

The Regional Municipality of York

Committee of the Whole Environmental Services June 13, 2024

FOR DECISION

Report of the Commissioner of Public Works

2023 Annual Waste Management Report

1. Recommendation

The Regional Clerk circulate this report to the Clerks of local municipalities and the Ministry of the Environment, Conservation and Parks.

2. Purpose

This report provides Council a copy of the 2023 Annual Waste Management Report (Attachment 1), which summarizes the Region's diversion and waste reduction initiatives and highlights progress on implementing the Integrated Waste Management Master Plan (SM4RT Living Plan). This Annual Report is submitted to the Ministry of the Environment, Conservation and Parks to satisfy the Durham York Energy Centre Environmental Assessment condition for diversion reporting.

Key Points:

- York Region manages 362,665 tonnes of waste including local municipal curbside waste, organics, recycling, yard waste and waste depot diversion programs and tonnes managed through energy-from-waste
- Region and its local municipal partners achieved 94% diversion from landfill in 2023, again exceeding Council's goal of 90% waste diversion from landfill
- Resource Productivity and Recovery Authority does not recognize energy-from-waste as diversion and, as such, York Region achieved 66% residential waste diversion in 2022, the highest diversion rate in Ontario. York Region's diversion rate for 2023 was 66% and is awaiting verification
- This will be the last year York Region's diversion results are included in the Authority's Annual Datacall (Datacall) process and diversion ranking as it ends with the transition of

the Blue Box Program to full producer responsibility. The Region will continue reporting waste generation rates and diversion from landfill; however, peer-to-peer comparisons of results will no longer be available

- Waste generation decreased slightly from 2022, back to pre-pandemic levels for green bin, garbage, and blue box
- Region and local municipalities continue to make progress on all objectives in the Annual Waste Management Report (Attachment 1, page 3) including expanding reuse and repair efforts, supporting transition to a Circular Economy, awarding procurement of long-term organics processing and continued advocacy on single-use plastics and extended producer responsibility
- Staff initiated the next SM4RT Living Plan review and update which includes examining infrastructure, waste servicing contracts and long-term capacity requirements to ensure future demand is accommodated
- Transition of the Blue Box Program to full producer responsibility remained a key focus for the Region and local municipal partners

3. Background

Region advances waste sustainability commitments through implementation of the SM4RT Living Plan

The SM4RT Living Plan was approved by Council in 2013 followed by regular reviews and updates, with the most recent plan approved by Council in <u>April 2020</u>. The SM4RT Living Plan establishes a vision and long-term targets to move towards a world without waste. With a strong focus on partnerships and innovation, this plan continues to guide waste policy and programming and emphasizes the importance of transitioning to a circular economy.

As outlined in Attachment 1, the Region, local municipalities and community partners have made progress on all objectives of the Plan as described in this report.

York Region and Local Municipal Partners Lead in Ontario Diversion Performance

York Region leads diversion performance over all other municipalities in Ontario, as reported by the Resource Productivity and Recovery Authority and has ranked first in the large urban municipality category since 2012. In 2022 (latest year with verified data), York Region's verified diversion rate of 66% was the highest in the province. The Region has submitted a 2023 diversion rate of 66% to the Authority for verification. This provincial diversion rate differs from the York Region diversion from landfill rate of 94% (referred to above), as the Resource Productivity and Recovery Authority does not recognize energy-from-waste as diversion.

Datacall process and diversion ranking will adjust as municipalities transition to a producer-led system

Datacall determines net Blue Box Program costs and allocates steward funding under the current Blue Box Program Plan. The Authority uses the annual Datacall as the source of data to determine verified residential waste diversion rates and rankings across the province.

York Region's local municipalities are scheduled to transition their blue box programs to full producer responsibility on December 31, 2025. York Region receives funding based on Datacall submissions from two years prior. This will be the last year the Region will complete the Datacall. Municipalities that transitioned their blue box programs in 2023, including City of Toronto and City of London, are no longer obligated to submit an annual Datacall report to the Authority, and are not included in the 2022 diversion ranking.

The loss of this data set will result in no longer being able to compare diversion results with peers across the province. Discussions across Ontario municipalities are occurring to determine if there is interest and ability to continue tracking data to enable such comparisons. Staff are also investigating other benchmarking initiatives to determine if they would have value.

The transition of the Blue Box Program will impact the Region's diversion from landfill metric given its contribution to the Region's overall diversion. For example, based on the 2023 diversion from landfill rate, if the blue box tonnage is removed from the equation, the revised diversion from landfill is recalculated as 92%. The review and update to the SM4RT Living Plan (scheduled for presentation to Council in Q4 2025) will include recommendations on metrics for the business going forward.

4. Analysis

Garbage and green bin waste generation rates decreased slightly, returning to prepandemic levels while blue box generation rates decreased below pre-pandemic levels

In 2023, York Region experienced the largest annual population growth in the last five years, increasing by 1.51%. Waste generation remained steady in 2023 and waste tonnages were comparable to 2022. This decrease in tonnages and increase in population has reduced the overall waste generation rate. The second half of 2023 saw greater tonnages compared to 2022, indicating that a tonnage impact due to population increase may be taking place.

As indicated in Figure 1, York Region saw a slight decrease in the green bin generation rate to 86 kilograms per person in 2023, from 87 kilograms per person in 2022. The garbage generation rate also decreased to 79 kilograms per person in 2023 from 83 kilograms per person in 2022. These rates are like those observed in 2019. The blue box generation rate decreased to 59 kilograms per person in 2023 from 60 kilograms per person in 2022, falling below pre-pandemic levels. In 2026, the blue box will transition to full producer responsibility

and York Region will not be able to measure how these materials are managed so targets for the blue box generation rate were not included.

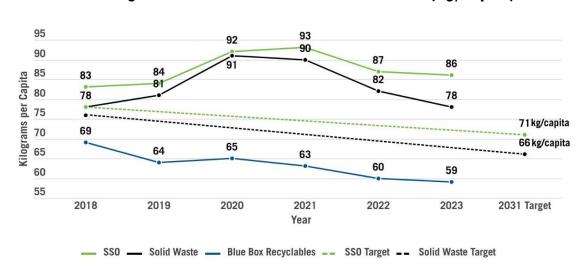


Figure 1

York Region Residential Waste Generation Rate (Kg/Capita)

Region continues to advance reuse, repair, circular economy and sustainable waste disposal solutions prioritized in the SM4RT Living Plan

In 2023, York Region continued to promote reuse, repair and circular economy programs as outlined in the SM4RT Living Plan including:

- <u>Repair Cafes:</u> Free repair events where volunteer fixers bring broken items back to life, were expanded thanks to support from local libraries and NewMakeit, a makerspace in Newmarket
- Bike Reuse Pilot: Expanded the bike reuse pilot at McCleary Court Community Environmental Centre to Elgin Mills Community Environmental Centre in 2023, recovering 299 bikes from disposal from both locations
- Share, Reduce, Repair Hub: In partnership with the Circular Innovation Council, an online Share, Reduce, Repair hub was created and expanded in 2023 to include more local businesses and resources with upgrades to the mapping tool
- <u>Circular Economy Initiatives Fund</u>: Continued to engage residents on their knowledge and support for circular economy activities. Seven organizations were approved for funding for general waste reduction projects taking place in 2023
- <u>Single-use Items</u>: Progress has been made on developing more resources for businesses on reducing single use items and adapting to federal and provincial waste regulations
- <u>Long-term Organics Processing</u>: As outlined to Council in <u>January 2023</u>, the Region secured long-term organics processing capacity that supports its commitment to the circular economy and reducing greenhouse gas emissions

Staff continue to explore long-term capacity requirements to meet future waste management needs

The SM4RT Living Plan review and update is scheduled every five years to review progress on objectives and actions. The last review and update was approved by Council in <u>April 2020</u>, and plans for the next review and update, scheduled for 2025, were initiated in late 2023. The review will examine infrastructure and waste servicing contracts to accommodate future demand.

A significant element of these review plans is to determine future use of the Region's Material Recovery Facility once the Blue Box Program is transitioned to full producer responsibility in 2026. As reported to Council in <u>June 2021</u>, the Blue Box Regulation (<u>O. Reg. 391/21</u>) under the <u>Resource Recovery and Circular Economy Act, 2016</u> makes producers fully responsible for the Blue Box Program with York Region and the local municipalities transitioning December 31, 2025. Changes to the Regulation are currently being considered by the Ministry as outlined in the <u>Cutting Red Tape to Build More Homes Act, 2024</u>. Producers and retailers have been seeking significant changes to the full producer responsibility legislative framework. Municipal governments are advocating to the Province expressing concerns about the scope and extent of the changes being sought by Producers and Retailers.

York Region and its local municipal partners are planning arrangements for post-transition, which includes aligning current contracts with transition date. Earlier this year, staff successfully amended and extended the current operating agreement with Miller Waste to use the Material Recovery Facility to ensure processing capacity until December 31, 2025, which included provisions for Miller to process municipal blue box materials from nearby transitioned communities. Staff continue to explore alternative options through the review and update for the Material Recovery Facility.

Staff are evaluating existing waste processing contracts and considering long-term solutions including additional energy-from-waste facilities and/or processing capacity within proximity to the Region along with analyses on the waste transfer station network and depot operations. The review and update is in early stages and will be undertaken throughout 2024 and finalized in 2025 with plans to present to Council in late 2025.

Annual Waste Management Report supports delivery and promotion of environmentally sustainable services toward the strategic plan

The <u>Strategic Plan</u> includes the priority to drive environmental stewardship with an objective to deliver and promote environmentally sustainable services. One of the performance measures includes monitoring the percentage of residential solid waste diverted from landfill. York Region manages 362,665 tonnes of waste including local municipal curbside waste, organics, recycling, yard waste and waste depot diversion programs and tonnes managed through energy-fromwaste. In 2023, York Region achieved 94% diversion from landfill, exceeding the York Regional Official Plan target of 90% diversion from landfill.

5. Financial Considerations

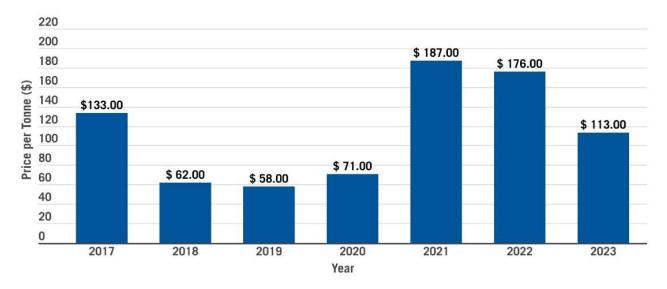
Commodity pricing declines, resulting in lower blue box revenues

Commodity markets for blue box materials have been volatile over the past five years. Figure 2 shows fluctuations in the average annual price/tonne received for blue box commodities since 2017.

In 2023, the average annual price/tonne received for blue box commodities was approximately \$113 per tonne, a reduction of 36% compared to the average blue box commodity price in 2022. Despite the decline in 2023 revenue, commodity prices trended upwards in the second half of 2023 in anticipation of global inflation cooling down in 2024. In particular, the price for mixed paper products, started from \$28 per tonne in January of 2023, gradually increased to \$67 per tonne in revenue by the end of the year.

Challenges with volatile commodity blue box markets will no longer be of concern once York Region transitions to full producer responsibility. In addition, blue box operating costs will be avoided, which will help offset increasing costs of other waste management programs.

Figure 2
Average Annual Price per Tonne Received for Blue Box Commodities (2017-2023)



6. Local Impact

Local staff are proactively planning the transition of collection contracts under the new Blue Box Regulations. York Region staff will continue to support local municipalities in transitioning their blue box collection by participating in monthly meetings held by Circular Materials and

Continuous Improvement Fund and providing regular updates to local municipalities as new information becomes available.

Local municipal partners are determining whether to continue collecting ineligible sources post-transition. Ineligible sources include small businesses, municipal buildings and places of worship. York Region staff worked closely with local municipal partners to develop a list of ineligible sources across the Region and evaluate how these materials will be processed.

7. Conclusion

As demonstrated by the performance of the Region's integrated waste management system in 2023, York Region continues to remain a leader in waste management. With high diversion rates, the Region and local partners continue to move towards its visionary goal of a world in which nothing goes to waste.

Transition to producer responsibility programs for blue box is well underway and other waste diversion programs (tires, batteries, household hazardous waste, electronics) have been transitioned. Ensuring residents receive high quality services and the Region receives fair compensation for any services provided remains a priority. Waste generation rates have reduced, close to 2019 levels, and programs are already in place to promote more sustainable behaviours and community collaboration. These programs will help build a successful circular economy.

For more information on this report, please contact Lindsay Milne, Director, Waste Management and Forestry Operations, Operations and Services, Public Works at 1-877-464-9675 ext. 75714. Accessible formats or communication supports are available upon request.

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May 24, 2024

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Attachment 1 – 2023 Annual Waste Management Report #16042442