

Office of the Commissioner Environmental Services Department

# MEMORANDUM

То:	Members of Committee of the Whole
From:	Erin Mahoney, M. Eng. Commissioner of Environmental Services
Date:	August 28, 2019
Re:	2018 Annual Solid Waste Diversion Report

This memo provides Regional Council with a copy of the 2018 Annual Solid Waste Diversion Report (Attachment 1) summarizing the Region's waste diversion and reduction initiatives. This Report must be submitted to the Ministry of the Environment, Conservation and Parks by November 3, 2019 and posted on the Region's website to satisfy the Durham York Energy Centre Environmental Assessment condition for diversion reporting.

#### The Region continues to exceed its Official Plan goal of 90% diversion from landfill

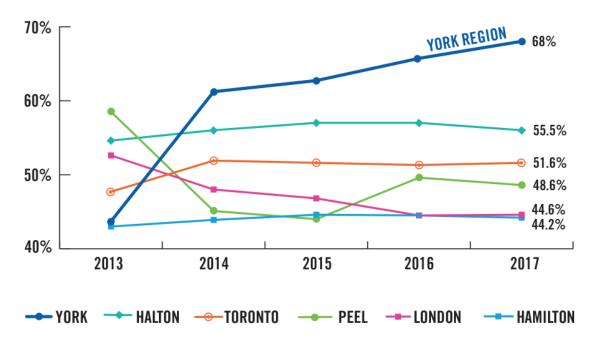
Together the Region and its local municipal partners achieved 94% diversion from landfill in 2018, exceeding the Official Plan goal of 90% waste diversion. The Region's diversion from landfill rate includes all tonnes collected through local municipal curbside programs, waste depot diversion programs and tonnes managed through energy-from-waste.

Highlights reported in the 2018 Annual Solid Waste Diversion Report include:

- 97,979 tonnes of organic waste processed and 62,867 tonnes of commodities marketed
- 123,229 tonnes of residual waste sent to energy-from-waste facilities
- The Region's reported 2018 Resource Productivity and Recovery Authority (the Authority) diversion rate is 68% (pending verification). The provincial diversion rate reported by the Authority differs from the diversion from landfill rate, as energy-from-waste is not provincially recognized as diversion.

The Region and its local municipalities are leaders in sustainable waste management. Since 2013, the Region has ranked first in the large urban municipal diversion category with the highest verified 2017

diversion rate of 68% (Chart 1). In Ontario overall, the Region placed second behind the small community of North Frontenac, located 125 kilometres north of Kingston (Table 1). The latest year for which we have verified provincial diversion results is 2017.



2013-2017 Verified Provincial Diversion Rates Large Urban Municipal Category

Chart 1

Table 1			
2017 Overall Municipal Diversion Rankings			

Rank	Municipality	<b>Diversion Rate</b>
1	Township of North Frontenac*	75.5%
2	Regional Municipality of York	68.0%
3	Regional Municipality of Durham	64.7%
4	City of Orillia	63.3%
5	City of Kingston	60.7%
6	County of Simcoe	59.6%

\*Township of North Frontenac has a population of 1,898 and 2,104 reported tonnes

## Global end market issues will affect future provincial diversion rate for the Region

Since 2017, China and other importers have imposed strict contamination limits on imported recyclables and supply of recyclables worldwide has now outpaced demand. Future diversion rates will be affected by global market issues which continue to impact movement of recyclables to end markets. The Region has experienced a drop in commodity prices more severe than the 2008 recession.

Additionally, curbside contamination levels have steadily increased. Three southern York Region municipalities have the highest contamination rates and their continued efforts to ensure correct blue box materials are collected at the curb will have the greatest impact as these municipalities represent 70 per cent of the tonnes in York Region. The Region and its local municipalities continue to address contamination through promotion and education and curbside enforcement. The Region provides a list of acceptable materials on its website; any item not on this list is considered contamination. Both the Region and local municipal partners offer online tools including Recycle Coach and the Region's Bindicator is offered by seven local municipalities. Online lookup tools allow residents to easily search and verify if an item is accepted in the Blue Box Program. The City of Markham operates their own online lookup tool and the Township of King's website offers a link to the Region's Bindicator.

## Highly contaminated Blue Box loads removed at transfer station impacting diversion

In 2018, the Region invested \$7 million in sorting equipment at the Materials Recovery Facility. Despite these upgrades, contamination and end market restrictions continue to affect marketability of recyclables. Approximately 70% of the Region's blue box materials were marketed to recycling facilities in North America, while 30% of the materials including polycoat (milk cartons), mixed paper (flyers, pamphlets) and newsprint were sent to markets in India. In an effort to keep recyclables moving, the Region has taken steps to remove contamination from the blue box stream including temporarily redirecting highly contaminated recycling loads at transfer stations as a short term solution. As a result of these issues, the Region has sent 2,055 tonnes of highly contaminated blue box material and processed mixed paper contaminated with high organic content to contracted waste disposal facilities (energy-from-waste facility or landfill) as of June 2019. The 2019 annual diversion rate is anticipated to be impacted by these blue box contamination issues.

#### Federal and provincial governments support transition of the Blue Box Program

The Region submits an annual datacall to the province through the Authority to determine the Region's diversion rate and municipal ranking. The datacall is the source of data used to determine funding from producers to assist with costs of operating the Blue Box Program. As costs to manage the Blue Box Program rise, funds paid to municipalities have not increased at the same rate. Producers continue to dispute the 50% funding allocation to municipalities requiring costly and time consuming negotiations.

The Province has continued to signal support for the idea of full producer responsibility through the *Made-in-Ontario Environment Plan.* On June 7, 2019 the Minister of the Environment, Conservation, and Parks (MECP) appointed Special Advisor David Lindsay to develop a report by July 20, 2019 on transitioning the Blue Box program to producers. Over those six weeks, the Special Advisor facilitated

meetings between representatives of the municipal and producer sectors. York Region staff convened a meeting with David Lindsay and Ministry staff on July 9<sup>th</sup> to provide input on transitioning the blue box program and also provided a written submission to David Lindsay which was one of 37 written submissions received.

### Minister issues direction to begin transition of Blue Box Program

On August 6, 2019, the Ministry of the Environment, Conservation and Parks released the final report by David Lindsay, Special Advisor, on the Blue Box mediation process. The recommendations are generally aligned with the positions advocated by municipalities. On August 15, 2019, Minister Yurek, in a joint announcement with Steve Clark, Minister of Municipal Affairs and Housing, issued direction to <u>Stewardship Ontario</u> and the <u>Resource Productivity and Recovery Authority</u> to begin the transition of the Blue Box Program to full producer responsibility.

The Minister's direction letter to Stewardship Ontario confirms the following:

- Stewardship Ontario will submit a plan for the wind up of the current blue box funding program to the Authority by June 30, 2020;
- The Authority shall approve the plan, no later than December 31, 2020;
- The Plan must be developed with meaningful consultation and transparent communications with impacted stakeholders and the public;
- There is to be no disruption in payments to municipalities during the transition process;
- The first group of municipalities will transfer responsibility of their programs to producers starting January 1, 2023;
- Full transition will be completed by December 31, 2025.

Once municipalities transfer responsibility for Blue Box services to producers, they will no longer be eligible to receive funding from Stewardship Ontario. Producers will assume full responsibility for funding and operations of the Blue Box Program.

It is expected that there will be adequate opportunities to obtain clarification and for York Region to continue to provide feedback to support a successful transition of the Blue Box Program. The Region and its local cities and towns are leaders in sustainable waste management and will continue to identify collaborative solutions to address changes to the waste management landscape.

Erin Mahoney, M. Eng. Commissioner of Environmental Services

Bruce Macgregor Chief Administrative Officer

Attachments (1) eDOCS #9681246