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# Metro's Future Waste Disposal System

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A Blueprint For Metro's Approach to a Solid Waste Disposal System Planning Process

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Prepared by Proctor & Redfern Limited

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March 14, 1997

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**METROWORKS**



## PROCTOR & REDFERN LIMITED

March 14, 1997

Project EO 97450

Mr. M. G. Thorne, Commissioner  
Metro Works  
The Municipality of Metropolitan Toronto  
Administration Division  
55 John Street, Station 1180  
19<sup>th</sup> Floor, Metro Hall  
Toronto, Ontario  
M5V 3C6

Dear Sir

**Re: A Blueprint for Metro's Approach to a Solid Waste Disposal Planning Process**

We are pleased to present the solid waste disposal Blueprint. The Blueprint serves several purposes including the identification of issues, the development of planning principles and establishment of an implementation framework to guide Metro's planning and EA process. The objective of these efforts is to have a long term disposal system available to Metro by the Year 2002.

Several important issues were raised during the public consultation activities. The Blueprint summarizes these issues and provides alternatives for Metro's consideration. In the next steps of the planning process, Metro must consider each issue and develop the course of action to be followed in pursuing waste disposal solutions.

For example, many participants noted the need for an "all Ontario" solution. The Blueprint does not recommend on the preferred course of action. Rather it describes three approaches to addressing this issue and the implications of the alternative courses of action.

The Blueprint does not include recommendations since its primary purpose is to highlight areas for discussion and focus on matters requiring attention in the next steps. However, to proceed to the next steps Council should consider approval of the following:

- adopting the Blueprint planning principles
- undertaking a public consultation needs assessment
- using a two-stage RFP process to select one or more partners to dispose of solid waste

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**Professional Consulting Services**

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- developing "long-list" pre-qualification criteria and "short-list" evaluation criteria as the basic structure of the RFP process.
- preparing a Terms of Reference, prior to initiating the RFP, in support of a future potential environmental assessment approval application
- continuing to involve stakeholders in the implementation of the above activities.

In closing, Proctor & Redfern acknowledges the contributions of Metro's Project Team in preparing the Blueprint. We look forward to assisting Metro in any future waste management work and are available if additional questions arise about the Blueprint.

Yours very truly

**Proctor & Redfern Limited**

A handwritten signature in black ink that reads "David Schram". The signature is written in a cursive, slightly slanted style.

David Schram, MCIP  
Vice President

DS:mn

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## 1.0 INTRODUCTION

This Blueprint is an important step in the development and consultation process leading to the preparation of a Terms of Reference (TOR) for an environmental assessment (EA) in support of Metropolitan Toronto (Metro's) proposal to contract for long term residual solid waste disposal.

The Blueprint identifies the issues associated with planning for and making decisions on a long term waste disposal system. These issues have been raised by stakeholders through public consultation forums. The Blueprint puts forward principles and a framework to guide Metro's planning and approach to obtaining EA approval.

The decision to structure a waste disposal planning framework via preparation of a Blueprint was taken by Metro Council in December 1996. Metro resolved that:

**"The Commissioner of Works be authorized to immediately engage in an initial planning framework [Blueprint] for the required Terms of Reference for an environmental assessment for the disposal of Metro's residual solid waste after consultation with the Environmental Assessment Branch of the Ministry of Environment and Energy"**

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**"The Commissioner of Works be authorized to immediately engage in an initial planning framework [Blueprint] for the required Terms of Reference for an environmental assessment for the disposal of Metro's residual solid waste..."**

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This recommendation and a discussion of the following matters were contained in Report No. 30 (December 11, 1996) of the Financial Priorities Committee:

- Metro's waste disposal capacity needs will be defined by Metro's 3Rs targets. These targets are to be identified through Metro's 3Rs planning process. That process is to proceed parallel with Metro initiating a waste disposal planning process. The conclusion of the 3Rs process will establish the need for waste disposal capacity - being only that amount of waste not directed to 3Rs programs and the residual waste from 3Rs program facilities.
- Metro's waste disposal planning process should incorporate evaluation of energy from waste, landfill and other forms of disposal including emerging technologies.
- Based on the experiences of the SWISC, IWA and Adams Mine Site RFP processes Metro should seek to contract out waste disposal to the waste management marketplace (i.e. private sector and/or other municipalities with existing or potential waste disposal capacity). In taking the decision to seek solutions through partnerships with the marketplace, Metro

decided not pursue a wholly Metro initiated and structured waste disposal facilities identification, selection and development process.

- Requests for proposals from the waste management marketplace should generally follow the corporate protocol which was utilized in 1995/1996 in conjunction with Metro identifying its current short term waste disposal capacity system, including inherence to Metro's policies: "Council Approved Principles for Dealing with Public/Private Partnerships" and "Best Practices Guidelines for Initiating Contracts and Contracting with the Private Sector". The request for proposal approach should be undertaken in two steps: screening out proposals that fail to meet specified minimum requirements, and then, comparatively evaluating qualifying proposals to identify the preferred waste disposal system.
- The new Environmental Assessment Act provides that municipalities contracting for waste disposal capacity may be made subject to the Act. Thus, Metro's current direction to contract out waste disposal effectively places Metro under the provisions of the EAA. Accordingly, Metro will follow a planning process for the disposal of its waste which will meet the requirements to obtain an approval to proceed under the EAA.
- One of the key concepts contained in the new EA Act is the requirement that a proponent first prepare and submit proposed Terms of Reference for the Minister of Environment and Energy's approval. These Terms of Reference define the planning process (alternatives to be evaluated, evaluation criteria and manner of consultation with stakeholders and the public) which will be used to identify the undertaking for which EA approval will be sought. Consistent with the MOEE guide to preparing Terms of Reference, Metro will give initial consideration to the planning process to be formally defined in EA Terms of Reference. This consideration will begin with the preparation of an initial planning framework - a Blueprint.

### **1.1 Purpose of the Blueprint**

There are several purposes for the Blueprint including the need to:

- describe at an early stage and obtain the approval of Metro Council of the basic principles that will be used to guide the preparation of Terms of Reference and ultimately the overall process;

- identify potential stakeholders and their issues which may be relevant to the selection of an approach to residual waste management;
- prepare a guiding document that will assist in the consultation process; and
- establish an implementation schedule to assist Metro Council in assessing a recommended approach.

### **1.2 Metro's Current Waste Disposal System**

Residential solid waste generated in Metro, York and Durham Regions that is not managed by 3R's programs, is disposed at the Keele Valley Landfill, located in the Town of Vaughan in York Region. Keele Valley Landfill was planned, designed, and constructed by Metro Toronto, who also has sole responsibility for its operations.

In December 1996, Metro entered into an agreement with BFI to secure short-term disposal capacity at BFI's Arbor Hills Landfill in Michigan, USA. This agreement gives Metro disposal rights for a guaranteed 250,000 tonnes per year for a 3 to 5 year period, commencing in January 1998. Metro's maximum disposal capacity at the Arbor Hills Landfill is 325,000 annual tonnes; this may be increased to 500,000 tonnes with 180 days notice.

Considering Metro's 3R's diversion targets, the short term of the BFI export alternative, current solid waste generation rates, and the remaining site life at the Keele Valley Landfill, it is estimated that Metro has disposal capacity until the year 2002.

To meet its longer term solid waste disposal needs, Metro has initiated two comprehensive planning/approval/implementation processes:

1. A waste diversion/3R's strategy which will define diversion targets, programs and facilities and long term disposal capacity needs. These initiatives have been underway since November 1996.
2. This Blueprint Process which has begun to address the need to identify, obtain approvals for, and secure long-term residual solid waste disposal capacity for the period 2002 to 2022.

### **1.3 Metro's Approach to Planning its Future Waste Disposal System**

Metro's approach to obtaining long-term solid waste disposal capacity has been developed in order to address the current challenges facing Metro and in light of past processes undertaken to identify disposal capacity.

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...Metro has disposal capacity until the year 2002.

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Metro needs to secure a long term solution ... to implement a disposal system that is in conjunction with meeting the 3R's waste diversion targets...to take advantage of the opportunities which the marketplace offers...to have as many options available as possible...

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...sufficient privately-owned licensed disposal capacity exists and could be contracted for to meet Metro's future needs, once Keele Valley is closed.

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(Appendix C of this Blueprint presents a summary of Metro's past processes). Metro's approach is in keeping with the intent of recent amendments to the Environmental Assessment Act brought about by the Environmental Assessment and Consultation Improvement Act (Bill 76).

**Metro's Objectives:**

- Implement a disposal system that does not interfere with meeting the 3R's waste diversion targets (*i.e.*, capacity after application of 3R's technologies). These targets are being identified under Metro's 3R's planning process.
- Secure a timely long term solution to the management of post-3Rs solid waste ("disposal system"), identified and approved by 2002.
- Take advantage of the opportunities which the marketplace offers. The marketplace includes the private sector and the public sector (other municipalities).
- Have as many options available as is reasonably possible from which to select its preferred waste disposal system, including the ability to choose among a broad range of risk/equity positions in the preferred system. Option categories include: partners, technology, geography, time frames.
  - **Partners:** private sector and/or public sector (municipalities) with disposal capacity capability.
  - **Technologies:** any post-3Rs technologies (*i.e.*; 4th R energy and material resource recovery, incineration, landfill) which are proven technologies operating at a commercial scale; or are emerging technologies which have the capability to be commercially proven within defined timelines.
  - **Geographic Locations:** facilities anywhere in North America, with preference for Ontario facilities.
  - **Time Frames:** assurance for the near term with flexibility for the long term. Facilities must be approved and in place in time to cover the short term, (say the years 2002 to 2007) . Capacity can be created in the future so as to come into existence to cover the longer term (say the years 2007 to 2022).

**Solid Waste Disposal Processes:**

Metro's approach to solid waste disposal planning has evolved since the initial searches for a replacement facility for Keele Valley Landfill began in

1986. This evolution is reflected in the different planning processes which have been employed, including: the Solid Waste Environmental Assessment Process (SWEAP, 1986 - 1988), the Solid Waste Interim Steering Committee (SWISC, 1989 - 1990), the Interim Waste Authority (IWA, 1992 - 1995), and the Adams Mine Site Assessment Process (AMSAP, 1995 - 1996). For the most part, these processes were similar in that they all contemplated a publicly developed and owned waste disposal system; they did not result in a long-term solution.

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The waste disposal planning efforts which Metro has previously undertaken form a solid background on which to pursue long-term waste disposal opportunities over the next year.

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In 1995, Metro Council, following staff recommendations, initiated through issuance of a request for proposals an investigation of the availability of private sector waste-disposal facilities. To meet Metro's disposal needs the response to the RFP provided evidence that sufficient privately-owned licensed disposal capacity exists and could be contracted for to meet Metro's future needs, once Keele Valley is closed. Although this capacity exists primarily in the USA, opportunities for the development of capacity in Ontario were also identified.

The waste disposal planning efforts which Metro has previously undertaken form a solid background on which to pursue long-term waste disposal opportunities.

**Amendments to the Environmental Assessment Act:**


Bill 76, "*Environmental Assessment and Consultation Improvement Act*" came into effect on January 1, 1997. It reflects the Province's attempt to address the high cost, risk of failure, lengthy timelines, effectiveness, and adversarial context associated with the approval of solid waste management facilities, under the previous *Environmental Assessment Act*. Key elements of the new Act include:

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Under the new EA Act any proposal by Metro to enter into a contract for waste disposal capacity or services may be subject to EA Act approval, if Cabinet so requires by designation of Metro.

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- requirements for proponents to consult with the public to identify and resolve issues at an early stage;
- provision of early, clear direction to all stakeholders through a "Terms of Reference" to be prepared and approved by the Minister of Environment and Energy at the start of the EA process;
- establishment of time frames for key decision-making steps;
- provisions for the Minister to refer disputes to mediation;
- the Minister's ability to reject, early, an incomplete EA;
- joint provincial and federal approval assessment; and

- 
- focusing EA Board hearings on outstanding contentious issues, with time frames prescribed by the Minister.
  - A provision of Bill 76 also addresses the possible contracting out by municipalities of solid waste for final disposal (the municipal waste disposal clause). This new provision provides that designated municipalities (by regulation) cannot proceed to contract for such purpose without first submitting an environmental assessment and receiving approval to proceed under the Act. While Metro has not been designated under the Act, it is Metro's intent to proceed in its approach to "contracting out" (as set out in this Blueprint) as if it had been so designated. This is a more prudent planning course for Metro to take for a large undertaking rather than to wait and see if Metro will be designated at the end of the day. In addition, such an approach is in keeping with the spirit of the provision that such decisions should be made in an environmentally responsible manner. Therefore Metro is proceeding under the Environmental Assessment Act, as amended by Bill 76, to prepare Terms of Reference for approval by the Minister preliminary to the submission of an environmental assessment.

## 2.0 METRO'S APPROACH TO WASTE DISPOSAL SYSTEM PLANNING

### 2.1 *Environmental Regulatory Compliance*

In December 1996, Metro Council initiated a planning process which is to focus on providing long-term, cost-effective solid waste disposal methods, while at the same time allowing for changes in the currently dynamic waste management industry and facilitating development of local facilities.

Further, Metro Council has recognized that the new EA Act's provisions for designating a municipality's intent to contract out effectively makes the outcome of Metro's search for long term disposal capacity subject to the EA Act. Therefore, in order to ensure the highest probability of a cost effective and timely EA approval Metro's approach to solid waste disposal system planning is proposed to be developed on the basis of the following objectives:

- Metro will consider all disposal alternatives that are reasonably available. Metro will select its preferred disposal system from among the broad range of option categories: partners, technologies, geographic locations and capacity availability time frames.
- Metro will use the new EA Act's TOR process to secure Provincial and stakeholder agreement to the terms of the waste disposal system planning process, at the outset of the process.
- Metro will facilitate timely and cost effective planning by involving potential stakeholders (i.e. potential partners, the public, MOEE) in the process via **consultation with stakeholders** on the following subject matters:
  - identifying conceptual elements of the basic approach to waste disposal planning, i.e. "the Blueprint"; and
  - defining criteria to be used to scope alternatives (select preferred alternatives from among options available) at each stage of the process.
- Metro will manage, to the maximum extent possible, the planning process, approvals and project implementation schedule in order to meet its objectives.

Metro's solid waste disposal planning approach will be in keeping with the municipal waste disposal clause of the amended EA Act. Metro expects its future partners to share its commitment to sound environmental planning

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Metro is committed to... long-term, cost-effective solid waste disposal methods... allowing for changes in the currently dynamic waste management industry...facilitating development of local facilities.

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Metro's ...EA planning approach will meet the requirements of the amended EA Act. Metro expects its future partners to share this commitment...

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and be committed to developing and operating their facilities in compliance with all current and future applicable environmental approvals and regulatory performance standards.

## **2.2 Relationship to 3R's and R&D Strategies**

The estimate of Metro's residual waste disposal capacity needs should be determined after the 3R's Strategy is developed and diversion targets established. Metro's diversion target of 50% is a possible benchmark that could be used to estimate the quantity of residual waste for disposal. However, it is expected that the 3R's Strategy will provide a range of estimates relating diversion performance to disposal needs which, in turn, would provide Metro the option to consider alternative scenarios.

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Metro's residual waste disposal capacity needs follow from its 3R's program planning.

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It is inevitable that, when developing a strategy such as the 3R's, there will be concerns about meeting public expectations, describing a realistic assessment for the future and balancing expectations with technological, market and resource limitations.

A major concern in developing a residual waste management system is to determine what capacity would be reasonably required and if a contingency should be used to address this concern. In this context, discussions are ongoing among Metro staff to address questions such as:

- What is a reasonable implementation schedule to obtain approval and have in-place the required residual waste management capacity?
- Should Metro risk the possibility of a shortfall in disposal capacity if diversion targets are not met?
- Should higher diversion targets be established to push the limits of diversion and reduce disposal needs?
- Should Metro consider a diversion target that considers a lower range of performance such as 30% to 50% to minimize any risk of a future capacity shortfall?
- Will considering the possibility of a lower diversion target (i.e. 30%) have a negative effect on 3R's performance and the research and



development of new programs and technologies?

- Should Metro establish an upper and lower range of capacity needs measured against 3R's performance and R&D program/technology development?
- How should emerging waste diversion technology be considered if it is proposed in the waste disposal RFP process, but where the technology is more accurately defined to be a 3R's rather than disposal practice? What is the linkage between the disposal and the 3R's planning processes?

The above issues have implications on the scope of the call for proposals, the range of submissions that will be received and the long-term security of the disposal system established.

### 3.0 PLANNING PRINCIPLES

Metro staff has developed four planning principles which are proposed to underlie the solid waste disposal planning process. The principles were discussed in two meetings with MOEE staff, in a meeting of the Solid Waste Management Industry Consultation Committee (SWMICL) and in a public consultation workshop. This broad representation of stakeholders were, in general, fully supportive of the principles.

#### ***Planning Principle No. 1 - Metro Will Turn to the Marketplace to Identify Alternatives***

Metro needs a long term solution to the management of post-3Rs solid waste ("waste disposal facilities"), identified and approved by 2002, the current estimate for closure of the Keele Valley Landfill.

Metro must take advantage of the opportunities which the marketplace offers. The marketplace includes the private sector and the public sector (other municipalities). Therefore, Metro will consider fully private, public-private partnership and/or public-public partnership options to meeting its waste disposal needs.

Metro defines the marketplace to be waste disposal capacity existing or approvable anywhere in North America.

Metro wants to keep as many options open as possible with respect to long term waste disposal solutions, including the ability to chose among a broad range of risks/equity positions in the preferred undertaking of contracting waste disposal capacity.

#### ***Planning Principle No. 2 - No Generic Comparison of Landfill vs Incineration***

Metro does not intend, through the environmental assessment of its undertaking to contract out waste disposal, to carry out a generic comparison of landfill vs incineration.

Metro will be going to the marketplace with a request for proposals which will require proponents of waste disposal facilities to submit information on the potential effects of their disposal facilities on the environment. This information must be sufficient for Metro to comparatively evaluate the proponents' facilities. In this way, Metro will be able to fulfill the EA responsibility which might stem from Metro undertaking to contract for waste disposal capacity.

Metro's partners (i.e. preferred waste disposal capacity proponents) will be responsible for their various facilities' site acceptability and site approvals,

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...Metro will consider fully private, public-private partnership and/or public-public partnership options to meeting its waste disposal needs.

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Metro intends to fulfill the EA responsibility... in undertaking to contract for waste disposal capacity.

Metro's potential partners will be responsible for their facilities' site acceptability and approvals, including any attendant local community consultation

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including any Environmental Assessment Act requirements applicable to the partners and their facilities.

***Planning Principle No. 3 - 3Rs Strategy Will Identify Residual Needing Disposal***

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Metro's waste disposal facilities will not compete with its 3Rs program facilities.

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Metro is currently completing the identification of a 3Rs strategy. Metro intends to complete this process and thus identify a waste diversion target for Metro. Waste remaining after 3Rs programs - "residual" - will be the focus of Metro's waste disposal EA. Metro does not intend to place its 3Rs strategy under EA examination as the components of the 3Rs strategy do not require Environmental Assessment Act approval.

Metro's 3Rs strategy target will likely be expressed as a range of the total waste generated. Thus, Metro's residual waste will be expressed as the remaining ranges. It is anticipated these ranges will be relatively large. By assuming the 3R's will manage up to the high end of the diversion target range, residual waste disposal needs will be conservatively defined. In this way Metro's waste disposal facilities will not compete with its 3Rs program facilities.

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Metro's EA will... not include a planning process for other GTA regions... focus its consultation efforts within Metro.

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***Planning Principle No. 4 - Metro Based Consultation Process***

Metro will be planning for Metro's waste management needs. Metro does not intend to undertake waste disposal planning for other GTA Regions. Accordingly, the focus of Metro's consultation efforts will be within its municipal boundaries. Metro staff will dialogue with staff of other GTA Regions' to keep abreast of their disposal planning efforts in order that mutually beneficial opportunities to coordinate disposal plans might be identified.

As cited under Principle No. 2, Metro's potential partners will be responsible for their facilities' site acceptability and approvals, including any attendant local community consultation. Metro will require documentation of the potential partners' approach to their sites' local community consultation and documentation of the outcome of such consultation programs. This documentation will be considered by Metro in the comparative evaluation of proponents' facilities in the context of Metro fulfilling its environmental assessment requirements for the undertaking of contracting for waste disposal capacity.

## 4.0 CONSULTATION PROCESS

Metro has undertaken a proactive public consultation program in the development of the Blueprint for Metro's solid waste disposal planning process. The following summarizes the consultation which has taken place with representatives of the waste management industry, the Ministry of Environment and Energy and interested citizens and public groups.

### 4.1 *Industry Consultation*

Metro sought input from waste industry representatives at four separate consultation sessions:

- a meeting on February 4, 1997 with the Solid Waste Management Industry Consultation Committee.
- a workshop on February 22, 1997 which attracted a broad spectrum of industrial interest, ranging from professional engineers to solid waste industry representatives.
- meetings on February 25, 1997 and March 10, 1997 with the Ontario Waste Management Association Board of Directors.
- Industry raised the following matters as being critical to the private sector's ability to effectively participate in Metro's waste disposal planning process:
  - Metro should have the flexibility to assemble its disposal system as one technology (landfill, EFW, emerging technology) or a combination of technologies, provided by a single contractor or by a consortium
  - Metro should stipulate a minimum capacity bid requirement of not more than 100,000 tonnes per year. to encourage multiple bids and accommodate smaller operations.
  - the time frame of the planning and approvals' process should not be so tight as to preclude the development of a new Ontario disposal facility or the expansion of an existing facility
  - Metro must be willing to commit to its preferred partners as soon as they are identified via the planning process. The partners must have Metro's support as they seek the environmental approvals that may be applicable to their facilities' development.

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Metro has undertaken proactive public consultation sessions with representatives of the waste disposal industry, MOEE and interested citizens and public groups.

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## **4.2 MOEE Consultation**

MOEE consultation occurred via meetings held December 13, 1996 and February 14, 1997 and March 11, 1997. Ministry officials gave commitments to be engaged in, and provide timely feedback on, Metro's waste disposal planning throughout the process, beginning with the development and content of a Draft EA Terms of Reference.

## **4.3 Public Consultation**

A workshop was held on February 22, 1997 to obtain public input on to the proposed solid waste disposal planning process. Among other things, workshop participants provided responses to the following questions which were posed:

- What are the main concerns of Metro's planning principles?
- What are the major issues in the solid waste disposal planning process?
- How is solid waste disposal important to Metro's residents?
- In the process of Metro selecting a partner, what factors are considered most important by Metro's residents?

**Appendix B of this Blueprint provides a report on the proceedings of the workshop.**

## **4.4 Issues Raised by Stakeholders**

Stakeholders raised numerous issues during the consultation meetings and workshop associated with development of this Blueprint. The following is a representation of the key issues raised:


- need for demonstrated commitment to the 3R's program (i.e., residual waste left for disposal should be known prior to committing to specific waste disposal partnerships;
- need to encourage Ontario waste disposal capacity to reduce dependence on export;
- need to accommodate multiple solutions (i.e., bids for different capacity instead of full capacity);
- need to accommodate emerging waste diversion technologies;
- some important characteristics of a Metro partner: thorough commitment to Metro's priorities; financially stable, strong process-related skills, reputable, holistic waste management thinking (ability to

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Synopsis of stakeholders' concerns:

need for demonstrated commitment to the 3R's program... need to encourage an Ontario solution... need to give serious consideration to emerging technologies...

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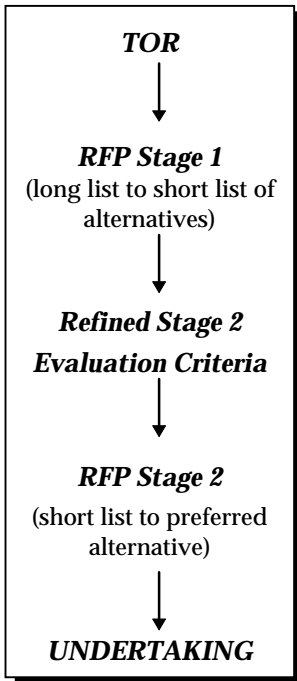


link disposal and 3R's in system approaches, ethical, responsive to community needs and concerns, and possessing an open management style;

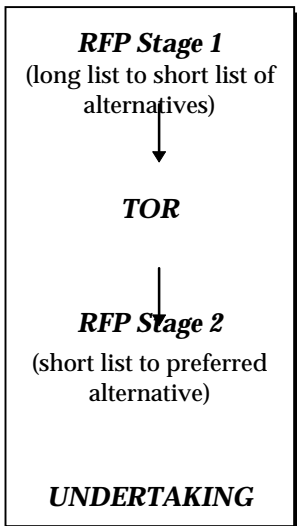
- timelines should allow for incorporation of new facilities (landfill sites and/or energy from waste facilities) which may have longer project site approvals and construction lead-time;
- process must consider the relationship between price sensitivity and geographical location of solid waste disposal site/facilities;
- general uncertainty arising from the unknown mandate of the Greater Toronto Services Board (GTSB);
- need to clearly define evaluation criteria at the outset of requesting proposals and to consult with stakeholders in setting such definitions.

**Appendix A of this Blueprint Report presents a synthesis of the issues raised during the Blueprint consultation process and which derived from consideration of Metro's previous waste disposal planning experiences. It is through timely resolution of these issues that Metro's waste disposal planning process will be defined in detail.**

"Option 1"



"Option 2"



## 5.0 SOLID WASTE DISPOSAL PLANNING PROCESS

### 5.1 Philosophy of Approach

The development of a Blueprint is the first step towards Metro achieving EA approval for its intent to contract out waste disposal. The Blueprint is designed on the basis of Metro's objectives (Section 2.0) and Metro's planning principles (Section 3.0). In terms of EA approval, the Blueprint addresses the role of the TOR in the new EA process.

### 5.2 Optional Approaches to the EA TOR

Discussions were held between the Blueprint Project Team and MOEE EA Branch staff to identify the role of the TOR and consequently the timing for development of the TOR.

Three optional roles were considered:

- Option 1 - TOR set at the outset, thereby bringing the process of evaluating and deciding among all of the alternatives reasonably available under the ambit of the EA planning process.
- Option 2 - TOR set after a "short list" of alternatives is decided upon, thereby focussing the EA process on the comparative evaluation of the most promising alternatives.
- Option 3 - TOR set after the preferred alternative is identified, thereby focussing the EA process on the effects of the undertaking.

The Blueprint Project Team recommends adopted Option 1 on the basis that the approach maximizes the potential for Provincial/Municipal/stakeholder agreement to the terms of the planning process at the earliest stage while maintaining the ability to accommodate minor changes later in the process. However, the caution is raised that this approach has a potential risk - that of the EA planning effort being misinterpreted to be process, rather than project, oriented. This risk must be monitored and corrective action taken, as needed. Such action could include obtaining clarifying statements of EAA interpretation from the Province.

### 5.3 Planning Process Elements

A two stage evaluation and selection approach is proposed to identify Metro's long term disposal partner or partners. A brief description of these stages follows.

**Stage 1** - Identify the **alternatives reasonably available** by screening all responses to an RFP through mandatory pre-qualification (pass/fail) criteria. Metro will define the pre-qualification criteria together with a rationale for same.

**Stage 2** - The alternatives reasonably available will be **comparatively evaluated** using environmental effects factors. Metro will define the factors (i.e.; what categories of effects are to be considered and to what level of detail). The information necessary to undertake this evaluation will be derived from the potential partners' response to the RFP. The outcome of this stage will be the identification of Metro's preferred waste disposal system (it's component facility(s) and proponent partner(s)).

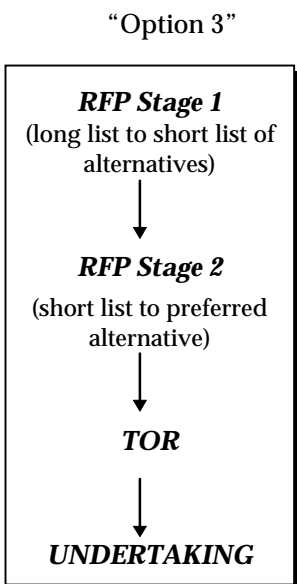
Following Stage 2, the EAA requirements, as may be applicable to the preferred waste disposal system, can be formally and finally determined, i.e. what is the specific undertaking, who is the proponent .

If the Government chooses to designate under the EAA any specific proposal by Metro's to contract out disposal, Metro will draw upon documentation of the waste disposal planning process (and particularly upon the Stage 1 and Stage 2 processes) to fulfill its EA planning, documentation and public consultation requirements, (as appropriate to the issues that are the basis for the Government designating Metro under the EAA, which issues would presumably be cited in any the designating Regulation).

If the preferred system includes Metro's participation in the development or ownership of the waste disposal facilities or services, Metro may be a co-proponent of the undertaking, and would join with its partner(s) in fulfilling the requirements of the EA Act.

### 5.4 Decision Making Criteria

Evaluation criteria must be developed consistent with the two-stage planning process that would be used to select Metro's disposal partner(s). Tables 1 and 2 (following this Section) outline several considerations to be used in the development of criteria. It is important to note that the development of criteria are directly related to resolution of the issues



outlined in Appendix A. Each issue must be addressed, the implications fully understood and the trade-offs accepted.

Two-stage decision making criteria are most appropriate to achieve Metro's objectives and fully meet Metro's planning principles. Developing two stages of evaluation considers that:

- to be successful, understood by all participants and be fair, the process must be manageable. This is best achieved by establishing pass/fail mandatory criteria to ensure that only legitimate, environmentally acceptable and financially stable respondents are asked to develop a comprehensive proposal.
- a two-stage process is supported by the waste management industry as the most fair and equitable process.
- if changes in scope and priority result from the Stage 1 evaluation, then there is an opportunity to consider the effect at Stage 2.

The estimated cost to respondents to develop a Stage 2 response is significant; so is the cost to Metro to evaluate responses. For this reason alone there is a need to carefully evaluate submissions at Stage 1 and support only those which Metro should consider at Stage 2. Accordingly, Stage 1 criteria should be structured as mandatory (a pass/fail) and Stage 2 as comparative to identify the advantages, disadvantages and differences between respondents.

#### ***5.4.1 Mandatory Qualifying Criteria***

Stage 1 decision-making process is designed to eliminate respondents that cannot address basic requirements established by Metro. Table 1 describes some Stage 1 criteria considerations, some rationale and possible implications to Metro.

Mandatory criteria are of equal priority and are assessed on a pass/fail basis.

#### ***5.4.2 Evaluation Criteria***

At Stage 2, alternatives will be comparatively evaluated to assess relative impact as measured by several factors: public health and safety, natural environment, social/cultural, technological, economic/financial/risk equity, and legal/jurisdictional. Table 2 summarizes the second stage evaluation criteria. An important consideration in developing Stage 2 criteria is assigning the relative priority or weight to be used in evaluation and choosing among the alternatives.

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Issues raised manifest stakeholders' values.

These values will be translated into the criteria which will structure the RFP and decision making.

### ***5.4.3 Developing Criteria From Stakeholder Issues***

The issues which stakeholders raise (both the various subject matters and the relative importance as between those subject matters) manifest stakeholders' values. By translating those values into criteria upon which the choice of the preferred waste disposal system is made stakeholders' interests become integral to the decision-making process.

Therefore, the next step in the planning framework which is proposed to follow from adoption of this Blueprint involves a public consultation needs assessment. This will involve stakeholders identifying the specific formats which will best allow stakeholders' values to be translated into decision making criteria. These formats will be exercised to define the criteria which will then structure the two-stage RFP process described above.

For example, a significant issue raised by most of the stakeholders involved in the previous waste disposal capacity bid process and this current Blueprint process is the desire to develop an Ontario solution. As is documented in Appendices A and B, stakeholders perceive that a Metro process which fosters the development, now, of some level of Ontario waste disposal capacity, or allows for development in the future, could address concerns regarding loss of "exported" jobs and public dollars, the ability of the Ontario waste industry to survive, and the risks of long term dependence on exportation to foreign jurisdictions.


In developing the Blueprint, consideration was given to the alternatives which would specifically address this issue. Some alternatives include:


1. The RFP process could include a strong message encouraging proponents to consider an Ontario solution. This signal could be as forceful as a Council resolution indicating an Ontario preference. If this approach is adopted the stakeholders consultation program to be used to define the Stage 1 and Stage 2 criteria would be focused, in part, on identifying the advantages and disadvantages between Ontario vs. export capacity and on identifying the importance which should be placed on considering this issue in qualifying options.

OR...

2. A pre-qualification criterion could be included at Stage 1 that requires a proponent include an Ontario component as a significant part of their proposal.

OR...

- 
3. A Stage 2 comparative evaluation criterion could favour an Ontario solution over an export option if all other significant factors were considered equal.



The Blueprint does not recommend a specific course of action to address this issue. Again, it is recommended that this issue be considered stakeholder consultation program. Full consideration must be given to the implications and trade-offs of the alternate courses of actions, prior to adopting any criterion which speaks to this issue, included in these implications are the following:

- an Ontario only solution is likely to be more costly as demonstrated by Metro's most recent experience;
- currently, there is not a single facility/system—publicly or privately owned—in Ontario with the long term capability to serve all of Metro's needs;
- the export of waste for the long term will undoubtedly be to facilities in the USA, issues identified with this option and the long term security of a “border crossing” approach require consideration; and
- the use of Metro or Ontario waste disposal capacity has the potential to significantly affect other Ontario Municipalities, positively or negatively, with respect to their long term needs and costs.

Insert Table 1 and 2 - File Names stg1~tbl.doc and stg-2tbl.doc



## **6.0 PLANNING PROCESS IMPLEMENTATION FRAMEWORK**

**6.1 *Figure 1: Planning Process Implementation Schedule***

**6.2 *Figure 2: The Next Steps - Estimated Schedule to Prepare  
EA Terms of Reference***

Insert Figure 1 and 2 - File Names - Schedule2.xls



**APPENDIX A: SUMMARY OF ISSUES RAISED BY  
PARTICIPANTS IN THE  
DEVELOPMENT OF METRO'S  
LONG-TERM WASTE DISPOSAL  
PLANNING PROCESS**

Insert Table A-1 - File Name tab-a-2



**APPENDIX B: REPORT ON THE PUBLIC  
CONSULTATION WORKSHOP,  
FEBRUARY 22, 1997**

**[Source: Metro Works, March 1997]**

Insert Metro Solid Waste Disposal Planning - Document Name  
Feb22.doc



**APPENDIX C: CHRONOLOGY OF SOLID WASTE  
MANAGEMENT EVENTS (1980 TO  
1996)**

**[Source: Metro Works, March 1997]**

Insert Chronology of Solid Waste Management Events (1980 to 1996)  
File Name chrono96.doc

f:\water\97450\BLUPRNT2.doc