



MEMORANDUM

TO: Committee of the Whole – Environmental Services

FROM: Erin Mahoney, Commissioner of Environmental Services

DATE: September 4, 2014

RE: **Municipal Hazardous or Special Waste Phase 2 Funding Cancellation**

In September 2012, the Ministry of the Environment (MOE) announced that effective October 1, 2012, the Recycling Council of Ontario (RCO) would be the organization responsible for coordinating funding for the Municipal Hazardous or Special Waste (MHSW) Phase 2 program on behalf of the Province.

The Province committed to providing up to \$10.5 million for a three year program to reimburse eligible municipal costs to recycle and properly manage the following Phase 2 materials:

- rechargeable batteries
- portable fire extinguishers
- fluorescent lights and tubes
- mercury containing devices
- pharmaceuticals
- sharps/syringes

Ministry of the Environment and Climate Change ending funding of Municipal Hazardous or Special Waste Phase 2 program

In July 2014, the Ministry of Environment and Climate Change notified municipalities that provincial funding of this program will end on September 30, 2014 rather than continuing until October 2015 as previously committed. The letter from Province is included as *Attachment 1*.

Cancellation of program will result in a financial impact of \$45,000 for remainder of 2014

As of October 1, 2014 municipalities will be responsible for funding management of Municipal Hazardous or Special Waste for the fourth quarter of this year and future years, if producer funding is not secured.

For York Region, the Municipal Hazardous or Special Waste Phase 2 program costs approximately \$180,000 annually. Cancellation of this program will result in a financial impact of approximately \$45,000 for the fourth quarter of 2014. Environmental Services is able to accommodate this pressure within the approved 2014 Waste Management Budget. Provincial program funding for Phase 2 materials will be removed from York Region's forecasted 2015 to 2018 operating budget until additional program funding details become available.

Province seeking to manage Phase 2 materials through new legislative framework for producer responsibility

Currently two of the six Phase 2 materials, pharmaceuticals and syringes, have producer responsibility requirements under the Environmental Protection Act. For the remaining four Phase 2 materials, the Ministry is engaging with producers, municipalities and other stakeholders towards a proposed outcome where producers will be responsible for funding the costs of managing these materials. The government is committed to introducing a new legislative framework for producer responsibility in the near future.

A consultation session to determine the path forward was held on July 30, 2014 and the Ministry has scheduled follow-up meetings to discuss waste specific approaches.

York Region will continue to accept Phase 2 materials while promoting take-back programs

York Region currently accepts all Phase 2 materials, as well as all other Municipal Hazardous or Special Waste materials, at all Household Hazardous Waste Depots, which will include Elgin Mills and McCleary Community Environmental Centres in 2015. Given the Region's integrated strategy for management of residual waste through energy-from-waste facilities, including the Durham York Energy Centre, staff believe it is in the Region's best interest to continue to accept these materials though currently unfunded.

Continued promotion and education of alternative safe management and recycling or disposal options, including take-back programs, will be important to communicate to our residents and businesses to ensure these materials are managed properly while also considering options that reduce the burden on the tax levy. The Orange Drop Program, a web based tool to assist residents in finding a safe and easy way to dispose of household hazardous waste is promoted through York Region's waste management information pamphlets. As well, the Region has partnered with the Ontario Clean Water Agency to develop an educational campaign called "*I Don't Flush*" to encourage proper disposal of unwanted medications by taking them back to their local pharmacy.

Staff will continue to engage with the Province and monitor developments on this matter through Q3 and Q4 2014.

Erin Mahoney, M. Eng.
Commissioner, Environmental Services

LF/lf
Attachment – Recycling Council of Ontario letter – dated July 9, 2014.

#5626822



July 9th 2014

To whom it may concern,

The Recycling Council of Ontario has been informed by the Ontario Ministry of the Environment that effective October 1st, 2014 funding for the management of Phase 2 materials has been cancelled. Municipalities will no longer be reimbursed for the management of Phase 2 materials through the RCO's Phase 2 Program. At this time we have no information regarding future reimbursement models for these materials but the Ministry of the Environment has indicated that they will be communicating directly with municipalities regarding this change.

The claims process will remain the same for the period of July 1, 2014 – September 30, 2014. The deadline to enter claims for this shortened and final Funding Round 4 will now be November 3, 2014. We will be in touch to provide you with the date your final payment will be released. Your reimbursement for Funding Round 3 (January 1 2014 – June 30 2014) will still be issued on November 5th 2014.

We appreciate your support and cooperation during this Program change. We will endeavor to keep you informed of important program milestones and any further changes. Should you have any questions or comments please feel free to contact our management team at any time.

Regards,

A handwritten signature in black ink, appearing to read "Jo-Anne St. Godard".

Jo-Anne St. Godard
Executive Director
Recycling Council of Ontario

A handwritten signature in brown ink, appearing to read "Shannon Lavalley".

Shannon Lavalley
Program Manager, Phase 2
Recycling Council of Ontario