County of Simcoe Solid Waste Management 1110 Highway 26, Midhurst, Ontario L9X 1N6 Main Line: (705) 735-6901 Toll Free: 1-800-263-3199

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July 2, 2025

Marc Peverini Resource Recovery Policy Branch 40 St. Clair Avenue West, 8th floor Toronto, ON M4V 1M2

Dear Mr. Peverini

Re: Amendments to the Resource Recovery and Circular Economy Act (ERO 025-0536)

Thank you for the opportunity to comment on the proposed amendments to the Resource Recovery & Circular Economy Act. Please be advised that at its meeting held June 24, 2025, Council of the County of Simcoe was informed of the proposed changes to the Resource Recovery and Circular Economy Act, was provided with the below comments and adopted a resolution that staff proceed with submission of these comments.

The below comments have been organized as per the headings provided on Environmental Registry of Ontario number 025-0536.

Gathering information to assess system effectiveness and plan future changes

The County agrees with the proposed requirement for gathering specific information in order to assess system design, operation and costs. Positive future changes can only be reasonably considered if data is gathered and analyzed.

Increasing transparency on costs and system data

The County agrees that transparency is important and supports the proposed amendment to provide more information to producers and improved annual reporting.

Maintaining collection for small businesses

The County of Simcoe appreciates that the Ministry of the Environment, Conservation and Parks has listened to municipalities with respect to the provision of recycling services for small businesses. Businesses located on the collection route and with the same number of carts (or boxes) as a single family home should be able to participate in the recycling program.

It is understood that municipalities have paid for this service even though there was not a requirement to do so. The County is willing to negotiate the cost with the PRO to provide this service and recommend to Council to continue the service, should it be cost effective. Providing a recycling service is better than the alternative which would be putting the private collection cost on to small business owners, sending the material for garbage disposal or seeing the material as litter on our roads.

With only one Producer Responsibility Organization (PRO) providing collection services it results in them having a monopoly on the system with respect to the service they provide. If a municipality was to go for procurement for this type of service, the competition for the service would help to drive the costs down. The hope would be that because the trucks are already

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travelling and stopping on the same routes as the business locations the cost would be lower than if sending a truck specifically to collect from a few locations. Unfortunately, with no competition between PRO's, the one PRO has the advantage to charge whatever price they want for the service. This is a concern to the County because while we appreciate the opportunity to service the local businesses, the PRO could charge a significant cost that would not be financially feasible for the County to take on.

We would recommend that the PRO should be limited to charge the same collection cost per participating business location as for each single family location. We further understand that there could be a cost for the transfer and processing for the additional tonnage of recycling material collected. If the PRO is able to count the tonnage of collected material against their diversion targets, then there should be no charge for management of the collected recycling. In the event that the PRO's are not allowed to utilize this tonnage towards their targets then the cost of transfer and processing the recyclable should be offset by the expected recycling revenue.

Should you wish to discuss any of the above matters in more detail please contact Rob McCullough at rob.mccullough@simcoe.ca.

Sincerely,

Rob McCullough

Director, Solid Waste Management





To: Committee of the Whole

Agenda Section: Corporate Services

Division: Engineering, Planning and Environment

Department: Solid Waste Management

Item Number: **CCW - 2025-188**

Meeting Date: June 24, 2025

Subject: Proposed Amendments to the Provincial Blue Box Regulation and

Resource Recovery and Circular Economy Act

Recommendation

That Item CCW 2025-188, dated June 24, 2025, regarding Proposed Amendments to the Provincial Blue Box Regulation and *Resource Recovery and Circular Economy Act*, 2016, be received: and

That staff submit comments to the proposed amendments, as generally outlined in Schedule 1 and Schedule 2 of Item CCW 2025-188; and

That, should legislative amendments be passed to allow payment to Circular Materials Ontario (CMO) for recycling collection for small businesses, staff be authorized to negotiate and enter into an agreement with CMO for a one-year transition period in 2026 to collect curbside recycling for small businesses, in accordance with the terms set out in Confidential Schedule 3, and subject to the agreement being to the satisfaction of the Chief Administrative Officer, General Manager of Engineering, Planning and Environment, and the Director of Legal Services; and

That the Warden and County Clerk be authorized to execute the agreement and all necessary documents.

Executive Summary

The Ministry of the Environment, Conservation and Parks (Ministry) released proposed amendments to the *Resource Recovery and Circular Economy Act* and the Blue Box Regulation (O. Reg. 391/21) on June 4, 2025. The changes are posted on the Environmental Registry of Ontario (ERO) and include a comment period. Some of the proposed changes to the legislation would have significant impacts on the provincial blue box program.

The amendments that may have the most impact include: allowing municipalities to pay Producer Responsibility Organizations to service small businesses on regular curbside collection routes; removing the expansion of the recycling program to multi-residential buildings, schools, long term care facilities and public spaces; changes and delays to recovery targets; and allowing incineration to account for recovery targets. County staff have prepared comments with respect to all the proposed amendments. An explanation of the changes is outlined in this item and comments, to be submitted through the ERO, are attached as Schedule 1 and Schedule 2 to this item.

If the approval of the proposed provincial RRCEA amendments proceed as written, it is recommended that staff be authorized to enter into negotiations with Circular Materials Ontario (CMO) for a one-year transition period in 2026 to collect curbside recycling for small businesses, in accordance with the terms set out in Confidential Schedule 3 and subject to the agreement being to the satisfaction of the Chief Administrative Officer, General Manager of Engineering, Planning and Environment, and the Director of Legal Services.

Background/Analysis/Options

On June 4, 2025, the Ministry of the Environment, Conservation and Parks released two proposed amendments on the Environmental Registry of Ontario (ERO) that impact the provincial blue box program. ERO number 025-0536 is a proposal to amend the *Resource Recovery and Circular Economy Act, 2016* with the comment period ending on July 21, 2025. ERO 025-009 is a proposal to amend the Blue Box Regulation (O. Reg. 391/21) with the comment period ending July 4, 2021. The below Item summarizes the proposed changes, with a brief version of the comments italicized below each item and full draft comments attached as Schedule 1 and Schedule 2 to this report.

Staff will send a notice regarding the June 4 ERO postings to multi-residential property owners/managers which we have contact information for, Business Improvement Associations, Chamber of Commerce, businesses who receive curbside recycling service and schoolboards. Should more information become available, the legislation be updated or staff receive direction from County Council, the Solid Waste Management Department will continue to correspond directly to interested parties on the changes coming in 2026.

Resource Recovery and Circular Economy Act (RRCEA), 2016

The proposed amendment would allow the Resource Productivity and Recovery Authority to gather information from Producer Responsibility Organizations on specifics regarding the blue box system. This will allow the Ministry to understand how the blue box system is working with respect to design, operation and costs and ensure they make the right changes to the system in the future.

The County agrees with the proposed requirement for gathering specific information in order to assess system design, operation and costs. Positive future changes can only be reasonably considered if data is gathered and analyzed.

The Ministry has proposed to include recycling collection for small businesses on the same travel routes as the single family collection system. As municipalities are paying for this collection during transition the Ministry would require the PRO to make an offer to municipalities to service small businesses with municipalities being responsible for the cost of the service.

The County of Simcoe appreciates that the Ministry of the Environment, Conservation and Parks has listened to municipalities with respect to the provision of recycling services for small businesses. Businesses located on the collection route and with a similar volume of recyclables as a single family home should be able to participate in the recycling program.

<u>2026 Provision of Curbside Recycling Services to the Industrial, Commercial and</u> Institutional Sector

The RRCEA amendment is anticipated to be sent for approval by the provincial government in October. The timing of this makes it difficult for the County or business owners to budget or plan for the 2026 year. As such, staff are recommending one year of transition funding to continue service to the Industrial, Commercial and Institutional Sector with the same level of service they currently receive; equal to the limits of a single family residential unit. This collection would be through the curbside collection contractor hired by Circular Materials Ontario (CMO) as they are collecting recycling from all single family residential locations starting January 1, 2026.

Of the County's approximate 5,600 ineligible IC&I properties, approximately 2,100 properties (37.5%) participate (1.4% of the County's total serviced units) in curbside recycling collection services. Unfortunately, since the provincial amendment has not been approved, costing for this service is unable to be obtained.

Attached as Confidential Schedule 3, is background information on current costs, proposed terms and a plan to be applied to negotiations with CMO, should the legislative amendments be passed. Since changes from the Province may not leave enough time to return to Council, staff recommend authorizing staff to enter negotiations with CMO with the intention of entering an agreement for one year of continued curbside recycling collection for small businesses.

Blue Box Regulation (O. Reg. 391/21)

Item 1: Delay recovery targets for select material categories

The current regulation sets recovery targets for 2026 for paper, rigid plastic, glass, metal and non-alcoholic beverage containers with an increase in targets set for 2030. The Province is proposing to remove targets set for 2026 and implement in 2031 instead; with the reason being to give producers more time to meet targets, plan for the technology to do so, and reduce costs. The Ministry is also proposing to remove the requirement of 'best efforts' and have stated that the targets would be more directly enforceable, however the document does not indicated how this would be achieved.

Without recovery targets there is no incentive for producers to recycle the material they place into the marketplace. Rather than delay recovery targets the Ministry should consider setting the target to be the current baseline levels so material capture does not backslide.

<u>Item 2: Remove planned expansion for multi-residential buildings, schools, and specified</u> long term care homes and retirements homes

The current regulation requires all multi-residential buildings, schools and specified long term care facilities to receive recycling service as of January 1, 2026. The Ministry is proposing to remove requirements to expand the collection system to multi-residential buildings, schools and long term care facilities. Any of these locations that currently receive service through the municipality and during transition would continue to receive service in 2026 however no new locations would be added. The proposed amendment did not include a date which these could be added in the future or whether it would be a future consideration.

Removing the planned expansion of the blue box program to these groups will result in recyclable material going to landfill. It does not take into account future growth and will stall the system even when more material is produced. The future of the recycling program is contingent upon teaching children how to use the system which not only allows them to bring the knowledge home but also gives them a basis for how to use the system in the future. If the Province does not change its intention to remove this expansion, at minimum, it should only delay expansion with the intention to ensure that over time all locations will be serviced. The blue box program should be available to all residents of the Province of Ontario, regardless of whether they live in a single family household, a long term care home, a previously serviced multi-residential building or a multi-residential building that has yet to be serviced.

Item 3: Remove requirement to collect beverage containers "away from home"

The current regulation stipulates that producers are obligated to collect beverage containers for business purposes as well as in the home. The amendment proposes to remove the requirement to collect at businesses as all other blue box materials supplied for business purposes are not included. All other material categories are permitted to deduct from recovery targets the portion of material that is not collected under the

residential blue box system as it would be recovered in IC&I locations. The amendment proposes to also allow beverage containers to have similar deductions.

All packaging, no matter the source or where it is disposed, should have the opportunity to be collected as part of the recycling program. Beverage containers supplied through businesses would likely account for a large portion of a producer's target. Allowing a deduction for the portion of material that is supplied through a business would reduce the target significantly.

Item 4: Remove expansion of public space collection

Public space recycling is included in the regulation with a calculation to determine the number of public space receptacles that would be required in each municipality. Collection of public space bins that were collected as part of the municipal blue box program would continue to receive collection. The removal of the expansion of public space recycling collection means that municipally-funded public space collection programs would need to continue.

The County agrees that public space bins would not be cost effective to service but the reason is the lack of servicing to small businesses. If small businesses are not serviced, as is the case with the current regulation, then it is anticipated that public space bins would be used for this service.

<u>Item 5: Reduce and delay flexible plastic recovery target</u>

Flexible plastics like food wraps, flexible pouches and bags are proposed to have reduced targets. Current technological limitations may prevent producers from meeting the existing regulatory targets. The amendment proposes to reduce and delay the recovery target from 25% in 2026 to 5% in 2031.

Flexible plastic may not have a viable recycling option and should only be collected if a stable long-term North American markets exist. Flexible plastic should not be used in products and packaging, unless the Producer can show that the packaging is less harmful environmentally than an alternative that could be reused or recycled.

Item 6: Allow energy recovery to count toward diversion targets

The Ministry has stated that energy recovery has a role to play in diverting material from landfill. The amendment proposes that 15% of non-recyclable material collected and sent for energy recovery can be included in producers management target.

Incineration, or Energy From Waste (EFW) should not be considered diversion. Sending material to an EFW is better than sending it to a landfill; however, it does not promote a circular economy and is not diverting material from disposal.

Item 7: Consider the best ways to ensure collected materials are sent for processing. The Ministry is considering whether to use the term "best efforts" or require that all collected materials must be sent to a registered processor. The Ministry noted that the term "best efforts" can be confusing to determine.

The County agrees that material collected through the blue box system should be sent to a registered processor.

Item 8: Clarify definition of facility

The Ministry is proposing to identify a multi-residential building as one that has six or more residential units as this would be consistent with O. Reg. 103/94 and is what many municipalities currently use for a definition.

Clarification on the definition of a 'building' is required as the County does service some townhouse complexes with more than five units and would like confirmation that this type of multi-residential building would be serviced.

Item 9: Clarify collection requirements from schools

The Ministry is proposing to allow all users of a school to participate in existing recycling collection programs at school. The current definition only includes schools as defined by the *Education Act* therefore does not include other uses in the building such as daycares or community centres.

The County agrees that all blue box wastes generated at a school should be included for collection, regardless of other uses within the school.

Item 10: Maintain depot access for residents in unorganized territories

The current regulation does not specify that recycling would be collected in unorganized territories. The proposed amendment adds unorganized territories as locations the producers would be required to collect from.

The County agrees with adding unorganized territories to the regulation.

Item 11: Update timelines for providing blue box services

The regulation does not specify timelines for servicing newly built residences, servicing facilities that register after 2026 or servicing First Nation communities that register after 2026. The amendment will specify the requirement to meet timelines as determined by RPRA.

Providing consistent timelines for servicing new residents or facilities would be beneficial for municipalities so that garbage and organics services can be aligned with recycling services.

Item 12: Provide more flexibility on printed promotion and education materials

The proposed amendment would not require the provision of printed promotion and education but if a municipality requested printed material they would need to provide it. Focus for promotion and education would be digital and online.

The County agrees with providing flexibility in the method of promotion and education.

Item 13: Provide flexibility on French language requirements

The current regulation requires online and print materials in both French and English. The proposed amendment would be flexible in the provision of French materials in communities where there is no or low demand.

The County agrees with the provision of more flexibility to reflect where French materials are actually needed.

Financial and Resource Implications

There are no immediate implications to the 2026 budget as the amendments are in the proposal stage and have not been adopted. Should the amendments be placed into the regulation/Act then impacts to future budgets would be considered at that time.

Attached as Confidential Schedule 3, is the current cost of collection of IC&I material and estimated potential future costs of the program. Since amendments to the regulation may not happen until the fall of 2025 staff recommend proceeding with one year of continued curbside recycling collection for the IC&I sector. Staff recommend when actual costs are received, final approval of this service is subject to the agreement being to the satisfaction of the Chief Administrative Officer, General Manager of Engineering, Planning and Environment, and the Director of Legal Services provided that the recycling cost per unit is reasonable.

Relationship to Corporate Strategic Plan

This item aligns with the Corporate Strategic Plan predominately through Environmental Sustainability by working to preserve, conserve and safeguard our environment and natural resources, while recognizing opportunity, innovation and the needs of the community.

Reference Documents

- Resource Recovery and Circular Economy Act, 2016
- Blue Box Regulation (O. Reg. 391/21)

Attachments

Schedule 1 – Comments on Amendments to the Resource Recovery and Circular Economy Act (ERO 025-0536)

Schedule 2 – Comments on Amendments to the Blue Box Regulation (ERO 025-0009)

CONFIDENTIAL Schedule 3 – Negotiation Terms to Provide Curbside Collection to the IC&I Sector

Prepared By Laura Barrett, Manager, Collections

Approvals	Date
Rob McCullough, Director, Solid Waste Management	June 12, 2025
Rob Elliott, General Manager, Engineering, Planning and	June 12, 2025
Environment	
Trevor Wilcox, General Manager, Corporate Performance	June 17, 2025
Mark Aitken, Chief Administrative Officer	June 18, 2025