for the Authority playing a role in the future to direct residents to safe disposal locations for MHSM and batteries in the absence of an industry funding organization.

Some industry stakeholders suggested that the Orange Drop asset should be assessed and if determined to hold any value, producers who contributed to its development should receive a benefit. Other industry stakeholders expressed support for the Orange Drop website and branding being transferred to the Authority and the asset being made available to PROs and individual producers to use under the RRCEA.

Other feedback and general comments

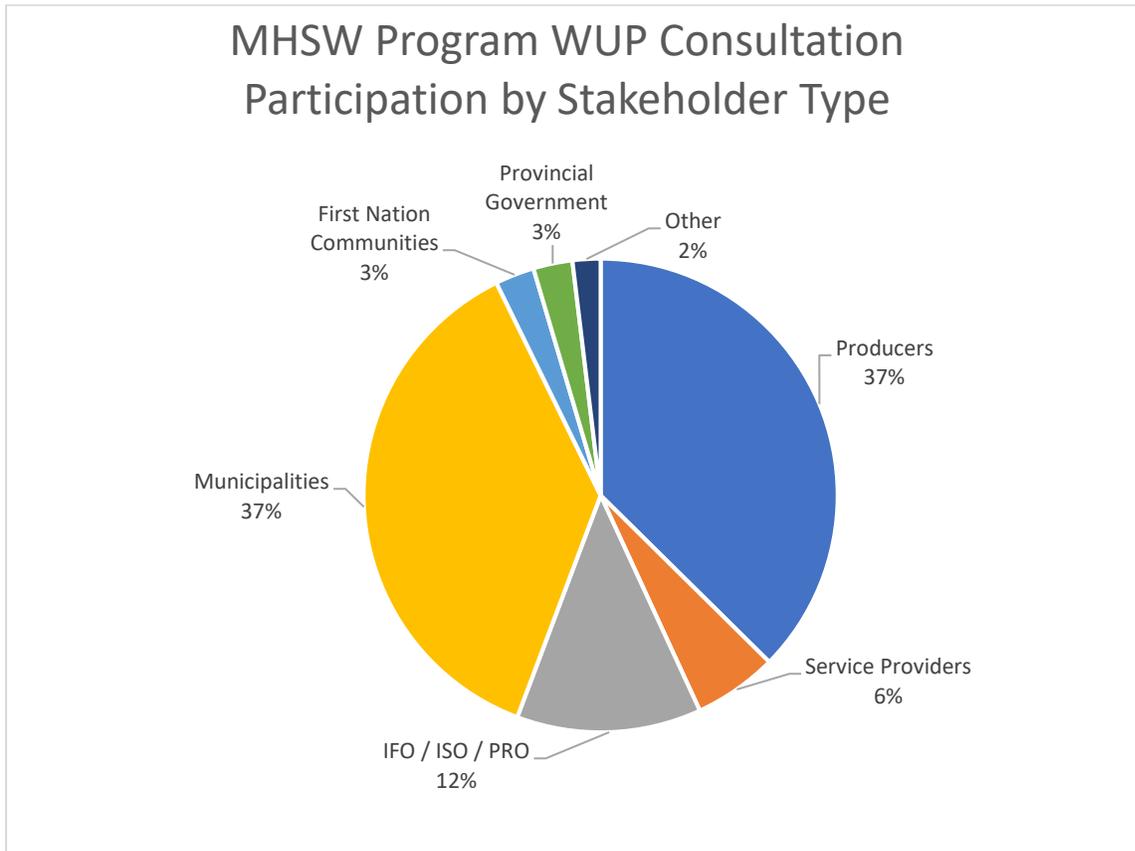
Over the 45-day consultation period, there were recurring comments and questions from participants about how the recovery of MHSM will operate within the RRCEA framework:

- Who will be the PROs under the RRCEA and when will they be known?
- Will PROs have to contract with municipal collectors?
- If municipalities do not play the role of collecting batteries and MHSM, how will residents safely dispose of this material?
- Will PROs be expected to provide the same level of service, or better, to consumers?

Many of these comments and questions could not be answered by the Authority because the Battery Regulation and MHSM Regulations have not been finalized. The Authority expressed its willingness to inform stakeholders when regulations are finalized as well as inform stakeholders of opportunities to participate in future Ministry consultations regarding the development of regulations.

Stakeholder Makeup

The MHSW Program is complex with a variety of stakeholder interests. The Authority strove to solicit many varied opinions on the wind-up plan over the course of its 45-day consultation. Below is a breakdown of stakeholder participants:

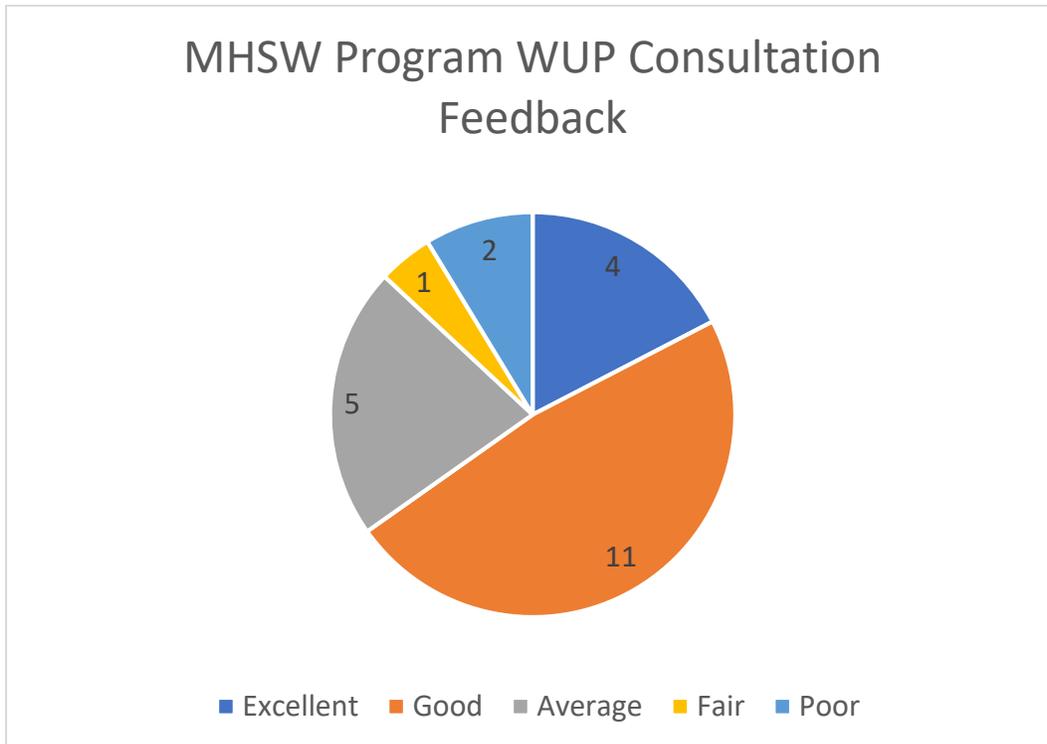


MHSW Consultation - Participation by Stakeholder Group

Stakeholder Type	Number of Participants
Producers	98
Service Providers	15
IFO / ISO / PRO	33
Municipalities	97
First Nation Communities	7
Provincial Government	7
Other	5
Total	262

Consultation Evaluation Feedback

Following each consultation session, feedback was requested through an online survey. The consultation sessions were generally viewed as positive with most respondents ranking the consultation as “good” and “excellent.”



The Authority also received written submissions from several participants, including one who wrote that, “all of the information in the slides was from the wind-up plan, however I found the conversations to be invaluable. I also felt the host handled himself very well and very professionally when answering all questions.” Another stakeholder described the session as, “straightforward, clinical and somewhat monotone - but did present the information that was needed.”

The Authority also received a recommendation to include a visual explainer for the various acronyms used throughout the presentation: “Have a chart next to [the] screen to show Government initials and what department they signify.”

The Authority will take all feedback into consideration as it moves forward with future consultations.

Appendix A (Questions, comments and answers)

Below are the comments and questions received during the webinars, one-on-one, and in-person sessions, and the Authority’s responses. The questions were edited for clarity and are organized into the following topics:

- Conflict of Interest
- Data Management
- Financial Forecast and Budget
- Use of Surplus Funds
 - Fee Reduction
 - Residual Funds
- Wind-Up Timelines
- Operations
- Orange Drop
- Other feedback and general comments
 - Oversight
 - Role of Stewardship Ontario during the Wind Up

Conflict of Interest

Question or Comment	Answer
Is the conflict of interest (COI) implementation plan going to have oversight from RPRA or will there be an audit of it being implemented as per the plan?	RPRA does have oversight responsibility for the entire plan, including COI, to ensure the steps that have been included in the plan are implemented and the Authority can verify compliance through requests for documents or inspections.
Who is the MHSW Executive Committee and MHSW Program Manager?	With the recent Minister’s direction to wind up the Blue Box Program, SO has proposed to strengthen their Conflict of Interest Mitigation plan, which has resulted in a few changes, including the elimination of the MHSW Executive Committee. New roles have been created by Stewardship Ontario including, Blue Box and MHSW

	<p>Program Officer and a new Executive Director for Stewardship Ontario has also been hired. This new organizational structure took effect November 1, 2019.</p>
<p>We do not believe that the elimination of the MHSW Executive Committee strengthens the Conflict of Interest Mitigation Plan. The new SO organizational structure and the new executive team appointments do not pose a real conflict of interest, but the staff who have been appointed could provide CSSA with a competitive advantage if they transition to roles within CSSA following SO's termination.</p> <p>We suggest that the MHSW (and Blue Box) Conflict of Interest Mitigation Plan be strengthened by including a non-compete clause to the SO Code of Conduct outlining "post-service constrictions" to prevent IFO staff from being employed by a PRO in Ontario for 5 years following IFO termination.</p>	<p>Thank you for your feedback. We will consider this as we approve the plan.</p>
<p>The proposed conflict of interest mitigation strategies in the wind-up plan do not fully meet this [Ministerial] direction. The wind-up plan does not provide enough details to clearly define the roles and responsibilities of staff at the Canadian Stewardship Services Alliance, Stewardship Ontario and Automotive Materials Stewardship. This ambiguity could lead to a conflict of interest when Stewardship Ontario is overseeing the administration of surplus funds to AMS through service agreements.</p>	<p>Thank you for your feedback and comment.</p>
<p>The stakeholder has no objection to the Conflict of Interest Mitigation Plan proposed by Stewardship Ontario and appreciates actions taken to remove conflicted Board of Directors, appoint a new Executive Director, establish a Stewardship Ontario Wind-Up Team, and create segregated workspaces for Stewardship Ontario and CSSA staff.</p>	<p>Thank you for your feedback and comment.</p>
<p>The stakeholder recommends that RPRAs review the changes to SO's organizational structure to ensure that all real, potential or apparent conflict of interest is truly resolved under this structure and that the final approval of the MHSW Program Wind-Up Plan include appropriate</p>	<p>Thank you for your feedback and comment.</p>

conditions.	
<p>The new Conflict of Interest Mitigation Plan (resulting from revisions due to the Blue Box wind-up letter issued to Stewardship Ontario), specifically the elimination of the MHSW Executive Committee and the creation of new two new roles, Executive Director and Blue Box and MHSW Program Officer, is not consistent with the principle outlined in the Minister’s direction letter to “Support competition and prevent conflict of interest”</p> <p>The stakeholder believes that given newly appointed SO Executive Director and Blue Box and MHSW Program Officer’s long history of engagement in the post-consumer waste industry and their significant consultant activities, the Wind-Up Plan must address how those current roles and interactions with stakeholders and stewards could result in the unintended consequence (real or perceived) of advantage, should they engage in a consultant role with PROs or other stakeholders following the program wind up.</p> <p>Any other current business relationships or positions held with any related industry or interest group should be part of addressing conflict of interest for these senior members of the SO team.</p>	Thank you for your feedback and comment.
The Authority should consider appointing an independent administrator to oversee the wind-up of the program and ensure there is no cross representation of staff as the program transitions to individual producer responsibility.	Thank you for your feedback and comment.
Although Stewardship Ontario has indicated the Plan contains no recommendations that would negatively affect potential future competition, there are some areas of potential concern. Even though Stewardship Ontario submitted a Conflict of Interest Mitigation Plan to address potential conflicts between current and future producer responsibility organizations there is historical precedence where board members from both Stewardship Ontario and Canadian Stewardship Services Alliance Boards had significant cross representation. Careful oversight will be required to ensure the Conflict of Interest Plan is implemented accordingly.	Thank you for your feedback and comment.

Based on the information provided, in our opinion, the new Conflict of Interest Mitigation plan and the organizational changes, no longer address the principle outlined in the Minister's MHSW letter ("Support Competition and Prevent Conflict of Interest"). The plan does state that the SO team will adhere to the SO Code of Conduct. However, further information is needed to understand how the roles of the Executive Director and the Blue Box and MHSW Program Officer will be fulfilled while ensuring there is, specifically, no apparent conflict of interest. Given their long history of engagement in the post-consumer waste industry and their significant consultant activities in the same, addressing conflict of interest should not be limited to their contract with SO, and cleaving relationships with CSSA. The Minister's direction letter did not limit the scope of addressing this principle.

We believe the MHSW Conflict of Interest Plan should also address how those current roles and interactions with stakeholders and stewards could result in the unintended consequence (real or perceived) of advantage, should they engage in a consultant role with Producer Responsibility Organizations or other stakeholders following the program wind up.

We ask that further information to be provided on the specific duties of the Executive Director and the Program Officer, any apparent conflict of interest related to those roles, and the oversight that RPRA will conduct.

Aside from the conflict of interest, we would like to know how the change in the organizational structure will impact the cost of the MHSW Wind Up since the original MHSW Executive Committee was also to oversee the MHSW Wind Up. We ask that information be provided to assure stewards that the MHSW Wind Up will be conducted in the most cost-effective way.

Thank you for your feedback and comment.

Data Management

Question or Comment	Answer
<p>What type of data will be transferred to RPRA? Steward, operations, or a combination?</p>	<p>RPRA is entitled to and has the Authority to request any type of data/information from the IFO. In the case of Ontario Tire Stewardship, the Authority did not need day-to-day transactional data but did request historical supply data.</p>
<p>What security measures are in place around your database? I think it's important to test your platforms, services, etc.</p>	<p>The Authority uses the Salesforce platform for the Registry (i.e. database), which utilizes industry standard safeguards including two-factor authentication. We've also restricted access for PROs so they can only see information that pertains to their collection networks.</p>
<p>Majority of material management is done through ISPs, which is not captured in the plan. Are ISO/ISP's subject to the same level of transparency leading up to and following MHSW program termination.</p>	<p>The Minister's direction is silent regarding the ISOs' requirements for data sharing, although the ISOs must maintain their levels of program performance and accessibility throughout the MHSW Program Wind-Up period. The SO MHSW Program Wind-Up Plan only described the data management measures being taken by Stewardship Ontario</p>
<p>Does data submitted by producers need to be third party verified?</p>	<p><i>[Response provided by Doug Mander, representative of SO]</i></p> <p>There is no change to Stewardship Ontario's data submission process during the wind up.</p> <p>There will continue to be random audits completed by SO as part of the internal review process.</p>
<p>Establishing a baseline of data on the MHSW program is necessary in order to ensure that materials marketed are being effectively recovered through future waste diversion programs. Especially when it comes to</p>	<p>Thank you for your feedback and comment.</p>

<p>managing toxic and harmful MHSW substances and materials, accurate data tracking and monitoring is imperative to safeguard the natural environment and prevent any potential illegal dumping or mismanagement of these waste materials. We recommend retaining a third-party entity to gather, manage and track all data related to both SO and ISP steward programs in a central data repository. This would allow for effective tracking and monitoring of all data, and potentially lead to future public reporting through dashboards to support transparency of the system.</p>	
<p>The stakeholder recommends that the Authority appoint a third-party entity to ensure data management is transparent through effective governance and the orderly wind-up of the MHSW Program.</p>	<p>Thank you for your feedback and comment.</p>
<p>We propose making the MHSW program data publicly available for stakeholders to access.</p> <p>Stakeholders would be interested in having data on volumes of MHSW received at collection events and drop-off locations as they prepare options for post-wind up management of residential MHSW.</p>	<p>Thank you for your feedback and comment.</p>

Financial Forecast and Budget

Question or Comment	Answer
<p>The surplus and fee reduction calculations should be made clear and transparent to inspire confidence in these and other numbers in the Wind-Up Plan document, as well to provide more certainty that the wind up by SO will respect the best management of stewards' money.</p> <p>We feel that stewards who have left SO should not have their monies go towards wind-up activities that do not apply to them. All the reserves and surplus funds related to ISP stewards should be returned (via the fee reduction or otherwise) to the ISP.</p>	<p>Thank you for your feedback and comment.</p>
<p>Stakeholder recommends additional transparency as to where the current reserve and deferred revenue is being allocated.</p>	<p>Thank you for your feedback and comment.</p>

<p>The stakeholder requests additional clarity regarding the spending of all reserved funds; dispersing of excess funds versus actual shut down costs.</p> <p>Past stewards' contributions should not be used to finance more recent activities unless these stewards are accruing some benefit from this spending.</p>	<p>Thank you for your feedback and comment.</p>
<p>ISO members should not contribute to the cost of any SO Administrative or Wind-Up Costs during the Wind-Up Period.</p>	<p>Thank you for your feedback and comment.</p>

Use of Surplus Funds

Question or Comment	Answer
<p>Why does SO have a large surplus?</p>	<p>Prior to the CRA ruling in April 2018, SO held \$14 million in the organization's operating reserve, which is normal for an organization of this size. The CRA refund due to the historical payment of Input Tax Credits resulted in a significant increase in the amount held in surplus by SO.</p>
<p>Can the surplus funds be transferred to the municipalities who currently collect MHSW materials?</p>	<p>Transferring the surplus funds to municipalities would not comply with the Minister's direction to return surplus funds to Ontario MHSM consumers.</p>
<p>Any thoughts to use the surplus to offset costs incurred by municipalities that were not covered by the past programs for the receiving of and disposing of materials.</p>	<p>That option was not considered as it would not be consistent with the Minister's direction.</p>
<p>Looking at the Minister's direction to return surplus funds to consumers, does the government have any expectations for how retailers should do this?</p>	<p>The Minister's direction required a proposal from Stewardship Ontario to ensure the Ontario consumers of MHSM benefited. The mechanism that is described in the proposed plan is for a fee reduction to SO stewards and ISP members.</p>
<p>When you say SO consulted [on surplus funds] can you tell me who SO consulted with?</p>	<p>SO held two webinars in August as part of their Phase II Consultation on the MHSW Program Wind-Up</p>

	Plan as well as a number of one-on-one consultation sessions with producers and industry stewardship organizations (ISOs).
Many rural communities run a single annual collection event and the cost is only partly recovered by the IFO/ISOs, so how can there be a surplus amount? Furthermore, municipalities play a role in collecting materials and therefore should be considered to receive some of the reserve funds held by SO.	Thank you for your feedback and comment.
We understand SO's position that "changing current incentive rates or implementing a new fund transfer mechanism for municipalities would represent a significant program change". We disagree that this should be the reason for not including municipalities for consideration of surplus funds. Consumers are taxpayers who have invested funds through the development and operation of our MHSW facilities. Municipal collectors should be allocated surplus funds, provided they are able to demonstrate uncompensated investments in and costs for managing MHSW. The recommended program would allow municipalities to submit uncompensated MHSW operating and capital costs over the past 5 years and that the surplus funds be divided up among those municipalities' submissions.	Thank you for your feedback and comment.

Fee Reduction Plan

Question or Comment	Answer
Can stewards confirm that the costs of products were indeed raised to account for stewardship fees as compared to other province's sale price points. How can you determine what portion of a product price is related to stewardship fees compared to other province points?	That's a tricky question and one that we will be doing more analysis on. We'll be looking for feedback from stewards who will be recipients of the fee reduction on how that mechanism works.
Is there a way to ensure that fees will be reduced to consumers?	The Authority is consulting on the proposal from Stewardship Ontario to ensure consistency with the Minister's direction. Stewardship Ontario considered and consulted on four options and the option that SO has proposed in their plan is the

	<p>fee reduction. The Authority is consulting on the plan, as proposed, and we're looking for stakeholder feedback on whether you believe this is a plan that can be implemented as well as is consistent with the minister's direction.</p>
<p>The stakeholder recommends that RPRA approve Stewardship Ontario's revised proposal for the surplus allocation to be used as a fee reduction for all stewards, as it provides consistent treatment of all program participants.</p> <p>Providing all stewards with a fee reduction not only alleviates concerns over fairness to all stewards, it also reduces paper burden on business by eliminating the required policy, administrative, fiscal and operational issues that would have arisen with the other options that were considered and consulted upon.</p>	<p>Thank you for your feedback and comment.</p>
<p>We are pleased that upon consideration of the possible options available to comply with the Minister's most recent MHSW direction letter, surplus funds will be returned to ISP stewards in the form of a fee reduction during the MHSW Program Wind Up.</p> <p>Fee reduction for all MHSW stewards addresses our interest in fairness and a level playing field as the program winds up.</p>	<p>Thank you for your feedback and comment.</p>
<p>The proposed fee reduction to stewards and Industry Stewardship Plan member fees does not ensure consumers will see benefits.</p> <p>The stakeholder recommends Stewardship Ontario and the Authority work together in establishing accountability measures to ensure surplus funds are managed in a transparent way and the intended benefit to Ontario consumers is realized through rebates to consumers at points of purchase.</p>	<p>Thank you for your feedback and comment.</p>
<p>We request that fairness to stewards be paramount and that each steward receive a commensurate amount via fee reduction relative to historical contributions to the surplus.</p>	<p>Thank you for your feedback and comment.</p>

<p>Who will oversee that AMS and PCA will distribute the fee reduction to their stewards under the programs?</p>	<p>As proposed in the plan, this will be according to terms outlined in an agreement between SO and each individual ISO. SO describes in their proposed plan that...”The agreement between the IFO and ISO would establish terms for data sharing, how to document the process, how to resolve disputes, and require that any fee reduction paid for by SO, benefit or are passed on to the ISP members.”</p>
<p>Will the price of obligated MHSM products go down as a result of this fee reduction plan? So, the assumption is that the price will go down?</p>	<p>SO proposes in their Plan that the competitive market dynamic associated with the sale of MHSM should result in cost savings being passed onto related consumers. However, other external factors could influence the price consumers pay at the retailer.</p>
<p>How does the fee reduction benefit consumers?</p>	<p>Stewardship Ontario is proposing that the benefit received by producers via the fee reduction will be passed on to consumers due to the competitive market dynamic associated with the sale of MHSM.</p>
<p>Are there any studies showing that the benefit can be reflected in the market?</p>	<p>The producers will be made aware of the expected savings as a result of the fee reduction through SO’s proposed communications strategy and will have adequate time to prepare, as detailed in SO’s proposed plan.</p>
<p>Is SO planning on communicating the fee reduction plan and expected consumer benefit to the public?</p>	<p>SO’s proposed plan does not include any public-facing communications regarding the fee reduction plan or the expected consumer benefit. SO’s obligation is to stewards. In many cases SO does not have a relationship with the retailer further down the supply chain.</p>

<p>I see there is a push on returning surplus funds to consumers but are there any checks and balances on that? It seems there is discussion on the methodology behind the surplus but I'm not sure I see how that is of benefit to the consumer?</p>	<p>Stewardship Ontario's plan states that the MHSM marketplace is very competitive and that the competitive market dynamic associated with the sale of MHSM should result in cost savings being passed onto related consumers.</p>
<p>Why reimburses the consumer? Compensation should be transferred to the recyclers to help increase recovery and waste diversion.</p>	<p>Thank you for your feedback. RPRA's role is to ensure consistency with the Minister's direction and the Minister's direction did not provide for this use of surplus funds.</p>
<p>Page 56 and 57 of the Wind-Up Plan outlines the projected fee reduction for ISP members. Can you explain the chart on page 57? Did market share have a role in determining these percentages?</p>	<p><i>[Response provided by SO representative, Doug Mander]</i></p> <p>The fee reduction schedule is based on an initial forecast of expected invoice amounts for ISP members and SO stewards. This is an initial estimate on anticipated supply into the Ontario market. There should be a rough relationship with historic market share, but these projections are based on revenue.</p> <p>This was designed to ensure balance – the reduction of costs to stewards should be the same as the reduced operating fees for ISP members.</p> <p>SO will be recalculating these projections prior to the fee elimination or reduction.</p>
<p>Please clarify whether each steward will get their unique and fair portion of the surplus back as is needed. Historical contributions (“overpayments of HST as per CRA ruling”) contributing to the large SO MHSW Surplus should be returned to each of the former and/or current SO stewards based on amount historically contributed and not based on fee reduction related to current sales volumes.</p>	<p>SO proposes to return surplus funds to MHSM consumers through the implementation of a fee reduction for both SO stewards and ISO members during the wind-up period</p> <ul style="list-style-type: none"> • MHSW material category reserves are distributed

	<p>according to historical contributions by stewards in each material category throughout the course of the MHSW Program</p> <ul style="list-style-type: none"> • Due to steward exits from the Ontario market the fee reduction plan does not propose to apportion reserve amounts by individual steward contributions • The proposed plan to return surplus funds attempts to meet the Minister’s direction as it <ul style="list-style-type: none"> ○ Represents the most efficient way to ensure that the disbursement of surplus funds will benefit consumers ○ Minimizes the administrative costs associated with disbursement of surplus funds <p>Returning funds directly to stewards based on individual historical contributions may not meet the Minister’s Direction as those producers that have exited the Ontario market or have a significantly reduced market share will not be able to return the surplus funds to the Ontario MHSM consumers to the same extent as would be achieved based on current supply amounts</p>
<p>Unlike the waste diversion programs for Waste Electrical and Electronic Equipment (WEEE) and the former Used Tire Program (UTP), MHSW program has never implemented an additional charge to the consumer, applied equally across brands and independent of the price of the product, to pay for the cost of recycling in</p>	<p>Thank you for your feedback and comment.</p>

<p>Ontario. As such, the program has functioned as a true “producer responsibility” model in that each company absorbs and decides how to manage its share of the cost. Surplus funds should be disbursed back to stewards as part of the wind-up process.</p> <p>The stakeholder understands the direction provided to Stewardship Ontario by the Minister of Environment, Conservation and Parks to expend the surplus funds by way of a fee elimination for the single-use batteries program. In response to the Minister’s instruction.</p> <p>The stakeholder does not consider a fee reduction (or elimination) to be a “fee holiday” or a reprieve from financial obligation. Because the surplus funds originated from member companies, stewards will continue to pay the entire cost of the program during wind-up – these funds simply represent a portion of costs that were paid up front (via surplus funds) as opposed to retroactively, which is the norm.</p>	
<p>The Authority will need to clearly and transparently demonstrate that through this process there is a fee reduction passed down through the stewards and Industry Stewardship Organizations (ISO) members to the consumers.</p> <p>The Authority needs to ensure that stewards do not increase the cost and then reduce the cost by the same amount and claim that consumers are receiving a rebate. The fee reduction methodology needs to be clearly and easily communicated to consumers so that they are aware of the fee reduction program.</p>	<p>Thank you for your feedback and comment.</p>
<p>In his letter, the Minister directed Stewardship Ontario to “to return surplus funds to Ontario consumers of municipal hazardous waste or special material” for programs managed by Stewardship Ontario or the ISOs and further “the requirement for a proposal to return surplus funds to MHSW consumers replaces the direction regarding the return of excess funds to stewards”. Stewardship Ontario’s proposed fee reduction does not satisfy the Minister’s direction. A fee reduction benefits the stewards and there is no guarantee that ISOs will</p>	<p>Thank you for your feedback and comment.</p>

<p>pass on the fee reduction to their stewards. This would require a level of independent oversight that is not achievable through the arrangements made between Stewardship Ontario and ISOs. Stewardship Ontario should reconsider the option of a consumer rebate program to ensure that consumers receive the benefit of the existing surplus funds.</p>	
<p>I support the proposal to return surplus funds to MHSW consumers through the implementation of a fee reduction to SO stewards and ISO members, we can decide on the plan to return to the customers.</p>	<p>Thank you for your feedback and comment.</p>
<p>More than \$22 million of surplus funds contributed by stewards are currently held in trust by Stewardship Ontario. We are pleased that Stewardship Ontario is recommending fee reduction for all material groups.</p>	<p>Thank you for your feedback and comment.</p>
<p>The wind-up plan, as currently proposed does not allow for provisions to return surplus funds to consumers of MHSW materials. Rather, the wind-up plan proposes a fee reduction for both SO and Industry Stewardship Plan (ISP) stewards, with a rationale that producers will use the funds to lower the price of their products. However, producers that are primarily driven by their bottom-line may not be so inclined or incentivized to lower prices when the margins of profit are potentially slim. These funds should be returned directly to consumers of MHSW products.</p>	<p>Thank you for your feedback and comment.</p>
<p>We support the proposal to manage surplus funds via a fee reduction and recommend that the fee reduction be returned on a monthly basis to align with ISO member reporting and billing frequency</p>	<p>Thank you for your comment and feedback.</p>
<p>It is our understanding that Stewardship Ontario can define actual amounts paid by specific stewards and the interest accrued related to the built reserves. In the interest of fairness, stewards should be credited through their ISP fees what they have actually paid to the programs.</p> <p>The SO reserves have been built over a decade of payments related to steward sales of products. Future sales during the windup will not be reflective of past sales on which fees were paid. Stewards have changed,</p>	<p>Thank you for your comment and feedback.</p>

<p>products have changed and consumer buying patterns have changed. In order to ensure that stewards are fairly treated, their monies paid should not be given away to other stewards.</p> <p>We are supportive of the disbursement of surplus funds through a 'fee reduction' in ISP costs. The stakeholder feels that fairness can only be demonstrated when all stewards and all categories enjoy the same approach to return of fees. This would level the playing field for all stewards who have paid into SO programs.</p>	
<p>We do not support the implementation of a fee reduction to Stewardship Ontario stewards and ISO members to return surplus funds to consumers. This option does not meet the Minister's direction. There are no mechanisms in place to ensure that any of the surplus funds will reach consumers. The wind-up plan is assuming that "for" profit organizations will pass along cost savings.</p> <p>If by chance a fee reduction for producers results in surplus funds being returned to consumers, this initiative will only benefit consumers of new products, rather than the original consumers of MHSW material.</p> <p>The original MHSW program was intended to cover 100% of the costs of managing the identified products. Many municipalities have not had these costs fully covered and have carried the cost burden of this program as a result. It is proposed that municipalities receive 100% of their costs covered during the program wind-up in order to draw down the surplus. This will have as much a direct benefit to the original consumers, as it will help manage the materials they purchased, and reduce costs to their municipalities, and therefore to them as taxpayers. Any additional surplus funds remaining after covering the costs of municipalities could be dispersed through a single MHSW consumer rebate.</p>	<p>This action would not be consistent with the Minister's direction. Thank you for your feedback and comment.</p>

Residual Funds

Question or Comment	Answer
<p>Can we have some clarification on why there would be residual funds after fee reductions? Why wouldn't consumers benefit fully from fee reductions and why would those residual funds be going to RPRA? What is the line item that those would be paying for?</p>	<p>The projected amount of residual funds is relatively small compared to the \$53M total. The final residual amount forecast to remain following the fee reduction plan and final program termination is approximately \$375K. This amount is proposed to be transferred to the Authority to offset costs associated with the development of the registry and resulting producer fees. This should further reduce the cost that producers pass onto the consumers.</p>
<p>What will RPRA do with residual funds. Will they be applied to the portion of registry related fees only or for all products like e-waste, blue box etc.</p>	<p>The Authority has received a similar proposal to use residual funds in the EEE and tire programs. The Authority would apply the residual funds to offset the registry's capital development costs specifically for the material group from which they were transferred.</p>
<p>Will the residual funds that go to the Authority be material specific (e.g. paint residual)? Will that be tied to registration or the paint program?</p>	<p>As a principle, we avoid cross-subsidization between material groups.</p> <p>The final MHSM regulation will determine requirements for the registry. Once the regulation is final, we will need to consider whether the funds will be used to offset capital costs (e.g. building the Registry) or will be used to reduce annual fees for registrants.</p>
<p>The stakeholder does not support residual amounts to be transferred to RPRA to help off-set registry-related costs under the RRCEA framework in relation to various MHSW material categories. These funds should be returned to the stewards.</p>	<p>Thank you for your feedback and comment.</p>

<p>Recommend that the ISOs be party to the ongoing monitoring of the Wind-Up Plan and be consulted as to the status of any residual funds that might result at the conclusion of the Wind-Up Plan</p>	<p>Thank you for your feedback and comment.</p>
<p>We believe it would be appropriate to disburse residual funds remaining at the point of program termination back to stewards to utilize as they see fit in fulfilling their resource recovery obligations.</p> <p>Understanding, however, that disbursing funds back to stewards would be inconsistent with the Minister's direction, transferring residual funds to RPRA to help offset producer costs related to creating and implementing a battery recycling registry per the RRCEA is a satisfactory alternative.</p>	<p>Thank you for your feedback and comment.</p>
<p>Stakeholder does not support residual funds being transferred to RPRA for reasons such as, to pay down RPRA's line of credit for their costs and activities, such as their registry development. These funds should go to the ISPs where the respective stewards reside and not be appropriated by RPRA.</p>	<p>Thank you for your feedback and comment.</p>
<p>We do not support the transfer of residual funds to the Resource Productivity and Recovery Authority (RPRA). Rather, we propose that as with the surplus funds, the residual be transferred to the ISP to defray costs. This proposal would not be impacted by whether the current Industry Stewardship Organization decides to continue as a Producer Responsibility Organization (PRO) under the Resource Recovery and Circular Economy Act (RRCEA) or discontinues operation.</p> <p>In both cases, a reconciliation with its current stewards would be necessary and appropriate management of the residual funds could be audited by RPRA.</p>	<p>Thank you for your feedback and comment.</p>
<p>RPRA should consider advising that Stewardship Ontario to use residual funds to support municipalities to offset costs associated with a program change in the middle of a calendar year. Municipal contracts, programs and budgets typically cover a calendar year. Changes to programs in the middle of a year are confusing for residents and result in planning and budgeting difficulties for municipalities. A program change in the middle of a year will require additional public education resources</p>	<p>Thank you for your feedback and comment. This action would not be consistent with the Minister's direction.</p>

<p>that go beyond the tactics and channels used through the Orange Drop program (for example, direct mailouts to households; additional staff resources at HHW events and depots; etc.)</p>	
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Wind-Up Timelines

Question or Comment	Answer
<p>Who determined the wind-up dates? The summer dates do not align with the dates of municipal collection events that often occur in the summer and fall.</p>	<p>The wind-up dates are determined by the Minister's direction letters.</p>
<p>As with transitioning any program with a hard end date, there is no realistic way for all materials to be completely segregated. There are only so many transporters to move the waste in the time given and not all municipal depots will receive the same level of service given geographic location and amount of waste available for collection. These locations should not be penalized for having a bucket of batteries from prior to July 1 for movement to the new program.</p>	<p>Thank you for your feedback and comment.</p>

Operations

Question or Comment	Answer
<p>Who is typically a service provider?</p>	<p>Service providers are collectors, transporters/haulers and processors.</p>
<p>To my knowledge municipal collection points do not have to register with RPRA, so do we have to register with a PRO?</p>	<p>Individual collection points are not expected to be required to register with the Authority. However, collectors will most likely be required to register, in which case these obligated parties would provide the Authority with information about their collection points.</p>

<p>What is the difference between operating under a program plan or not?</p>	<p>Under the WDTA, the only groups approved to operate waste diversion programs for the materials designated under the WDTA in Ontario are the designated Industry Funding Organizations (IFOs) operating according to an approved Program Plan and Industry Stewardship Organizations (ISOs) operating according to an approved Industry Stewardship Plan (ISP). MHSW Program performance targets are assigned to the IFO or ISO.</p> <p>Under the RRCEA, the individual producer is required to meet its own performance requirements (collection, accessibility, management, etc.) as described in the regulations.</p>
<p>Are targets assigned by regulation?</p>	<p>Yes, the performance requirements will be defined in the MHSM and Battery regulations which have not yet been finalized.</p>
<p>When will each of the regulations be finalized and made available to review?</p>	<p>It is expected that the Battery regulation will be finalized in early 2020.</p>
<p>Do you foresee any changes to accessibility requirements in the batteries or MHSW regulations that could impact municipalities (as collectors)?</p>	<p>The regulations will define the accessibility requirements for the individual producers. The regulations for Batteries and MHSM have not yet been finalized so we are not able to review what these accessibility requirements will be. We recommend reviewing the Tires Regulation for the accessibility requirements in that regulation.</p>
<p>Are there any changes to the MHSW Obligated Materials during the Wind-Up Period?</p>	<p>Under the WDTA there are no changes to the material categories and SO has not proposed any changes to the material definitions in their MHSW WUP. What is</p>

	<p>obligated under the RRCEA MHSW regulation will be determined by the Ministry.</p>
<p>As in the case of tires, will the list of PROs be posted on the [Authority's] website?</p>	<p>For batteries, obligated parties will register ahead of the June 30, 2020 wind up and the list of registered parties will be posted to the Authority's website.</p> <p>Until then, we can speculate on who may register as a PRO, but we cannot be certain. Some tire PROs have showed interest in being involved in multiple materials. Current ISOs may also move into the role of PRO, or we may see individual producers (e.g. SodaStream) act directly to collect and manage their own materials.</p>
<p>MHSW products have a high cost associated with management. Will there be a cap on the costs for municipalities and service providers? What's the incentive to stay in the game?</p>	<p>Under the RRCEA, producers have performance and accessibility requirements (i.e. they must set up a collection network and are assigned collection and management targets). Obligated producers will need enough material from collection sites to meet their targets.</p> <p>In the case of tires, municipalities have the choice to be involved in the new system. There is no obligation that municipalities continue to be collectors.</p> <p>However, MHSW is a different program than tires, in that municipalities currently operate collection sites that account for much of the obligated material collected under the WDTA.</p>
<p>The timelines seem reasonable. It is not anticipated that the reporting schedule will have an impact municipal collection operation.</p>	<p>Thank you for your feedback and comment.</p>

<p>The Authority has provided enough notice in order to plan and meet requirements in advance of the deadlines.</p>	
<p>If municipalities terminate current MHSW programs after transition, meeting the current requirements of fifteen days for final MHSW collection will be difficult as there will be high demand for haulers to ensure collections from all customers, including municipalities.</p> <p>We recommend expanding the deadline for transporters to service collection sites beyond the proposed fifteen days.</p>	<p>Thank you for your feedback and comment.</p>
<p>There is a glaring issue with the wind-up plan – the bulk of the tonnage is managed by ISOs. There is a lack of clarity for municipalities and service providers around timing, what happens with existing agreements, etc.</p>	<p>Thank you for your feedback and comment.</p>
<p>We prefer surplus fees which were paid to operate stewardship programs be directed towards stewardship programs. Therefore, they do not support these fees going to RPRA and would prefer instead to have them go to PCA, our ISP vendor.</p>	<p>Thank you for your feedback and comment.</p>

Promotion and Education

Question or Comment	Answer
<p>There isn't enough time for adequate P&E. Our collection calendars [for 2020] have already gone out and residents will become confused.</p>	<p>Materials obligated under the WDTA will continue to be collected according to your existing agreements with SO and the ISOs during wind up. After the wind up, under the RRCEA, obligated materials will need to be collected according to commercial agreements with producers or with PROs acting on their behalf.</p>
<p>Perspective from a municipality, if we're still collecting the rest of MHSW materials and we opt out of batteries because we're not making any money, it will be difficult to tell residents we're picking up one material but not another.</p>	<p>Thank you for your feedback and comment.</p>

<p>Residents expect that that they can bring MHSW material for safe disposal to the municipal depots? How are we to communicate this change to residents? There's a difference between obligation and expectation.</p>	<p>Thanks for your comment. The Orange Drop website will continue to be operated as a resource for residents to locate collection points nearest to them. SO is proposing to continue to operate this tool and provide information about collection points for obligated material for 6 months following program termination.</p> <p>Municipalities are an important part of the current MHSW Program. Following the wind-up date, municipalities may continue to play a part as collectors of obligated MHSM under contract to producers or to PROs acting on their behalf.</p>
<p>We are supportive of an independent organization (RPRA) in overseeing the Orange Drop website to ensure that the public's interest is maintained</p> <p>The PROs and producers should work through the Authority for any changes that are required to the Orange Drop website after program wind up.</p>	<p>Thank you for your feedback and comment.</p>
<p>Continued promotion and education tactics are required and should include diversified tactics to reach both urban and rural audiences throughout the Province during the transition period to avoid confusion.</p> <p>Utilization of digital communication only limits awareness in households without computers or internet access and print media should be included in tactics for program communication.</p> <p>Education efforts should inform what to expect during transition and assure that accessibility is not affected.</p>	<p>Thank you for your feedback and comment.</p>

Orange Drop Website and Branding

Question or Comment	Answer
<p>From a community perspective, we've all adopted Orange Drop – it's good branding and visuals and is easily recognizable.</p>	<p>Thank you for your feedback and comment.</p>
<p>I don't know how long Orange Drop has been around, but my guess is that not one person in my area knows of it. Will you help promote that?</p>	<p>Thank you for your feedback and comment.</p>
<p>I think there is benefit in maintaining the Orange Drop brand until the gen public is familiar/understands the transition.</p>	<p>Thank you for your feedback and comment.</p>
<p>We are supportive of the Orange Drop program transferring ownership and branding to the Authority and making available to Producer Responsibility Organizations and producers.</p>	<p>Thank you for your feedback and comment.</p>
<p>We do support the continuation of the Orange Drop branding or website following termination of the MHSW program.</p> <p>If another entity assumes or adopts the Orange Drop "brand" it will enjoy a competitive advantage over other service providers in the marketplace. One of the greatest benefits of an individual producer responsibility system is that it fosters competition and a level playing field. Allowing the Orange Drop brand to exist after wind-up would compromise the benefits of an individual producer responsibility system.</p>	<p>Thank you for your feedback and comment.</p>
<p>The stakeholder notes that stewards' fees paid for Orange Drop development many years ago. There is no basis to turn over steward-paid for assets to RPRA.</p> <p>In addition to this being an unfair appropriation, the stakeholder does not support that RPRA should then turn it over - presumably for some sort of licensing fee arrangement - to any number of future PROs. RPRA should not be in the business of trying to make money via steward-owned assets.</p> <p>The stakeholder does not support the expansion of scope and cost for RPRA to become a promotion and</p>	<p>Thank you for your feedback and comment.</p>

<p>education website host and administrator.</p> <p>Consideration should instead be given to how any value attached to Orange Drop marks, website and any physical assets can be gleaned as part of the MHSW Wind Up and returned to the stewards.</p>	
<p>Further details regarding the ownership of the Orange Drop program are warranted. Namely, how will it be managed in the RRCEA scenario? Will RPRA be operating the site? Does making it available mean that PROs will be paying fees to use it, etc. What programs would be using the Orange Drop.</p> <p>The stakeholder would also be interested in the metrics that demonstrate the value of the Orange Drop website and branding.</p>	<p>Thank you for your feedback and comment.</p>
<p>Given that the development of the various Orange Drop asset was paid for by stewards, its value needs to be assessed before any decision is made to turn it over.</p> <p>Further details regarding the ownership of the Orange Drop program are also warranted. Assets should not just be given away, especially if they are assessed to have value.</p> <p>If RPRA were to own the Orange Drop website, how will it be managed in the RRCEA scenario? Will RPRA be operating the website? Does 'making available' mean that PROs will be paying fees to use it, etc.</p> <p>Given that PROs under RRCEA will be separate businesses running their own programs (in some cases nationally), it is difficult to see how the Orange Drop could be useful to PROs and/or stewards.</p>	<p>Thank you for your feedback and comment.</p>
<p>Regarding the Orange Drop marks and website, we do not support their transfer to RPRA. If there is value to these assets, SO should be determining if there are parties interested in acquiring these assets for use or management. Many current organizations running stewardship programs already have their own websites and brand, in many cases used at a national level.</p> <p>Any value obtained from the sale of the Orange Drop should be passed to the MSHW stewards whose</p>	<p>Thank you for your feedback and comment.</p>

materials are supported by the Orange Drop. We believe the Orange Drop is also a shared asset, making the response for the EIS somewhat confusing.	
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Liabilities and Assets

Question or Comment	Answer
<p>SO, indicates in the Wind-Up Plan that there are few SO MHSW assets, other than the surplus and the Orange Drop brand. However, the stakeholder notes according to SO Annual Reports, SO entered into a \$1.65 million contractual agreement with CSSA for the Enterprise Information System (the CSSA reporting portal) with an option for renewal in 2023. How will the system be valued in the MHSW Wind Up Plan and how will the contract with CSSA be addressed?</p> <p>Since stewardship programs in other provinces depend on the continued use of that system by CSSA, how will that system be made available beyond the wind up? As with Orange Drop, any value gleaned from that should also be credited to the stewards who paid for it as part of the Wind-Up Plan.</p>	<p>Thank you for your feedback and comment.</p>

Final Approval of the Plan

Question or Comment	Answer
Stakeholder recommends that the Minister be accountable for approving the Wind-Up Plan	This action is not permitted by the WDTA

Feedback and other comments

Question or Comment	Answer
How are batteries going to be picked up after the Wind Up?	Producers will have performance requirements and it will be the role of the producer to meet those requirements. The regulations will establish accessibility and collection requirements for producers

<p>How will residents of smaller communities be treated in terms of access to collection sites for MHSW and end of life batteries under the RRCEA?</p>	<p>The batteries and MHSM regulations have not yet been finalized, but the regulations will include accessibility requirements, likely based on population size, that will need to be met by the producers.</p>
<p>If the municipalities do not provide a convenient MHSW collection option, the material is going to end up being illegally dumped in the environment.</p>	<p>Thank you for your comment and feedback.</p>
<p>First Nations communities already have limited access to MHSW collection points. How will small First Nations communities be serviced? There needs to be consideration for small northern and First Nations communities with populations under 1000 residents. Smaller communities are overlooked in the tire regulation.</p>	<p>Thank you for your comment and feedback.</p>
<p>Will PROs be required to provide exactly or better service to consumers as are presently in place by municipalities should municipalities not engage with any PRO.</p>	<p>There are two stages to this process, the wind-up plan being considered, the wind-up plan being approved and implemented. During that whole process, the Authority will be overseeing the IFOs and ISOs to make sure that program performance is maintained and/or improved. But I think the question is about the future world under RRCEA. The draft regulations for the Batteries and the remaining MHSM will define the performance requirements that individual producers must meet.</p>
<p>The intent of future regulations related to MHSW materials is to safely manage household hazardous waste (HHW) materials. This being the case, the likelihood that Producer Responsibility Organizations will establish a comparable network of collection channels (for example curbside collection, events and depots) or obtain the necessary Provincial approvals (for example Environment Certificate of Approval) may be low, whereas municipalities already have an infrastructure and programs in place to effectively collect these waste</p>	<p>Thank you for your comment and feedback.</p>

materials.	
Who are the PROs for batteries and how will municipalities be able to communicate with them?	The battery PROs will register as soon as the battery registry opens in 2020. Once the regulations for batteries and MHSM are finalized, all stakeholders will have a better understanding of the performance requirements.
If municipalities get out of the collection business, there will be less access for residents – what happens when people start illegally dumping? Municipalities have taken a proactive role with recycling to limit environmental degradation and we’re concerned that this will not be maintained.	Thank you for your feedback. Municipalities should provide this feedback to the Ministry prior to the finalization of the battery and MHSM regulations.
The stakeholder recommends clear and regular communications to ensure that consumers and collectors are fully aware of program requirements during transition. Clear communication throughout the transition process supports a program wind up with minimal disruption to consumers.	Thank you for your comment and feedback.

Oversight

Question or Comment	Answer
With respect to your mandate and enforcing the regulations can you give us an idea what your presence will be like in the field, and as far as your staff, how many inspectors will you have?	We are building a Compliance Team. The RPR Compliance Team currently oversees the Tires Regulation and as new materials transition to the RRCEA the team’s scope of work will expand. The role of the Compliance Officers will be to verify data submitted by obligated parties including producers, processors and haulers. The Compliance Team also has the authority to perform inspections in order to determine any person’s compliance with the Act or regulations.

What will be the role of RPRA in taking charge of this? Will RPRA be monitoring?	Monitoring the obligated parties for compliance with the Act and regulations will be one of the primary roles of the Authority.
At the next consultation, it would be helpful for RPRA to share its comprehensive enforcement plan.	Thank you for your comment and feedback.

Role of Stewardship Ontario During Wind Up

Question or Comment	Answer
Our municipality already has an agreement with Stewardship Ontario to establish our terms for collection of material. Does this agreement need to change?	<i>[Response provided by SO representative, Doug Mander]</i> Stewardship Ontario will need to amend agreements with municipalities to accommodate the different termination dates but other than that there are no operational changes proposed until the termination of the MHSW Program.
When you say SO consulted [on surplus funds] can you tell me who SO consulted with?	SO held two webinars in August as part of their Phase II Consultation on the MHSW Wind-Up Plan as well as several one on one consultation sessions with producers and industry stewardship organizations (ISOs).
How will SO ensure that all materials that have been dropped off prior to the wind-up date will be collected and transported so that the PRO is not responsible for WDTA material under the RRCEA?	When the tires program transitioned in January 2019, it was necessary to determine whether material collected belonged to the WDTA or RRCEA. In order to help manage this situation as materials transition, the cut off dates need to be well understood and clearly communicated to all stakeholders (collectors, haulers, processors, etc.). The cut off dates provided in SO's proposed MHSW Program Wind-Up Plan relate to the IFO's supply

	<p>chain. The ISOs will need to establish and communicate their own cut off dates to their service providers prior to the MHSW program termination and transition.</p>
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