

Tracey Cook
Deputy City Manager

Solid Waste Management Services
City Hall
100 Queen Street West
25th Floor, East Tower
Toronto, ON M5H 2N2

Tel: 416-392-4715
Fax: 416-392-4754
Matt.Keliher@toronto.ca

April 12, 2022

Sent via Email: serge.imbrogno@ontario.ca

Serge Imbrogno
Deputy Minister of Environment, Conservation and Parks
College Park, 5th Floor
777 Bay Street
Toronto, ON M7A 2J3

Dear Mr. Imbrogno,

Re: Transition of the Blue Box Program to Extended Producer Responsibility

I am writing to express the City of Toronto's (the City) concern regarding the potential for delay in the transition of the Blue Box Program to an extended producer responsibility model, pursuant to [O. Reg. 391/21: Blue Box](#), and the potential negative implications this could have on Toronto's residents and finances.

The rulemaking process must continue as outlined in the Regulation

The City understands your office has been working with the rulemaking Producer Responsibility Organizations (PROs) to resolve outstanding issues, which has resulted in a proposal to amend the Blue Box Regulation to eliminate the requirement to create rules and an allocation table, among other changes.

It is critical that the rules be finalized immediately so transition preparations can begin, and commercial agreements can be negotiated. The City is calling for the transition to move forward using the processes outlined in the Regulation, by which PROs representing 66% of the Blue Box materials supplied in Ontario can submit their rules to the Resource Productivity and Recovery Authority (RPRA).

The City understands that two (2) PROs agreed upon a set of rules that were consistent with the Regulation and were ready to submit their rules in January. This indicates that the rule process does work and should proceed as established in the Regulation.

Amendments to O. Reg 391/21: Blue Box could further delay transition timelines

It is our understanding that in response to all rulemaking PROs requesting changes to the existing Blue Box Regulation, changes to the Regulation have been proposed. However, any changes to Regulation at this time risks even further delay of the transition timelines and increases the potential for residents to be impacted at the curb. This is an outcome all stakeholders are fervently trying to prevent.

Of particular concern with the proposal is that PROs won't be required to provide documentation to RPRA until April 1, 2023. This would leave Toronto with only three (3) months to negotiate up to ten commercial agreements with PROs. This is far too late in the process and leaves no time for the operational planning required.

Any changes to the Regulation should be considered after the provincial election when there is sufficient time to undertake robust consultation with all stakeholders.

Toronto's transition date of July 1, 2023 cannot be delayed

Toronto's transition date cannot be pushed back as the City has aligned its multiple Blue Bin related contracts to meet this transition timeline negotiating extensions and including break clauses in our Blue Box related contracts. The City has already incurred financial costs resulting from this preparatory work. If there is a delay in transition, this could impact the Solid Waste Management Services' budget and capital program, including pausing or cancelling our 3rd anaerobic digestion facility and landfill gas to renewable natural gas projects or increasing the fees for waste collection.

Due to Toronto's size, density, and the complexity of its integrated waste management system, operational changes cannot happen quickly. Toronto requires more time than other municipalities to adjust its contracts, mitigate impacts to the staffing complement, and prepare its vast operations for any change. The City also appreciates that PROs will need adequate lead time to procure collection vehicles (approximate 18-month lead time required), access transfer networks and other recycling-related infrastructure, and secure processing capacity. Therefore, the rules must be submitted as soon as possible so transition planning with PROs can commence.

The City recognizes the potential that we may be forced to continue operating the Blue Box Program past its transition date until PROs are able to take over the system. This municipal backstop may incentivize PROs to present and negotiate based on terms that are not full cost recovery to each municipality. As a result, we may not be provided full cost recovery for the work that we may have otherwise not agreed to continue to provide under those terms. Toronto would require full financial compensation should we be forced to continue operations to maintain service levels past the planned transition date.

City staff appreciated the opportunity to raise our concerns with Ministry of the Environment, Conservation and Parks staff at a meeting held on March 16, 2022 and for the opportunity to provide comment on the proposed amendments to *O. Reg 391/21: Blue Box* on March 25, 2022. We look forward to continuing to work collaboratively with the Ministry and PROs to ensure a smooth and effective transition of the Blue Box Program to extended producer

responsibility. Attachment 1 provides a copy of a joint letter sent to Minister Piccini from Mayor Tory, Mayor Watson, and Mayor Holder highlighting similar concerns from our three (3) municipalities.

If you require further information from Toronto, please contact Charlotte Ueta, Project Director Business Transformation EPR, Solid Waste Management Services, City of Toronto via phone 416-392-8506 or email charlotte.ueta@toronto.ca.

Sincerely,



Matt Keliher
General Manager
Solid Waste Management Services

MK/mk

Attachment 1: Letter to Minister Piccini from Mayor Tory, Mayor Watson, Mayor Holder

Copy to: The Honourable Jeff Yurek, Minister of the Environment, Conservation and Parks, Email: minister.mecp@ontario.ca

Andrea Khanjin, Member of Provincial Parliament (Barrie—Innisfil),
Parliamentary Assistant to the Minister of the Environment, Conservation and
Parks, Email: andrea.khanjin@pc.ola.org

Robyn Kurtes, Assistant Deputy Minister, Environmental Policy, Ministry of the
Environment, Conservation and Parks, Email: robyn.kurtes@ontario.ca

Mayor John Tory, City of Toronto, Email: Mayor_Tory@toronto.ca

Councillor Jennifer McKelvie, Scarborough-Rouge Park, Email:
councillor_mckelvie@toronto.ca

Karen Jones, Director, Intergovernmental & Agency Relations, City Manager's
Office, Email: Karen.Jones@toronto.ca



April 5, 2022

VIA EMAIL: minister.mecp@ontario.ca

Hon. David Piccini
Minister of the Environment, Conservation and Parks
5th Floor, 777 Bay Street
Toronto, ON M7A 2J3

Dear Minister Piccini:

Re: Transition of the Blue Box Program to Extended Producer Responsibility

The City of Toronto, City of Ottawa and City of London are jointly writing to express our increasing concern regarding the potential for delay in the transition of the Blue Box Program to an extended producer responsibility model, pursuant to [O. Reg. 391/21: Blue Box](#) (the Regulation), and the potential negative implications this could have on our respective residents.

Jointly, our populations represent more than 4.3 million Ontarians, which equates to nearly 30 per cent of the Province's population. We want to ensure the transition is seamless for our residents and recognize this is only feasible if sufficient lead time to negotiate commercial agreements with Producer Responsibility Organizations (PROs) is attained.

We understand your office has been working with the rulemaking PROs to resolve outstanding issues, which has resulted in a proposal to amend the Blue Box Regulation to eliminate the requirement to create rules and an allocation table, among other changes.

Of particular concern with the proposal is that PROs will not be required to provide documentation to RPRA until April 1, 2023. This would leave transitioning municipalities with only three (3) months to negotiate their numerous commercial agreements with

PROs. This is far too late in the process and leaves no time for the operational planning required.

Toronto, Ottawa, and London are calling for the transition to move forward as soon as possible, using the processes outlined in the Regulation, so transition preparations can begin and commercial agreements can be negotiated. We understand that two (2) of the three (3) rulemaking PROs agreed upon a set of rules that were consistent with the Regulation and were ready to submit their rules in January. This indicates that the rulemaking process does work and should proceed as established in the Regulation.

Any changes to the Regulation should be considered after the provincial election when there is sufficient time to undertake robust consultation with all stakeholders.

Toronto, Ottawa, and London's transition date cannot be delayed. As stipulated in the Regulation, our three (3) municipalities are scheduled to transition our Blue Box Programs to producers on July 1, 2023. Over the past two (2) years, staff have begun preparations and worked to align all Blue Box related contracts with this transition date.

We recognize the potential that our cities may be forced to continue operating the Blue Box Program past its transition date until PROs are able to take over the system. This municipal backstop may incentivize PROs to present and negotiate based on terms that are not full cost recovery to each municipality. As a result, we may not be provided full cost recovery for the work that we may have otherwise not agreed to continue to provide under those terms. Toronto, Ottawa and London would require full financial compensation should we be forced to continue operations to maintain service levels past its planned transition date.

We thank your government for taking a leadership role on this file and for your commitment to maintain the transition schedule presented in the Regulation. We look forward to providing our continued support to ensure the transition of the Blue Box Program to producers is effective, efficient and seamless for Ontarians.

Sincerely,



John Tory
Mayor of Toronto



Jim Watson
Mayor of Ottawa



Ed Holder
Mayor of London

- c. Hon. Doug Ford, Premier of Ontario premier@ontario.ca
Serge Imbrogno, Deputy Minister of Environment, Conservation and Parks

serge.imbrogno@ontario.ca

Andrea Khanjin, Member of Provincial Parliament (Barrie—Innisfil),
Parliamentary Assistant to the Minister of the Environment, Conservation and
Parks andrea.khanjin@pc.ola.org