

Board of Directors Meeting Highlights
Held virtually on Zoom
March 21, 2024 at 8:30 AM



What are the Changes to the Blue Box Program?

As we enter the final 10 days before “transition” on April 1, we thought it would be a good time to remind everyone what is about to happen.

The blue box program has been a mainstay of Ontario's waste management strategy for decades. However, 2023 marked a turning point, ushering in a new era of **producer responsibility**. This shift places the responsibility for managing blue box recyclables squarely on the shoulders of the producers who generate the packaging and paper waste in the first place.

From Municipal Management to Producer Responsibility: A New Era for Blue Box Recycling

Prior to July 2023, Ontario's blue box program relied on a system where municipalities shouldered the operational and financial responsibility for collecting and managing recyclables. Stewardship Ontario, a not-for-profit organization financed by producer fees, oversaw the program's operations and contributed up to 50% of the cost.

The new system, implemented in July 2023, represents a significant paradigm shift. Producers of packaging, paper products, and single-use items are now directly accountable for the financial and operational aspects of the blue box program. This includes:

- **Developing and Implementing Collection Systems:** Producers can collaborate through Producer Responsibility Organizations (PROs), to establish a comprehensive, province-wide network for collecting blue box materials. These systems must be accessible and convenient for residents across Ontario.
- **Financing Recycling Operations:** Producers are financially responsible for the costs associated with collection, sorting, and processing of blue box recyclables.
- **Promoting Public Awareness:** Producers have a vested interest in educating residents about proper blue box sorting practices and the importance of recycling.

This transition from municipal management to producer responsibility is expected to yield several benefits:

- **Enhanced Producer Accountability:** By directly assuming financial responsibility for the program's success, producers will be incentivized to design packaging that is easier to recycle, fostering the development of a circular economy. This could lead to a reduction in the use of virgin materials and promote sustainable packaging practices.

- **Potential for Innovation:** As producers grapple with the challenges of managing blue box materials, it could spur innovation in recycling technologies and collection methods. This could lead to more efficient sorting processes and potentially allow for the inclusion of a wider variety of materials in the blue box program.
- **Greater Transparency:** Direct producer responsibility fosters greater transparency. Producers will be held accountable for the environmental impact of their packaging and paper products throughout their lifecycle.

A Phased Approach: Ensuring a Smooth Transition

The shift towards producer responsibility is being implemented in a phased approach to minimize disruption for residents. Here's a breakdown of the transition period:

- **July 2023 - December 2025:** During this initial phase, producers will continue to manage the existing blue box program with no changes to collection schedules or accepted materials for residents. This allows for a smooth handover to the new producer-led system.
- **Post-December 2025:** Following the transition period, PROs established by producers will assume full responsibility for managing the blue box program. This could involve changes to collection systems, accepted materials, and potentially even the blue box format itself. Residents can expect clear communication from the Association regarding any program modifications.

Producer Responsibility Organizations (PROs): The Backbone of the New System

Producer Responsibility Organizations (PROs) play a crucial role in the revamped blue box program. These organizations are entities established by producers to collaboratively manage the collection and processing of blue box materials.

Here's how PROs are expected to operate:

- **Membership:** Producers across various industries, such as packaging manufacturers, paper producers, and single-use item distributors, can join forces through PROs.
- **Developing Collection Systems:** PROs will work together to design and implement a comprehensive collection network across Ontario. This network will need to be accessible and efficient, ensuring convenient service for residents in all communities.
- **Negotiating with Processors:** PROs will be responsible for negotiating contracts with recycling facilities to ensure the collected materials are processed responsibly.
- **Public Education:** PROs will play a significant role in educating the public about proper blue box sorting practices and the importance of waste reduction.

The success of PROs hinges on effective collaboration among producers. Strong governance structures and transparent communication will be essential for ensuring the smooth operation of the new blue box program.

Locally, you can expect the same level of service you have become accustomed with the Association for the last 35 years as the Association has been selected as the service provider for all member municipalities. The biggest change will be no residential recycling cost to you. Enjoy!

Oneida of the Thames Added to the Blue Box Transition Schedule

The Association services both the Chippewas of the Thames and Oneida of the Thames first nation communities. Until recently, Oneida was left off the transition list leaving them with some questions on the status of their program as local municipalities transitioned to the new system. In a last minute revision to the regulation, Oneida has been added to the schedule enabling them to transition with the rest of our members.

Producer responsibility organizations (PROs), who will be providing services on behalf of producers, are required to ensure that an offer of service is made to First Nation communities at least six months before the applicable transition date. This offer will provide details about how the collection services will be provided to the First Nation. Before a PRO can begin to provide the service, the First Nation must accept the offer in accordance with the Regulation.

First Nation communities outside the Far North that are not included in the Transition Schedule will be eligible to receive producer-run blue box services beginning January 1, 2026. First Nation communities interested in receiving producer-run blue box services must first register with the Resource Productivity and Recovery Authority (RPPRA) in accordance with the Regulation.

Michigan Proposes to increase landfill tipping Fee by 1289%

Governor Gretchen Whitmer of Michigan has proposed a budget, which includes an environmental initiative that may drastically affect the Ontario waste and recycling industry. The proposal aims to increase landfill tipping fees by a staggering 1289%, generating \$80 million in new revenue for environmental cleanups and landfill management.

The fee under Whitmer's proposed budget, would increase from \$0.36/ton solid waste to \$5/ton.

For Ontario-based companies, this could mean significantly higher disposal costs, potentially affecting operational expenses and competitiveness. It may necessitate exploring alternative disposal sites, investing in waste reduction technologies, or passing increased costs onto customers. This development underscores the importance of tackling Ontario's Landfill Capacity crisis immediately.



Dignitaries Demand Dresden Dump Details Be Disclosed

The County of Lambton will add its voice to Chatham-Kent's call for more information about a proposed Dresden-area recycling and landfill expansion.

York1 Environmental Waste Solutions Ltd. has requested provincial approval for a facility that would accept 6,000 tonnes of material per day, amounting to as many as 700 trucks visiting the site 24 hours a day, seven days a week.

Dawn-Euphemia Mayor Alan Broad said the fact the company hasn't even shared a traffic study is "ludicrous." "We have a huge concern down in Dawn-Euphemia that the dump is only 2.5 kilometres from our municipality and an influx of trucks like that is just unfathomable at the end of the day," said Broad.

Infrastructure and Development Services General Manager Jason Cole agreed the proximity of the site to the municipality and the expected traffic is "extremely concerning."

"An increase of the magnitude that they have identified within their amendment through the Environmental Registry Ontario process contains very little detailed information," Cole said. "Even in the public sessions that have been presented, there's been very few answers as to detailed information about how this site is intended to operate." Cole planned to ask for a more extended process.

Mayor Broad also urged Lambton County residents and his colleagues to submit their own comments on the proposal for the Irish School Road property.

"700 trucks a day... they could possibly go right down Highway 21 (Oil Heritage Road) to Dresden," he said. "So, that's going to affect Plympton-Wyoming, Petrolia, Oil Springs, Enniskillen, and Dawn-Euphemia. If they decide to use Highway 79, it could be Watford, Warwick, and Brooke-Alvinston. We're all in this together."

Broad believes the whole project should be put on hold until the information starts flowing.

Circular Materials Advocacy

It is our understanding that Circular Materials and its Board members are in the midst of advocating for major changes to the Blue Box Regulation and the Resource Recovery and Circular Economy Act. We are hearing this information from multiple sources within government and outside of government. Some of the potential legislative changes being advocated for are concerning for municipal governments as they are fundamental shifts in the policy approach and could create major issues to the policy objectives (e.g., allowing for the transfer of legal liability from the producer to the PRO, moving away from an outcomes based model to a plan based model, reducing oversight by the Resource Productivity and Recovery Authority, restricting competition).

It is certainly within Circular Materials and its Board members prerogative to advocate for potential legislative changes. Within any regulation or legislation, there will always be areas for improvement. We do however believe that better policy is achieved through open dialogue. This was a principle applied by the government during the six-month blue box mediation process led by David Lindsay in 2019 for the former Environment, Conservation and Parks Minister. The complexity of this policy necessitates involvement and feedback from multiple parties.

Many municipal governments are also members of Circular Materials so it would be helpful for them to understand what their organization is advocating for.

County Of Simcoe Abandons Organics And Waste Collections Facility Project

The plan to build an organics management facility in Simcoe County is no more.

The County of Simcoe's Committee of the Whole voted unanimously to scrap the development of the Environmental Resource Recovery Centre (ERRC) in favour of signing short and long-term contracts to process organic waste over the next 20 years.

"We were going full speed ahead; we had a very good business-case analysis in 2017, but we became aware there were a lot of changes in the industry," said Rob McCullogh, Solid Waste Management Director with the County of Simcoe. "We found the things that had changed: interest rates and construction costs have soared. When you add all those things up, it was no longer cost-effective."

McCullogh said outsourcing its organic waste processing would save the County roughly \$220 million over 20 years, rather than building its own facility on property that is currently a Simcoe County forest.

When work on the ERRC began in 2012, plans included garbage transfer, recycling transfer, a potential future space for recycling sorting and the organics processing facility.

But now, as mandated by the province of Ontario, recycling has transitioned to producers' responsibility, resulting in the recycling transfer and sorting becoming redundant.

The County said roughly \$2.2 million was lost as a result of the years of planning and working on the ERRC project.

Coca-Cola Pilots Label-Less Sprite Bottles In UK

The trial will run at eight Tesco Express stores in Brighton and Hove, Bristol, London, and Manchester.

Coca-Cola is initiating a trial of label-less packaging for its Sprite brand in the UK, aiming to simplify the recycling process and cut down the use of packaging material. This pilot, which is the company's first in the UK, involves the removal of labels from the 500ml recycled polyethylene terephthalate bottles of its Sprite and Sprite Zero range.



As part of the limited trial, Coca-Cola will replace labels from these ranges with embossed logos on the front and laser-engraved product information on the back.

The initiative, starting this month and running through March 2024, is being tested in eight Tesco Express stores across Brighton and Hove, Bristol, London, and Manchester.

The move to label-less bottles is designed to streamline the recycling process by eliminating the need for label separation and reducing overall packaging material.

Heinz Rolls Out Newly Designed Ketchup Bottle That Could Set New Standard For Packaging

This type of innovation could easily spread across other industries that use plastic bottles for products like shampoo and lotion.



Ketchup maker Heinz has spent nine years, 185,000 product development hours, 45 iterations, and \$1.2 million creating a new version of its plastic bottle cap that can be treated at recycling plants — and that new bottle is now available to customers in the U.K.

What makes the new Heinz bottle cap different from the old version is that the new cap is made from only one material: mono-material polypropylene (PP). The old cap used multiple types of plastic, including a difficult-to-recycle silicone material for the valve that controls how much ketchup comes out, meaning that recycling facilities needed to physically separate the silicone from the rest of the cap to process it.

Now, Heinz bottles will feature caps that shouldn't register as being particularly different to customers but could save hundreds of millions of bottle caps every year from ending up in landfills.

The design won Rigid Pack of the Year for Kraft Heinz at the 2023 U.K. Packaging Awards.

A spokesperson for plastic packaging maker Berry Global told The Cool Down that the cap was designed by Heinz and then developed and manufactured from there by its team.

"Heinz set us the kind of challenge that suits us and our development departments best: to reconstruct the design of the cap to make it 100% recyclable, without affecting the performance that millions of consumers know and love," said Matthias Hammersen, a sales director at Berry Global. "We're delighted that the finished result exceeds our initial expectations and actually improves the consumer experience."

In addition to making its bottle caps 100% recyclable, Heinz has also set a goal of reducing its use of virgin plastic globally by 20% (which would amount to more than 100 million fewer pounds) by 2030.

This type of innovation could easily spread across other industries that use plastic bottles for products like shampoo and lotion, which would make a significant difference in the amount of plastic waste we send to landfills.

ISRI Announces 2024 Advocacy Agenda Focused on Five Strategic Priorities for the Recycled Materials Industry

ISRI announced the release of its 2024 Advocacy Agenda that outlines the key priorities for advocacy activity at the state/local, federal, and international level. “The ISRI 2024 Advocacy Agenda highlights the critical role the recycled materials industry plays in ensuring a sustainable future for our planet,” said ISRI President Robin Wiener. “These strategies support the industry in its mission to innovate and find more ways to recycle more material, more efficiently into the everyday items we depend on, make our supply chain more resilient, and manufacturing more self-sufficient.”

The ISRI 2024 Advocacy Agenda focuses on strategies to further strengthen and develop legislative, regulatory, strategic partnerships, and community outreach efforts. To move ISRI’s Agenda forward, the organization has outlined a series of priorities for the industry to ensure safe, economically sustainable, and environmentally responsible recycling, including:

1. Championing Environmental Stewardship within Reasonable Regulatory Frameworks
2. Maintaining Market Access, Development and Sustained Economic Growth
3. Ensuring a Safe and Circular Environment in an Era of Increasing Electrification
4. Promoting Safe and Legal Recycling Practices
5. Shaping the Future by Advancing Education, Workforce Development, and Responsible Governance

Maine EPR for Packaging Law Close to Reality

In 2021, Maine adopted a first-in-the-nation Extended Producer Responsibility (EPR) for Packaging law to reduce taxpayer costs and improve recycling by encouraging producers to create less wasteful packaging. Put simply: It’s unfair that Maine taxpayers and communities are on the hook for the wasteful packaging produced by large companies—much of it single-use plastic—that ends up in our waste stream or polluting our environment.

The Department of Environmental Protection (DEP) has proposed draft regulations that will define what this landmark policy looks like. In early 2024, the Board of Environmental Protection (BEP) is expected to finish up the process of reviewing and voting on the draft policy. In testimony before the BEP, the Natural Resources Council of Maine (NRCM) urged Commissioners to adopt the regulations with some minor amendments to strengthen the program and ensure Mainers benefit to the maximum extent possible.

For decades, Maine taxpayers and municipalities have been responsible for finding solutions to packaging they have little or no control over. About 30-40% of the materials managed by towns are packaging waste, costing Maine taxpayers at least \$16 million each year. With limited options and rising costs for managing these materials, many Maine communities have been forced to suspend or cut back their recycling programs, sending these materials to landfills instead. With landfills throughout the state nearing capacity, this temporary solution is creating another expensive problem for Maine people: expanding existing landfills. EPR for Packaging contains ambitious yet attainable goals to achieve statewide community participation with investments that will make recycling more accessible and affordable for everyone.

SWANA Approves New DRS Policy

The Board of Directors of the Solid Waste Association of North America (SWANA) recently approved a new Technical Policy regarding CDRS, often referred to as bottle bills or recycling refunds. The SWANA Sustainable Materials Management (SMM) Technical Division Advocacy Committee worked together to update the previous policy and bring this policy up to date.

SWANA Technical Policies serve as a resource for members and as guiding documents for SWANA's positions.

"The SMM Legislative Advocacy Committee took on several important initiatives in 2023, not the least of which was the revamped Container Deposit Return System policy," said Technical Division Director to the Board Allison Trulock. "Bringing the policy into the 21st century, especially considering potential federal legislation on the topic, included several discussions with a wide range of points of view that ultimately resulted in consensus around the new policy. Kudos to the entire committee for their tireless efforts on this and other SMM policy initiatives."

Summary of Container Deposit Policy

While CDRS may apply to many different types of containers or materials, SWANA's updated Policy (Policy Number T-2.2) focuses on "single-use" beverage containers.

SWANA endorses the concept of deposit return systems if they factor in the key points outlined in the policy with the goal of a deposit return system implementation resulting in positive outcomes. The policy describes several factors for a successful system, including an emphasis that existing recyclers should be allowed to participate, that ownership of the materials should be held by whoever possesses the material, that deposit value should be high enough to incentivize return, and that funds generated should be reinvested into the system.

It states that the deposit return systems should incentivize container design that works effectively with the systems and that the system should be designed to mitigate potential for fraud. In addition, the policy addresses practical operational concerns around site selection and the importance of safety for workers and visitors. Including worker safety in the policy is a strategy described in SWANA's Strategic Plan – Forward, Together to improve industry safety.

The full list of key discussion points to factor into the development of a deposit return system include:

- Integration of the Existing Recycling Infrastructure
- Ownership of Material
- Deposit Value
- Deposit Return Systems Should Be Self-Sustaining
- Site Selection
- Container Design
- Safety
- System Integrity

Toronto Trash Traps Capture Kilos Of Waste From Harbour

From May through October 2023, PortsToronto's network of trash traps, which includes eight Seabins and two WasteSharks, removed 43 kg of litter, including 62,996 pieces of small plastic pollution from the Toronto Harbour.

The collected pollutants include items such as plastic pellets, pieces of foam from food containers, plastic bottle caps, cigarette butts and fatbergs.



Tiny debris, including microplastics (items smaller than five-millimetres) remain by far the most common items by count collected by Seabins. Plastic items in the environment eventually break down into microplastics (often irregularly shaped small fragments), which can make it difficult to determine their origins. This year the research team has begun to see signs of a decrease in the amount of microplastics collected in PortsToronto Seabins, which could suggest the benefits of additional outreach and education efforts toward waste reduction. PortsToronto Seabins are deployed at four locations on the Toronto waterfront and at the Outer Harbour Marina.

WasteSharks, which are equipped with a large catch basin, captured mostly large plastic fragments – including large pieces of foam from construction and food containers, hard plastic fragments, as well as plastic water bottles, caps, cups, lids and straws. Data also revealed that fatbergs were within the top ten most commonly found items in both the Seabins and the WasteSharks.

In August 2023, PortsToronto launched a pilot program with two WasteShark aquadrones. This pilot program represented a Canadian first for these innovative trash traps, which are remotely operated and skim the surface of the water to collect floating debris. Over the course of only three expeditions in October 2023, the Toronto WasteSharks “Ebb and Flow” collected 19.2 kilograms of floating trash, including nearly 600 pieces of microplastics.

With a larger capacity and remote controlled agility, the Toronto WasteSharks are able to collect a higher volume of debris in a shorter period, collecting nearly the same amount as all the Seabins combined over the entire field season. These can also be piloted into problem areas such as the corners of slips where we know that debris and other material can accumulate.

Understanding the Role of Social Norms in Recycling Behaviour

Almost every day, we're reminded to recycle: from separating paper and plastics at home, to spotting recycling bins in public areas, to reading about environmental initiatives online. The Environmental Research & Education Foundation (EREF) has even published tips for more eco-friendly travel with a focus on recycling. The practice of recycling – the day-to-day decisions and actions consumers take, like correctly sorting waste and cleaning recyclables – can be tedious or just downright confusing. While the recycling infrastructure, which encompasses collection, transportation, Material Recovery Facilities (MRFs), secondary processing, and re-manufacturing by product manufacturers plays a pivotal role, it's the consumer that plays the most critical role in the quality and efficiency of the recycling stream. When recyclable materials are mixed with non-recyclables, it diminishes the overall effectiveness and value of the recyclables. This is particularly prevalent in areas where the recycling infrastructure might not be as robust as in places with a well-established system.

Recycling rates for multifamily buildings often lag behind those of single-family homes based on data from the Environmental Protection Agency. The disparity usually stems from structural issues such as the need for recycling bins, inconvenient access, or insufficient signage in addition to residents' will or knowledge. Once these structural hurdles are addressed, attitudes and behaviours become vital in enhancing recycling rates. A recent EREF-funded study has provided valuable insights into this pressing issue, exploring the efficacy of social norms in influencing these consumer recycling decisions and actions.

The study was spearheaded by Elizabeth Hewitt, Ph.D., an Associate Professor at Stony Brook University. With substantial funding provided by EREF and conducted in partnership with AvalonBay, a notable Real Estate Investment Trust, the study devised various interventions in two NYC-area properties to influence recycling behaviours. The primary goal was to evaluate how peer pressure and educational strategies could affect residents' recycling habits and to identify any significant differences in the effectiveness of these approaches.

Hewitt's research team selected two multifamily buildings in Queens for their study, designated as "North" and "South," applying different interventions in each. The South Building was subjected to a competition-based intervention where residents were provided with weekly graphic notices that "graded" their recycling performance against that of the North Building. The graphics were posted in every trash room on every floor. This method drew on strategies proven successful in the energy sector, where creating a competitive environment has been shown to motivate individuals to alter their behavior. The notices included data that reflected the building's recycling activities from the previous week or from the most recent sampling event, fostering a sense of competition among residents.

Conversely, the North Building experienced a non-comparative feedback intervention. Here, residents also received weekly updates on their recycling efforts, posted in the trash rooms, but these updates were specific to their building and did not include any comparative data. The feedback was coupled with positive reinforcement and educational content about recycling, aiming to encourage residents through information and affirmation rather than competition.

Both interventions were designed to leverage social norms to promote recycling behaviour, but they differed fundamentally in their approach to motivation. The South Building's intervention hinged on peer pressure and competition, while the North Building's strategy relied on education and individual feedback. This distinction was central to the study's aim to compare the effectiveness of different social norm-based interventions in influencing sustainable recycling practices.

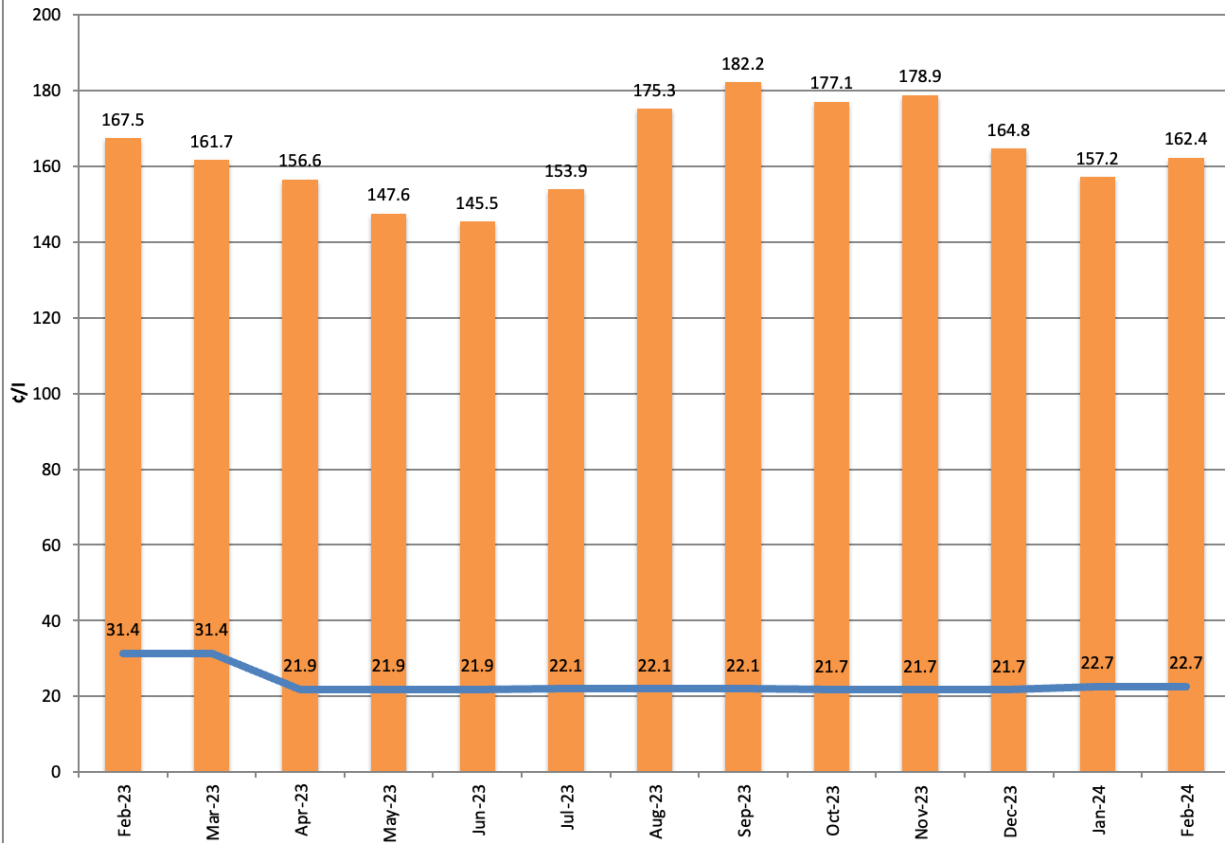
In the South Building, residents recycled 4% more during the challenge. That number significantly increased post-treatment, resulting in a 19% increase in recycling rates. The North Building saw a similar increase of 3.2% during the intervention, but that number fell to a decrease in recycling of 4.2% following the intervention. These percentages reflect the specific outcomes of the interventions, with the competitive approach in the South Building yielding a more pronounced and lasting increase in recycling activity among residents. The study's findings suggest the potential impact of social norm-based interventions, particularly competitive ones, on promoting sustainable behaviors in urban residential settings.

Further, the results show that contamination rates (the inclusion of non-recyclable materials in the recycling stream) increased in both buildings over the study period. Initially, contamination ranged from 10% in the South Building to 18% in the North Building. During the interventions, this contamination increased to approximately 20-25% in both buildings. This increase in contamination could suggest that while residents may have been motivated to recycle more by the interventions, they were not necessarily recycling the correct materials. It appears that the efforts to increase recycling participation may have inadvertently led to more non-recyclable materials being included in the recycling stream, thus raising the contamination rates. Increased motivation without increased education resulted in decreased accuracy; this is called the intention-behaviour gap.

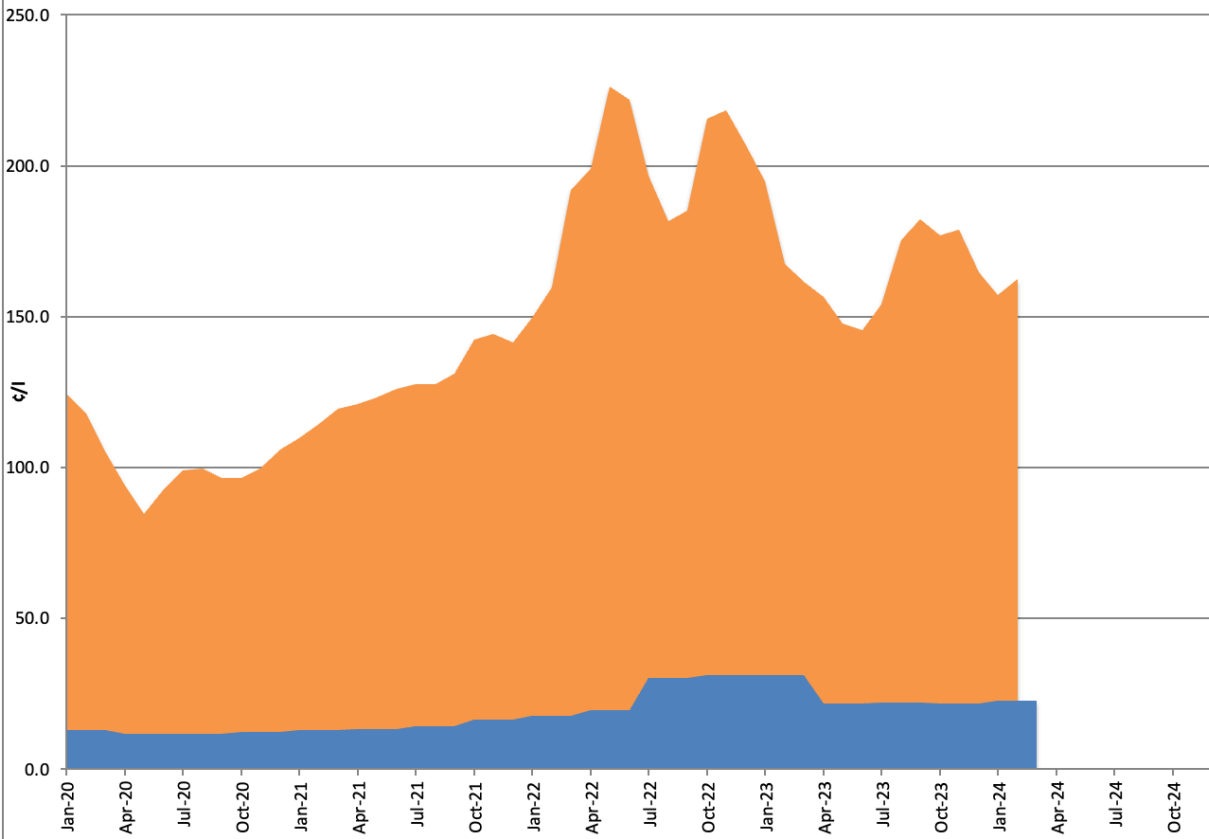
These findings, while mixed, lean towards the positive, revealing that the young, well-educated, and high-income residents of these buildings are environmentally conscious and proactive in their recycling efforts. However, the study did not find overwhelming evidence that social norms were a strong motivator for behaviour change, despite many residents acknowledging the interventions and finding them helpful.

This research illustrates the complex interplay between environmental intentions and actual behaviour, highlighting the potential of targeted interventions to enhance recycling rates. However, it also points to the need for continued efforts to educate residents on proper recycling practices to reduce contamination rates. As urban populations grow and the strain on waste management systems increases, studies like this become ever more vital in guiding our approach to sustainable living. Through the invaluable support of organizations like EREF and the dedication of researchers like Dr. Hewitt, there is a clearer path to navigate these challenges and refine the approach. Collaboration between research institutions, funding bodies, and the general populace is essential in ensuring that recycling efforts are sustained and optimized for a more circular economy.

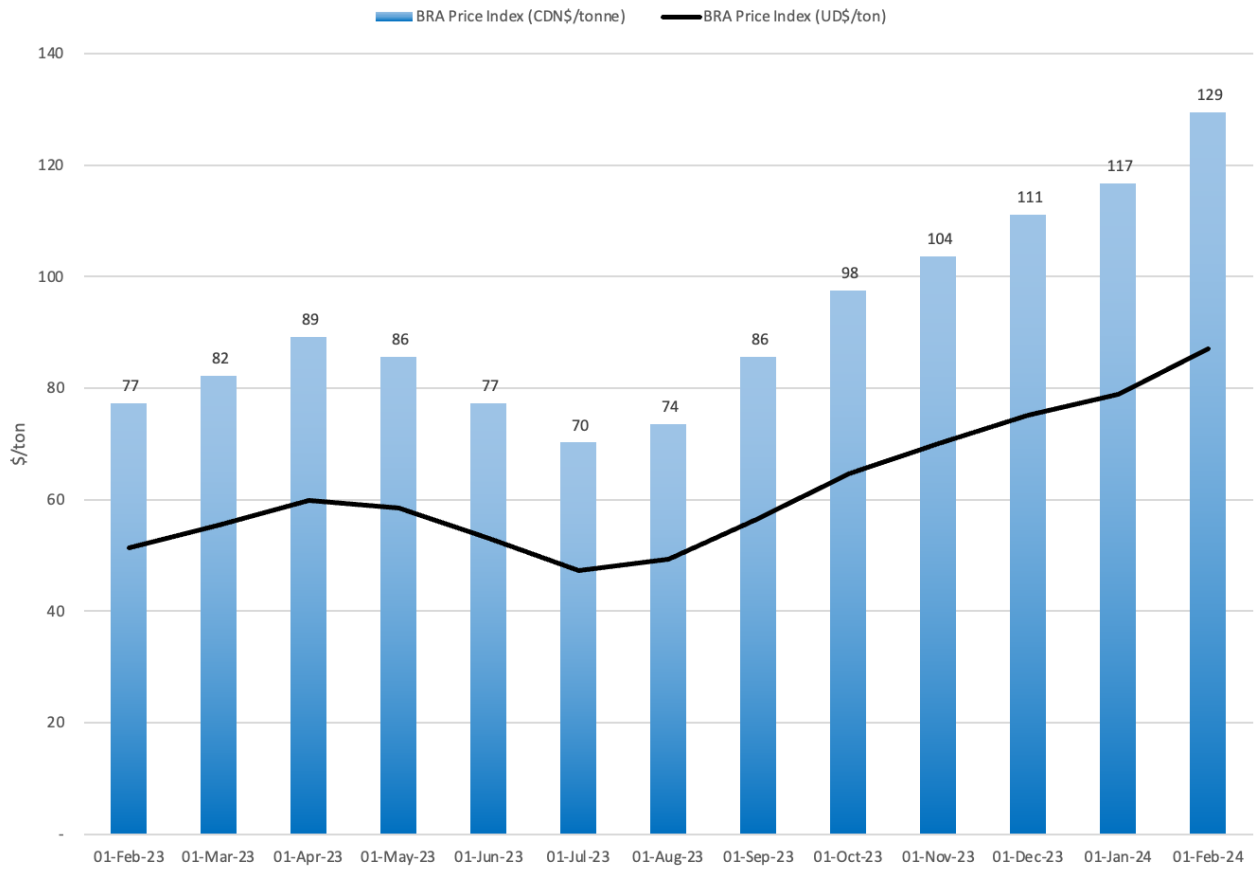
Diesel vs CNG Price (Retail incl. Tax)



Diesel vs CNG Price (Retail incl. Tax)



Commodity Prices



Commodity Prices

