

MHSW – MUNICIPAL ISSUES

- Status of negotiations with SO on Phase 1 Agreements and costs
- Status of payments from MOE for Phase 2 and 3 costs
- How municipalities can move forward more effectively with both SO and the MOE on MHSW



Update on New Municipal Hazardous
or Special Waste Services Agreement

MWA Fall Workshop
Thursday, October 27th

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MHSW Services Agreement

- Agreement purpose:
 - Forms the basis for funding of municipal Phase 1 MHSW collection
 - Payment for collection services for Phase 1 MHSW from July 1st onwards requires a signed Agreement
 - Is independent of the approved MHSW Program Plan
 - » Will not require a new Agreement on the expected approval of the Revised MHSW Program Plan
- Status:
 - 116 Municipalities have expressed interest in the program
 - 103 draft agreements have been sent
 - 56 signed agreements have been received
 - 49 fully executed agreements have been returned

Phase 1: Nine materials

- **Antifreeze**, and the container in which it is contained
- **Fertilizers**, and the containers in which they are contained
- **Oil containers** that have a capacity of 30 litres or less and that were manufactured and used for the purpose of containing lubricating oil
- **Oil filters** – after they have been used for their intended purpose
- **Paints and coatings**, and the containers in which they are contained
- **Pesticides**, and the containers in which they are contained
- **Pressurized containers** (Non- refillable and Refillable)
- **Single-use dry cell batteries**
- **Solvents**, and the containers in which they are contained



Benefits of Partnership



- Municipalities know their residents and can engage them in waste collection activities to achieve both their diversion targets and ours
- Municipalities communicate with their residents and residents expect to receive their waste instructions this way
- Residents already take other waste to municipal depots/events, so the municipal partner is a one-stop shop
- Municipalities have been managing the program for years and understand the requirements. They are already setup to accept all Phase 1 MHSW (CoA, PP&E, etc.)

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Signing Deadline Suspended

Municipalities that have not signed and wish to be paid from their signing date retroactive to July 1, 2011 must meet the following conditions:

For the period of July 1, 2011 onward, as set out in the Agreement:

- All MHSW Services requirements have been adhered to;
- All reporting requirements have been adhered to;
- All SO Policies, Standards and Guidelines have been adhered to;
- Residential Generators have not been charged tipping fees.

Next Steps

- One additional version of the agreement will be written and provided to municipalities that have not yet signed the agreement.
- Those municipalities that wish to sign an agreement with Stewardship Ontario for funding of MHSW Collection and Post-Collection services must sign one of the two versions.
 - The option to sign the original version remains.
- Municipalities that have already signed the agreement will be given the opportunity to amend their agreements to align with the language in the second version.
 - Making this amendment is optional.



Thank you.

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Municipal Depot Transportation and Processing for Phase 1 MHSW

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Overview

As of January 1st, 2012 Stewardship Ontario will provide incentives for transportation and processing of MHSW Orange Drop (Phase 1) materials from municipal depots.



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Options considered

Stewardship Ontario considered a range of options for transportation and processing from municipal depots including:

- Tendering through RFP by provincial zones,
- The creation of consolidation hubs,
- An incentive system.

These various options were discussed during the planning stage this summer by our operating team, with OWMA management and their MHSW caucus, and with industry consultants. This was also discussed with representatives of RPWCO, AMO and MWA before the final decision was taken.

New incentive program

We decided to continue to expand our incentive model, adding a new Municipal Depot Transportation and Processing Incentive Program to begin January 1, 2012.

**MUNICIPAL
DEPOT**



TRANSPORTATION

**INCENTIVE
PROGRAM**



PROCESSING

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The incentive model

This new program has been modeled after our successful Automotive Incentive Program (AIP) and Battery Incentive Program (BIP).

- The AIP and BIP remain unchanged and independent of this new program.

Under the Municipal Depot Transportation and Processing Incentive Program, Stewardship Ontario will neither be directly engaged in the marketplace as a collector, transporter or processor, nor will it dictate how municipalities choose their service providers.

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What changes

- Municipalities who operate depots for Phase 1 MHSW collection can continue to contract transportation and processing services for the sorted Phase 1 wastes.



- The transporters and processors will receive the incentive fee paid directly to them by Stewardship Ontario.
- Financial arrangements between transporters/processors and municipalities should be adjusted accordingly.

- There are two incentive components to this post-collection program from municipal depots:



- Transportation incentive rate,



- Processing incentive rate.

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What doesn't change

- Municipal Phase 1 depot collection reporting.
 - Municipalities who operate depots for Phase 1 MHSW collection will continue to report on hours and tonnage monthly.
- Commingled Phase 1 wastes.
 - No change to post-collection handling of commingled fertilizers, pesticides and solvents.
- Events.
- Commercial incentive programs: AIP, BIP.
- Phase 2 and Phase 3 wastes.
 - This new incentive program only applies to Phase 1 wastes.

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Next steps

Over the coming weeks you will be receiving detailed information on the Municipal Depot Transportation and Processing Incentive Program.

We are very pleased to be working with a very knowledgeable and experienced supply chain consultant, Marty McGinnis, who is an expert in developing and implementing distribution and reverse supply chain systems.

OWMA management has shared their preliminary thoughts on incentive levels, incentive stability, operating standards and reporting for discussion as we develop the incentive model.

We will ensure that the program meets our collective need to effectively pick-up, transport, process and divert Phase 1 MHSW while ensuring that the marketplace is accessible to all companies large and small.

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Thank you.

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