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May 1, 2026

Ms. Krista Friesen, Manager, Policy Development
Ontario Ministry of the Environment, Conservation and Parks – Resource Recovery Policy Branch
40 St. Clair Avenue West, 8th floor, Toronto, ON, M4V 1M2

Dear Ms. Friesen,

Re: Producer Feedback – Proposed Amendments to Producer Responsibility Regulations

Duracell Canada, Inc (Duracell) is pleased to submit comments on the Ministry's proposed amendments to producer responsibility regulations under the Resource Recovery and Circular Economy Act, 2016 (RRCEA). As a manufacturer and producer of batteries sold across Ontario, Duracell has a direct stake in the design and administration of the Batteries Regulation (O. Reg. 30/20).

Duracell supports the Ministry's environmental objectives but respectfully recommends deferring the proposed amendments pending broader stakeholder consultation, rigorous impact analysis, and a comprehensive regulatory review. Several amendments appear to originate from challenges within the Tires Regulation (O. Reg. 225/18) and, if applied across all material categories without material-specific analysis, risk creating regulatory misalignment, higher compliance costs, and reduced flexibility in programs that are otherwise functioning well.

1. Comprehensive Regulatory Review and Broader Consultation

Ontario's individual producer responsibility (IPR) model differs significantly from the extended producer responsibility (EPR) frameworks used in other provinces and has produced unnecessary administrative complexity. Provinces such as British Columbia and Quebec deliver clear accountability and strong environmental outcomes with lower administrative burden. The current consultation proposes targeted, issue-specific amendments rather than the systemic reform Ontario's framework requires.

Duracell recommends a comprehensive regulatory review focused on harmonizing Ontario's framework with EPR systems in other provinces, simplifying regulatory requirements, and improving alignment between obligations and measurable outcomes. If immediate action is required for tire-related issues, targeted and time-limited tire-specific measures would be more appropriate than cross-material amendments.

2. Structural Issues in the Batteries Regulation (O. Reg. 30/20)

The proposed amendments do not address the most significant structural problem in the Batteries Regulation: the linkage between the Recycling Efficiency Rate (RER) and management targets. Under the current framework, a producer's collection target is set on the full weight of batteries sold, but compliance is measured against post-recycling recovered weight — resulting in an average 20% weight loss through the RER. This creates a fundamental disconnect between collection performance and compliance outcomes.

The practical impact for Duracell is significant: even if Duracell collected 100% of all end-of-life AA batteries sold in Ontario, this would not satisfy a hypothetical 100% management target. A producer would need to collect the equivalent of more than 125% of all end-of-life batteries to achieve compliance once the RER reduction is applied — an outcome that is mathematically impossible and exposes producers to non-compliance risk through no fault of their own.

Duracell recommends that the Ministry de-link the RER from management targets, consistent with all other regulated Canadian provinces and international best practices. Producers should continue to report on achieved RER values separately.

3. Administrative Penalties (O. Reg. 558/22)

Removing the $1 million cap on administrative penalties is a significant policy change. An existing mechanism already permits higher penalties through court-based prosecution with appropriate judicial oversight. Removing the cap and routing uncapped penalties through the Ontario Land Tribunal — a body with limited experience in complex environmental compliance matters — introduces unnecessary uncertainty.

The financial impact on battery producers would be material. Based on available estimates, removing the cap could increase short-term provincial battery program costs by approximately 52%. For Duracell's core single-use AA battery, this would raise the environmental handling fee (EHF) from approximately 9% to 14% of the retail price. Aggregated across Duracell's full product range and all material categories, the consumer cost impact would be considerable — particularly given current affordability pressures.

Duracell recommends retaining the existing $1 million cap or deferring changes pending further consultation. If the cap is removed, due diligence defense and remediation plan mechanisms must be introduced as safeguards.

4. Performance Credits and Sharing of Collection Sites

Introducing prescriptive rules or a clearinghouse model for sharing collection sites and performance credits would undermine the RRCEA's core objective of promoting market competition. Currently, producers and PROs design collection systems through commercial arrangements that reflect local conditions and cost efficiency, with performance credits traded according to market supply and demand. International experience with centralized credit systems — such as the UK's PRN/PERN scheme — demonstrates the risks of market distortion and ongoing regulatory intervention.

Duracell recommends maintaining market-based approaches. Any regulatory changes should be preceded by robust impact assessment and genuine public consultation.

5. Ontario-Based Processing Requirements

Battery recycling — particularly for lithium-ion and other advanced chemistries increasingly common in Duracell's product portfolio — depends on a specialized, cross-jurisdictional supply chain. For certain battery chemistries, Ontario simply does not have adequate local processing capacity. Mandating Ontario-based processing would increase costs, reduce system efficiency, and may make it impossible to meet recycling standards for some battery types. Duracell recommends that no such requirements be introduced without a material-specific impact assessment and substantive consultation.

Conclusion

Duracell's overarching recommendation is to defer the proposed amendments and initiate a comprehensive regulatory framework review to harmonize Ontario's system with EPR frameworks across Canada. We also urge the Ministry to delink the RER from management target calculations; retain the $1M administrative penalty cap; maintain market-based approaches to performance credits; and refrain from introducing Ontario-based processing requirements without prior impact assessment.

Ontario has a genuine opportunity to modernize its producer responsibility framework in a way that strengthens environmental outcomes while preserving efficiency and affordability. Duracell is committed to supporting that goal and welcomes continued engagement with the Ministry.

Regards,

Michele Vaccarelli

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Director of Global Regulatory, Duracell