



October 18, 2024

Hon. Andrea Khanjin
Minister of Environment, Conservation and Parks
5 th Floor - 777 Bay Street, Toronto, ON M7A 2J3

Sent via email: minister.mecp@ontario.ca

Dear Minister Khanjin,

We first want to thank you for the opportunity to comment on the proposed amendments to four producer responsibility regulations, described under ERO 019-8866 ("the Proposed Amendments").

Costco Wholesale Canada Ltd. ("Costco") is supportive of the Extended Producer Responsibility ("EPR") concept. We have demonstrated leadership in this space over the years through our active participation in over 90 EPR programs in Canada and we remain committed to the success of EPR in Ontario.

Costco's breadth of experience in EPR programs across Canada gives it a broad perspective on the various ways EPR is implemented across the country. In our experience, we believe that Ontario's Individual Producer Responsibility ("IPR") approach requires significant changes to address the core issues that are undermining the current producer responsibility framework.

The Proposed Amendments will provide temporary relief to some specific elements of the current IPR regulations, which we certainly appreciate, but it won't solve the core issues that stem from the current IPR model. We encourage the Minister to continue working with Producers to collaborate on determining the most efficient path to transition Ontario to a traditional EPR model, based on a collective stewardship plan operated by a single producer-led PRO.

Please review the enclosed Appendix, which includes specific comments on the Proposed Amendments.

Thank you for considering our comments and we look forward to our continued dialogue.

Best regards,

A handwritten signature in black ink, appearing to read "Eric Sasseville".

Eric Sasseville
Manager of Stewardship Programs
Costco Wholesale Canada Ltd.



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Appendix:

Comments on the proposed amendments to four producer responsibility regulations for tires, batteries, electrical and electronic equipment, and hazardous and special products (ERO number: 019-8866)

Section of the Plain Language Description¹	Comment
COLLECTION: ITEMS 1 TO 7	We support the proposed changes. This will allow for more flexibility in establishing public collection networks for the various programs.
BURDEN REDUCTION: ITEM 3	<p>We're concerned that eliminating requirements to keep records of people that are dropping large volumes of material increases the risk of fraud.</p> <p>We understand that the proposed change would only remove the requirement for collection sites where PROs are paying a flat fee or for municipal sites, but it's unclear how this would be enforced by the RPRA.</p>
TIRES: ITEMS 1 AND 2	We support the proposed changes.
BATTERIES: ITEM 1	<p>From a system-wide perspective, we think that the current targets are unrealistic. Therefore, we also think that primary and rechargeable batteries should be combined under one category and the target should be set to 40% for a few more years. This will provide PROs and the Ministry time to gather more data and better understand what can reasonably be achieved.</p> <p>If the Ministry wants to keep these 2 categories separated, then primary and rechargeable batteries should have different targets. Historically the collection rates have always been very different for these categories. The collection for rechargeable batteries has always been higher, in Ontario and other provinces. In addition, existing technologies used by battery processors are able to recover a greater portion of rechargeable batteries due to their chemistry and composition. For these reasons, we think that the target for primary batteries should be 30% and the target for rechargeable batteries should be 50%, effective in 2024. These targets should then be maintained for a few years while the Ministry gathers more data and works with PROs to determine a reasonable timeline for increasing these targets over time.</p>
ELECTRICAL AND ELECTRONIC EQUIPMENT: ITEM 1	It's unclear why replacement ITT/AV parts would not be included in supply reports. This material needs to be managed at the end of life and should be subject to the same requirements as new products. It seems unfair that the Producers for these products should not pay their fair share of the system.

¹ <https://prod-environmental-registry.s3.amazonaws.com/2024-09/Plain%20Language%20Description%20of%20Proposed%20Regulatory%20Amendments.pdf>



ELECTRICAL AND ELECTRONIC EQUIPMENT: ITEMS 2 AND 3	We support the removal of these incentives.
ELECTRICAL AND ELECTRONIC EQUIPMENT: ITEM 4	<p>We support the proposed extension for ITT/AV.</p> <p>We think the timeline for Lighting should also be revised and the 30% target should be maintained for a few more years. The Lighting program is new to Ontario and we need more time to gather data and ensure the targets are attainable.</p>
ELECTRICAL AND ELECTRONIC EQUIPMENT: ITEM 5	<p>It's unclear which types of EEE products are a source of fire hazard due to the batteries contained in those products. We've heard that the Ministry might be targeting power tools. It is our understanding that power tools do not pose a significant fire risk to the Blue Box Common Collection System. It seems that fires in collection trucks and sorting facilities are usually caused by lithium-ion contained in consumer electronics that are already designated. Single-use vaping devices also appear to be an issue. More work would need to be done in collaboration with the operator of the Blue Box Common Collection System to clearly identify the types of product that are a source of fire hazard before making any decision.</p> <p>That said, we think that the core issues that are undermining the current IPR programs in Ontario should be resolved before expanding to new product categories. Adding more products under a traditional EPR model, with a program plan operated by a single producer-led PRO, will be much more efficient and orderly.</p>
HAZARDOUS AND SPECIAL PRODUCTS: NEW ITEM	<p>We would like to recommend a change for HSP that is not included in the Proposed Amendments. Currently, the definition for Non-refillable pressurized containers ("NRPC") excludes a few container types, such as aerosol containers, fire extinguishers, cylinders that must be punctured for use (such as a small CO2 cylinders) and pressurized containers that have a water capacity greater than 109 litres.</p> <p>We believe that small plastic cartridges, such as Thermacell butane cartridges, should also be exempted from the definition of NRPC for a few reasons:</p> <ol style="list-style-type: none"> 1. These plastic cartridges are very small and weigh less than 20g. They are more alike to the small CO2 cylinders than the products you would find in the NRPC category, such as propane tanks used for camping, tanks used for welding, etc. 2. It's our understanding that these small plastic cartridges contain a very small amount of gas, with much less pressure than regular NRPC, and therefore will not represent any fire risks for the Blue Box Common Collection System. 3. These cartridges are also unique from every other product in the NRPC category due to their material: Plastic. These cartridges will require to be managed separately from all other NRPC products, otherwise they will become a contaminant for the metal cylinders. <p>This issue could be resolved by replacing "4. A pressurized container that has a water capacity greater than 109 litres;" by "4. A pressurized container that has a water capacity of less than 50 milliliters or a water capacity greater than 109 litres;".</p>