Board of Directors Meeting Highlights Held at Eddington's Restaurant on November 30, 2023 at 12:00 PM



2024 Budget

2023 marked the last full year for our members to participate in a shared responsibility model in Ontario and based on the projected results, it is none too soon. Effective April 1, all our members will transition to the new full producer responsibility model where producers will be 100% responsible for the operation and finance of the residential blue box program.

The changes in responsibilities will inevitably impact the Association and its budget as the responsible party will change part way through the year and the service expectations are changing to meet various requirements and exceptions. More discussions on this topic in the next story.

2023 was predicted to be a year where we would be emerging from COVID with less restrictions and a sense of redevelopment as we prepared for the new EPR program in Ontario. While we had budgeted a deficit covered from past surpluses, we were cautiously optimistic that expenses would stabilize, and commodities would settle into a more "normal" range.

Instead, we experienced rapidly increasing interest rates that grew beyond our forecast and turned economic activities into jitters causing widely fluctuating demand and supply with matching prices. The results were a continued tight supply chain commanding higher prices for goods while the questionable future caused our commodities to crash again. Fuel prices that traditionally followed the same trend as our commodities have instead headed in the opposite direction with higher prices. Finally, the inflationary pressures of 2022 drove wage increases into 2023 to maintain staff and attract new people to replace our aging workforce. This led to a worse than expected financial performance for 2023.

In 2024, the per share cost will rise to \$70.00 from the current price of \$69.00 which represents a 1.45% increase on recycling fees which is less than half the cost-of-living increase. Waste automated rates are contractually based on the Ontario September CPI rate which was reported to be at 3.6% as published by Statistic Canada. Commodity revenue for 2024 is based on current tonnages and prices but they are presented for one quarter only since after April 1 all materials belong to the producers. Grants are based on current distribution but covering only the first quarter of 2024. Expenses reflect the current inflationary pressures with expected increases in wages, supplies, and fuel.

Beginning April 1, 2024, recycling services offered by the Association will be under contract with the producers generating a new revenue stream to substitute those lost from the member municipalities, grants, and commodity revenue.

The current automated co-collection agreements will remain unaffected.

Our commercial division, Mars Environmental, is expected to continue to grow in 2024.

	2023 Budget	2023 Projection	2024 Budget	\$ Diff.	%
Sales					
Grants	3,349,000	3,778,000	945,000	-2,833,000	-75.0%
Municipal Levy	4,797,000	4,999,000	1,211,000	-3,788,000	-75.8%
Automated Revenue	4,699,000	4,452,000	4,434,000	-18,000	-0.4%
PRO Revenue	0	0	8,850,000	8,850,000	100.0%
Commodity Revenue	1,607,000	1,054,000	289,000	-765,000	-72.6%
Processing Revenue	448,000	447,000	153,000	-294,000	-65.8%
Disposal Revenue	986,000	1,315,000	1,354,000	39,000	3.0%
Supplies Sale	3,000	9,000	9,000	0	0.0%
Containerized Services	1,962,000	2,167,000	2,232,000	65,000	3.0%
Other	27,000	299,000	60,000	-239,000	-80.0%
Total Sales	17,878,000	18,520,000	19,537,000	1,017,000	5.5%
Total Cost of Goods Sold	2,561,000	2,397,000	2,135,000	-262,000	-10.9%
Gross Profit	15,317,000	16,123,000	17,402,000	1,279,000	7.9%
Operating Expenses					
Administration Expenses	1,248,000	1,192,000	1,256,000	64,000	5.4%
Collection Expenses	8,289,000	8,831,000	9,252,000	421,000	4.8%
Processing Expenses	3,018,000	3,593,000	2,444,000	-1,149,000	-32.0%
Total Operating Expense	12,555,000	13,616,000	12,952,000	-664,000	-4.9%
Operating Income	2,762,000	2,507,000	4,450,000	1,943,000	77.5%
Total Nonoperating Exp.	3,061,000	3,344,000	3,403,000	59,000	1.8%
Net Change in Cash	-299,000	-837,000	1,047,000	1,884,000	-225%
Share Charge	\$69.00	\$69.00	\$70.00	\$1.00	1.45%

Christmas Tree Chipping Program

The Bluewater Recycling Association is pleased to announce that it is time again for our annual Christmas Tree Chipping Program. This is a free service available exclusively to our active members only.

The Association will make arrangements to travel to each of its member municipalities who are interested in chipping their Christmas trees. Only members who request this service prior to Friday, December 15th, 2023 will be able to participate. The Association will chip the trees and either take the chips away or leave them behind as requested. It is your responsibility to collect the trees for a central drop off point where chipping can be performed. The last day to drop off trees at the drop off points will be Saturday, January 6th, 2024.

If your municipality would like to participate or if you have any questions, please give Jillian a call at 519-228-6678 ext. 234, or send her an email (<u>jillian@bra.org</u>) and indicate the exact location for pick up and if you want us to leave the chips or take them away.

Consultation on the Resource Recovery and Circular Economy Act (RRCEA) Regulations

In early September the Ministry of Environment, Conservation and Parks (MECP) held a series of consultation sessions with producers, producer responsibility organizations, and private service providers to review the producer responsibility regulations.

These sessions included feedback on numerous aspects of the regulations, including:

- Assessing the impact of delaying expansion to un-serviced multi-residential buildings to help phase-in costs over time and ensure a smooth implementation
- Re-examining the benefits of the competitive PRO model for the blue box regulation
- Reconsidering the need for public space collection requirements or proposed timelines for implementation
- Exploring options to increase flexibility in collection requirements without reducing consumer accessibility.
- Reviewing management targets for batteries and electronics
- Exploring the impact of providing an ECA exemption for collecting materials such as solvents and pesticides at retail locations

MECP has sought input from municipal government.

A meeting held recently included discussion on:

- challenges collecting non-eligible sources in downtown areas,
- the need for public space even if there is a deposit return system (DRS),
- delay in expansion to un-serviced multi-residential buildings is concerning, and
- RPRA's critical role in oversight

It is important to underline at the outset that Ontario municipal governments are supportive of outcomes-based approach taken under the RRCEA along with the provision for a strong oversight body. Certain concerns have been raised by municipal governments in the development of the regulations and it is prudent for the provincial government to review these regulations to ensure:

- alignment with the government objectives, including:
 - o reducing and diverting waste from landfills (i.e., diversion rate of 50% by 2030; an 80% by 2050, as well as reducing total waste disposed per capita each year)
 - o keeping our neighbourhoods, parks, and waterways clean and free of litter and waste
 - exploring opportunities to recover valuable resources by harnessing the innovation and ingenuity of industry
 - o finding new purposes for packaging and products that reintegrates back into the economy
- performance targets are measurable, enforceable and drive meaningful and continual improvement;
- regulatory efficiency and effectiveness; and
- promote competition for to all regulated parties.

The latest report by AMO entitled 2023 Ontario Baseline Waste & Recycling Report underlines key areas of concern for municipalities which include:

- The need to increase waste diversion While the province has likely met its 2020 target of 30% waste diversion, we have a significant gap to overcome in order to meet the 2030 target of 50% waste diversion. Based on a low estimate of current waste generation the province needs to divert an addition 2.5 million of material to meet its target. There is no practical way the province can meet this target without targeting regulations on:
 - Increasing industrial, commercial, and institutional (ICI) food and organic waste diversion (which could increase diverted materials by 1,800,000 tonnes), and
 - Increasing diversion of ICI paper and packaging (which could increase diverted materials by 1,239,000 tonnes).
 - Enhancing current EPR regulations and expanding material designations (which could provide an additional 327,700 tonnes of diversion per year).

Ontario Baseline Waste & Recycling Report



Draft for Discussion and Feedback



With waste generation and disposal rates increasing and disposal rates declining, this is of particular interest to municipal governments.

- Addressing issues with current EPR regulations There are concerns that the outcomes related to some of the current regulations are headed in the wrong direction. Addressing current issues includes:
 - Ensuring performance targets are measurable, and drive meaningful and continual improvement;
 - Ensuring designations align with other Canadian jurisdictions;
 - Removing unnecessary exemptions, deductions and credits;
 - Requiring annual third-party performance audits in all regulations to reduce enforcement costs and ensure a level playing field; and
 - Establishing clear timelines for new designations with ample lead time to allow for proper planning.
- Ensuring proper third-party oversight Issues with the battery regulation underline the need for the Resource Productivity and Recovery Authority (RPRA) to have more resources and better access to producer information to ensure the system has the appropriate rigour to ensure outcomes are met.

Specific comments have also been provided below for each of the RRCEA regulations.

Blue Box Regulation Key Issues

Municipal governments do not understand the rationale for many of proposed changes:

- Producers have had ample time to plan for the expansion of un-serviced multi-residential buildings and given the province's focus on densification it is increasingly important to ensure these residents have equal access to recycling services.
- The RRCEA was built on the need to support competition including competition between producer responsibility organizations. It was supported by all political parties and by most stakeholders, given the numerous concerns raised in the former framework. It is a fundamental principle that municipal governments continue to support.
- While municipal governments understand that some producers may be advocating for the removal of public space requirements given the potential move to deposit return for non-alcoholic beverage containers, it is important to underline that non-beverage plastic and paper packaging (e.g., hot/cold drink cups, fast food packaging) make up over a quarter of the materials in public space recycling bins.

Performance targets

It is unclear yet whether the current targets set will be sufficient to drive improved outcomes, given recent changes to allow for more exemptions (e.g., newspapers) and deductions (e.g., allowing producers to deduct supplies tonnage that is collected from a business or institution that producers are not required to provide blue box collection services to under the blue box regulation). These changes decrease the amount of materials producers need to process to meet their management targets. Ontario municipalities have significant concerns that the latest deductions will be very difficult to audit and verify and could significantly reduce the supply numbers and reduce targets.

By way of example, the amount of blue box materials supplied into Ontario in 2021 (based on RPRA's Resource Recovery Report) is 971,741 tonnes (see table below). In the same year, municipalities recycled 736,379 tonnes of blue box material. While a direct comparison cannot be done, it does appear that producers may be already exceeding the 2026 targets.

Category	2026 Targets	RPRA 2021 Supplied Tonnes (reported in 2022)	2021 Blue Box Materials Recycled by Municipalities	
Beverage Container	75%	111,413	n/a	
Glass	75%	60,439	85,514	
Flexible Plastic	25%	83,462	104,406 (rigid and flexible are reported under one category)	
Rigid Plastic	50%	119,780		
Metal	67%	48,660	44,246	
Paper	80%	493,987	502,213	
Total	n/a	917,741	736,379	

Additional materials

Overall, the new regulation should provide Ontarians with greater access to blue box collection. However, there remains a lack of focus on ICI sources of blue box materials. By extrapolating BC's IC waste composition data, Ontario could be disposing 1.68-2.45 million tonnes of packaging and paper products on an annual basis. Even collecting 60% of these materials could provide over 1.2 million tonnes of diversion and significantly increase Ontario's diversion rate.

While the Blue Box Regulation does not require collection from commercial entities, charitable organizations or not-for-profits, the former Minister assured municipal governments at AMO's Conference that the province was looking to ensure non-eligible collection sites currently serviced by the municipality would not be stranded. Many municipal governments want to try to preserve some of the collection economies of scale to ensure these businesses can continue to receive affordable recycling services. They have approached the PROs to see if servicing could continue to be provided at the municipal government's cost after 2025 but to date the PROs have been unwilling. While we understand PROs do not have an currently have an obligation in this area, the approach they are taking will likely further reduce diversion from smaller businesses.

Unnecessary exemptions, deductions and credits

Packaging-like products made of flexible plastics, as well as packaging used for food protection, containment and handling, have been exempted despite being collected in both the recycling and waste streams and being included in most other jurisdictions. This exemption affects the amount reported as supplied into the market and this impacts management targets despite these materials still being managed in the blue box. This exemption is unnecessary and should be removed.

Compostable packaging has been exempted from collection and management targets despite the fact it is a growing packaging format. This exemption affects the amount reported as supplied into the market and this impacts management targets despite these materials still being managed by municipal governments. A 2022 study undertaken by the Ministry of Environment, Conservation, and Parks on compostable packaging recommended that "producers should be responsible for the full cost for collection and processing of their products". Municipal governments continue to support the inclusion of these materials.

Expanded deductions related to blue box materials managed outside the blue box system (e.g., materials collected from a business or institution that are not part of a blue box program for residents) are difficult, if not impossible, to be able to properly oversee. The scale of these deductions significantly reduce the materials needed for producers to meet their targets. For these reasons, municipal governments support the removal of these deductions.

Annual third-party performance and supply audits

Third-party audits are only required every three years from producers, instead of annually. While on the surface this appears to reduce regulatory burden, producers are still required to provide audits for all three years. This delay in audit information adds costs to RPRA as it means they have to use alternative means to ensure producers are compliant. In order to support regulatory efficiency, municipal governments support changing the submission of these audits to annual.

Battery Regulation Key Issues

Municipal governments are concerned about any potential changes being proposed by other stakeholders that could further reduce the current outcomes being achieved, including reducing management or accessibility requirements. Batteries represent a significant concern when not properly managed. There have also been significant public concerns raised by our residents as to whether batteries are being properly managed given recent compliance activities by RPRA.

Performance targets

The amount of single-use batteries necessary to meet the management requirement is lower than previous years. This may be an indication that the targets were set too low as the amount of batteries supplied into the market does not appear to be declining based on previous years of data (e.g., the target for single-use batteries in 2022 is 2,945 tonnes; this target has been surpassed in all years between 2016 and 2019).

The current management targets do not provide an incentive for continuous improvement beyond 2025 as they only increase to 2025 and then remain static at 50%.

Unnecessary exemptions, deductions and credits

The regulation provides an exemption for small producers (i.e., if a producers management requirement is less than 1.25 tonnes of rechargeable batteries or less than 2.5 tonnes of single-use batteries). While the overall impact of this exemption is unclear, any exemptions provided lower the targets. This is because materials are supplied by these small producers into the marketplace (i.e., are available for collection) but are not included in the denominator for which the targets are calculated. This creates an unlevel playing field for battery producers and may lead to less efforts to properly collect and recycle batteries. Ontario is the only province in Canada to include these exemptions.

The regulation allows producers to reduce their management targets if they use recycled content in the batteries they supply into the market. This approach is counterproductive to driving better environmental outcomes in Ontario as reductions in management targets decreases the need to ensure these batteries are properly collected and recycled. The ability to audit the use of recycled content is also extremely difficult for these products, which could lead to future compliance issues and unnecessarily increases RPRA oversight costs.

Annual third-party performance and supply audits

Third-party audits are only required every three years from producers, instead of annually. While on the surface this appears to reduce regulatory burden, producers are still required to provide audits for all three years. This delay in audit information adds costs to RPRA as it means they have to use alternative means to ensure producers are compliant. In order to support regulatory efficiency, municipal governments support changing the submission of these audits to annual.

No promotion and education requirements

The removal of promotion and education requirements for producers post 2022 to inform to public on how to properly manage batteries is concerning given increasing incidents of battery fires in the waste stream. Municipal governments would advocate for the continued need for promotion and education requirements in the regulation.

Hazardous Special Products (HSP) Regulation Key Issues

The HSP regulation has been the most problematic regulation for municipal governments and there are significant concerns about the changes proposed by other stakeholders that could further weaken the regulation (e.g., remove materials, reduce accessibility) without addressing some of the fundamental problems of this regulation.

Municipal costs for managing designated and non-designated HSP have skyrocketed. Competitive tenders in the last year have resulted in cost increases of between 44% and 300%. This will only exacerbate the current gap between what municipalities actual costs and the compensation provided by the PROs. Insert municipal example of cost gap. Given the growing divide and the significant amount of materials not designated under the regulation, some municipalities are considering reducing accessibility (i.e., the number of drop-offs, events or the hours of operation).

Additional materials

While the province committed to add designated items to the regulation for over a decade, they have not followed through. On the contrary, instead of expanding the materials list, the regulation eliminated some items like fertilizer. Other Provinces such as Alberta, British Columbia, and Manitoba have significantly more items designated under their regulations such as lubricating oil, lead acid batteries and a full suite of pesticides. Designating additional items could increase collection by 3,594 tonnes (~19% increase). A more comprehensive policy under the Resource Recovery and Circular Economy Act, 2016 is required for pharmaceuticals and sharps. The current regulation still places much of the burden on municipal governments to collect these materials. It is estimated that municipal governments collect over 52,800 kg of pharmaceuticals and over 20,150 kg of sharps at municipal taxpayers' expense. Pharmaceuticals are covered under EPR policies in British Columbia, Manitoba, PEI, and Quebec (2024) and sharps in British Columbia (proposed).

Performance targets

The regulation does not have targets for collection or the management of HSP items except for oil filters and non-refillable cylinders. This is a glaring miss and does not provide adequate incentives for producers to invest in maximizing collection and management of materials. There is significant data available on capture rates in the province to allow the government to establish minimum collection targets for consumable products. The data also shows a fair amount of consistency

The accessibility targets are difficult to discern for the regulator and assessing producer compliance with the target has not yet occurred more than 8 months into implementation of regulatory requirements.

Annual third-party performance and supply audits

Third-party audits are only required every three years from producers, instead of annually. While on the surface this appears to reduce regulatory burden, producers are still required to provide audits for all three years. This delay in audit information adds costs to RPRA as it means they have to use alternative means to ensure producers are compliant. In order to support regulatory efficiency, municipal governments support changing the submission of these audits to annual.

Electrical and Electronic Equipment (EEE) Regulation Key Issues

Municipal governments are concerned about any potential changes being proposed by other stakeholders that could further reduce the current outcomes being achieved, including reducing management or accessibility requirements. EEE, like batteries, represents a significant concern when not properly managed.

Performance targets

The amount of EEE necessary to meet the management requirement appears to be lower than previous years. This may be an indication that the targets were set too low as the market does not appear to be declining based on previous years of data (e.g., the management target for EEE in 2022 is 33,124 tonnes; this performance has been surpassed in all years between 2011 and 2019).

The reported supplied numbers in the last three years have dropped significantly and might indicate an issue with compliance or with exemptions included in the regulation.

The current management targets do not provide for continuous improvement as they only increase to 2025 and then remain static at 70%.

Unnecessary exemptions, deductions and credits

The regulation provides an exemption for small producers (three and a half tonnes with respect to ITT/AV or not more than 350 kilograms with respect to lighting). While the overall impact of this exemption is unclear, any exemptions provided lower the targets. This is because materials are supplied by these small producers into the marketplace (i.e., are available for collection) but are not included in the denominator for which the targets are calculated. This creates an unlevel playing field for EEE producers and may lead to less efforts to properly collect and recycle EEE and lighting. Ontario is the only province in Canada to include these exemptions.

The regulation allows producers to reduce their management targets if they use recycled content, or if they allow for repair or extended warranties. While incentives to encourage these activities support the broader circular economy goals, this mechanism appears to be counterproductive to driving better environmental outcomes in Ontario as reductions in management targets decreases the need to ensure these EEE are properly collected and recycled. EEE producers were able to reduce their management requirements by 18% in 2023. In order to offset this, targets would need to be raised to ensure these reductions do not offset the need to collect and recycle these materials.

Annual third-party performance and supply audits

Third-party audits are only required every three years from producers, instead of annually. While on the surface this appears to reduce regulatory burden, producers are still required to provide audits for all three years. This delay in audit information adds costs to RPRA as it means they have to use alternative means to ensure producers are compliant. In order to support regulatory efficiency, municipal governments support changing the submission of these audits to annual. Municipal governments would advocate for the continued need for promotion and education requirements in the regulation.

Additional materials

Ontario lags behind other provinces of designating new types of materials (e.g., small appliances, power tools, personal care appliances, sports equipment, toys, outdoor power equipment, large

appliances). Based on an assessment by AMO, these materials represent the potential to divert an additional 17,000 tonnes that could be diverted.

No promotion and education requirements

No promotion and education requirements for producers post 2022 to inform to public on how to properly manage batteries despite increasing incidents of battery fires in the waste stream.

Tire Regulation Key Issues

Municipal governments would offer the following other considerations related to the tire regulation:

Unnecessary exemptions, deductions and credits

The regulation provides an exemption for small producers. While it is unclear of the overall impact of this exemption, it has the potential to impact targets (as materials are supplied but not included in the denominator) and creates an unlevel playing field. Similar exemptions are not provided in other Canadian jurisdictions.

Annual third-party performance and supply audits

Third-party audits are only required every three years from producers, instead of annually. While on the surface this appears to reduce regulatory burden, producers are still required to provide audits for all three years. This delay in audit information adds costs to RPRA as it means they have to use alternative means to ensure producers are compliant. In order to support regulatory efficiency, municipal governments support changing the submission of these audits to annual.

Pharmaceutical and Sharps Regulation Key Issues

Municipal governments would offer the following other considerations related to the pharmaceutical and sharps regulation:

Performance targets

Municipal facilities continue to be the backstop for collection of these products. Based on data from municipalities, over 14% of all pharmaceuticals and 6% of all sharps are collected by municipal governments at the cost to the property taxpayer.

There are few requirements for collection sites to advertise that they collect pharmaceuticals and sharps and as a result materials continue to managed by municipal governments at the expense of their taxpayers.

Oversight and Enforcement

No dedicated resources and oversight are provided as part of the global Ministry budget.

It is unclear if any actions have been taken on non-compliance as the Ministry does not provide reports and there is no transparency.

Additional materials

Although established a decade ago, there have been no new materials added despite growing number of individuals receiving medical care at home. Common home health care items such as dialysis waste, catheters, urinary bags and tubing, and colostomy bags should be added.

Quebec Is Switching To The Modernized Deposit-Refund System For Cans

On November 1, 2023, Quebec took the first step toward its modernized, expanded depositrefund system with the Consignaction program.

As an incentive for Quebecers to recover and recycle, the amount of the deposit on most beverage containers will be increasing to 10 cents from 5 cents. For the purpose of standardizing and simplifying the system, however, the deposit amount for aluminum beer cans larger than 450 mL is changing to 10 cents from 20 cents. People were therefore invited to return those containers no later than November 15, 2023, because after that date the refund on all returned cans will be 10 cents.



All aluminum beverage containers of between 100 mL and 2 L will be redeemable as of November 1, in addition to all those that are already redeemable. As a result, the number of containers included in the deposit-refund system will increase by more than 300 million units a year. Aluminum is an infinitely recyclable material. It is estimated that it takes just 60 days from the time a can is redeemed until it is again available for sale on a retailer's shelves.

Modernization of the deposit-refund system is a much-needed environmental initiative that aims, on one hand, at recovering and recycling greater numbers of beverage containers and, on the other, at expanding the network of value chains for reclamation of materials, with the overarching goal of reducing our collective ecological footprint. Currently, some 2.5 billion beer and soft-drink containers are redeemable under the system, and 100% of recovered containers are recycled. When modernization and expansion is complete, the number of redeemable containers will have increased to around 5 billion.

Quebecers have been actively taking part in this circular-economy initiative for nearly 40 years. They have achieved a recovery rate of 73%. With the changes introduced as part of deposit-refund system modernization and expansion, They are targeting a rate of 90% by 2032.



To help build a map of Consignaction return sites, all retailers who sell beverages in redeemable containers must register on the QBCRA website, qbcra.org. Retailers that have a sales area greater than 375 m2 (4,036 sq ft) are required to accept returns of redeemable beverage containers, either directly or through a grouping agreement with other retailers. Those with a sales area equal to or smaller than 375 m2 are not targeted by this requirement, but are invited to take part in the deposit-refund system on a volunteer basis during the first phase of the modernization. Between now and November 1, people will

be able to view a map of return sites on the website www.consignaction.ca

All establishments offering on-site consumption, including restaurants and institutional cafeterias, will be required to take part in the deposit-refund system as of November 1, 2023. Establishments supplying meals to at least 75 people at a time must register on the QBCRA website, qbcra.org

Coke Switching Over To 100-Percent Recycled Bottles

All 500-ml sparkling beverages bottles sold by The Coca-Cola Company in Canada will be made with 100-percent recycled plastic (excluding caps and labels) by early 2024. The company is the first to launch multiple sparkling beverages in 100-percent recycled plastic bottles* across Canada.

Bottles made with 100-percent recycled plastic create and sustain a circular economy for plastic packaging. Once the material (PET) is recycled, it is cleaned, sorted and ground into small flakes that become raw material for more new bottles.

To build awareness and encourage consumers to continue recycling bottles, all 100-percent recycled plastic bottles* will feature "Recycle Me Again" messaging.

The shift supports The Coca-Cola Company's World Without Waste goals to use at least 50percent recycled content in its packaging by 2030, and to reduce use of virgin plastic. It's projected to save 7.6 million pounds of new plastic in 2024 alone, as well as reduce nearly 7,000 metric tons of CO2 emissions annually, which is the equivalent of taking nearly 1,500 cars off the road for one year.

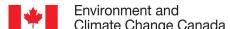
The new 100-percent recycled plastic bottles* will be produced by Coke Canada Bottling at its manufacturing facilities in Brampton, ON., Calgary, AB, Lachine, OC, and Richmond, BC The independent, family-owned bottler employs 6,000 diverse employees who proudly make, distribute, merchandise and sell the most-loved beverages Canadians enjoy.

Ontario Announces Changes to Penalties for Landfill Facilities

MECP has expanded the existing environmental penalties (EPs) framework to open and closed landfilling sites with an approved capacity of 40,000 cubic metres or more.

Penalty amounts reflect the seriousness of the contravention. EPs range from \$1,000 per day for less serious violations to \$100,000 per day for the most serious violations.

The overall framework for EPs remains unchanged. The amendments will maintain the existing process for issuing penalties (e.g., giving a notice of intention, the ability to request a review of the notice and seek reductions), the calculation of penalty amounts, and the rules governing reductions of penalties.



ECCC Launches Low Carbon Economy Challenge!

Climate Change Canada
The challenge is seeking project idea that will Canada reduce its greenhouse gas emissions. The Challenge Fund continues to support a wide range of Canadian recipients to implement projects that deploy proven, low-carbon technologies resulting in material GHG emissions reduction across sectors, focusing on its cost-effectiveness objective to maximize GHG emissions reductions.

The application period is open November 7 to February 8, 2024. To better understand eligibility and criteria, and to access the Applicant Guide, please visit the Government of Canada's Low Carbon Economy Challenge website.

ECCC will host webinars going over the application process and answer questions:

November 28th (English) and 29th (French)

January 16th (English) and 17th (French)

Federal Judge Quashes Plastics Ban Update

Canada's ban on single-use plastic may be in question after a new ruling by the Federal Court.

In a decision released on Nov. 16, Justice Angela Furlanetto deemed a federal government order listing plastic manufactured items such as plastic bags, straws, and takeout containers as toxic under the Canadian Environmental Protection Act (CEPA) to be "unreasonable and unconstitutional."

The judge's decision found that the classification of plastics in the order was too broad to be listed on the List of Toxic Substances in Schedule 1 and the government acted outside of its authority.

"There is no reasonable apprehension that all listed [plastic manufactured] items are harmful," Furlanetto wrote in her ruling.

The challenge to the federal government's proposed ban was brought last year by the Responsible Plastic Use Coalition (RPUC), several chemical companies, and the provinces of Alberta and Saskatchewan. They collectively argued that the federal government had failed to demonstrate that it had enough scientific evidence to justify the regulations. The RPUC was formed in 2021 in response to the toxic designation, and currently includes more than 30 processors and resin makers, including Berry Global Group Inc., CCC Plastics, Dow Inc., Ingenia Polymers, IPL, LyondellBasell Industries, and Nova Chemicals Corp. In a Nov. 16 statement, the RPUC said it supported the decision. "In the interest of Canadians who rely on plastic products that are essential to everyday life, we believe that federal government and industry can work collaboratively to reduce plastic waste and we look forward to developing solutions together," the organization said.

Having plastic items defined as toxic under CEPA was a crucial step that would have allowed the government to proceed with a ban on some single-use plastic items, including plastic checkout bags, cutlery, food service ware, stir sticks and straws. The single-use plastic prohibition is set to take effect after Dec. 20.

Webinar on Reducing Landfill Methane Emissions

ECCC will be hosting English and French webinars on December 4th and 5th, 2023 to share information on opportunities to create credits and regulatory policy that aims at reducing methane emissions at landfills that accept municipal solid waste.

The webinars will provide an overview of available federal credit opportunities for projects that reduce methane emissions through recovery and either flaring landfill gas or using this resource as a fuel (e.g. heat, electricity and renewable natural gas. The following credit opportunities will be covered in the webinars:

- Compliance credits under the Clean Fuel Regulations
- Offset credits under Canada's GHG Offset Credit System

In April 2023, Environment and Climate Change Canada published a Proposed Regulatory Framework for new federal regulations that aim to reduce Canadian landfill methane emissions. This webinar will provide an update on regulatory development and on the regulatory thresholds and implementation timelines under consideration.

Information on the webinars is found below. For further information, please contact us at: ges-dechets-ghg-waste@ec.gc.ca

Market-based and Regulatory Policies for Reducing Landfill Methane Emissions

Date and time: Monday, December 4, 2023

1:00 to 3:00 PM Eastern Time (US & Canada)

To Register, access the link below:

https://canada.webex.com/weblink/register/r7dc490a730d2408855444e4814da4829

The same webinar will also be conducted in French on December 5, 2023 from $10\,\mathrm{AM}$ - $12\,\mathrm{PM}$ EST.

Circular Economy Action Plan (AP) for Canada

The first-of-its-kind the plan is intended to chart an implementation framework to accelerate Canada towards circularity. The intent of the AP is to be open-source, act as a guide in strategic decisions, and inform future initiatives.



