

Ministry  
of the  
Environment

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Ms. Gemma Zecchini, Chair  
Waste Diversion Ontario

Dear Ms. Zecchini:

I am pleased to write to the Board of Directors of Waste Diversion Ontario (WDO) to inform you that I have prescribed Municipal Hazardous or Special Waste (MHSW) as a designated waste under the Waste Diversion Act, 2002 (WDA). The designating regulation has been attached to this correspondence.

Pursuant to subsection 23(1) of the Act, I am requiring that WDO develop a waste diversion program for Municipal Hazardous or Special Waste. I am also requiring that Stewardship Ontario act as the Industry Funding Organization (IFO) for the program, and that the Board of Directors for the IFO include representatives from industry that will be affected by a Municipal Hazardous or Special Waste diversion program. During Phase 1 of the program, the IFO Board is to include, at a minimum, representatives from the eight waste categories in Phase 1 of the program, outlined in the addendum. Consistent with the WDA, the governance structure of Stewardship Ontario shall ensure that only representatives from the affected industries are involved in program development.

The designating regulation is intended to provide a broad definition of Municipal Hazardous or Special Waste, thereby providing WDO with sufficient latitude to develop a program proposal. Although the designating regulation allows for a broad definition of Municipal Hazardous or Special Waste, the program shall be implemented in multiple phases as outlined in the addendum. Phase 1 of the program must be capable of addressing diversion of the following wastes: paint and coatings, and containers in which they are contained; solvents, and containers in which they are contained; oil filters, after they have been used for their intended purpose; containers that have a capacity of 30 litres or less and that were manufactured and used for the purpose of containing lubricating oil; single use dry cell batteries; antifreeze, and containers in which they are contained; pressurized containers; and fertilizers, fungicides, herbicides, insecticides or pesticides, and containers in which they are contained. I have also indicated the materials that could be included in Phase 2. The remaining Municipal Hazardous or Special Wastes are to be phased-in, in accordance with future request letters. The Municipal Hazardous or Special Waste program shall target residential waste and small quantity waste from IC&I businesses.

The program shall address diversion principles by providing financial and/or other incentives encouraging reduction, reuse and recycling activities. Where limited re-use and recycling





options are available, the diversion program should encourage the establishment of facilities with sufficient re-use and recycling capacity to maximize management of MHSW. The program shall also include provisions to establish and/or expand the availability of MHSW collection programs and sites to make it convenient and accessible to all Ontarians, including, but not limited to: high-density urban areas, rural communities and northern Ontario. Furthermore, the program must identify the methodology to be used in defining the appropriate accessibility targets.

In addition to promoting reduce, reuse and recycling activities, wherever possible, a Municipal Hazardous or Special Waste diversion program should promote best practices and encourage the development of innovative diversion techniques.

I am confident that WDO and Stewardship Ontario will conduct a full evaluation and analysis of available options and bring forward specific details and rationale for the program to be proposed. I expect evaluation and analysis of all phases of the program, as outlined in the addendum, to commence upon receipt of this letter. The Municipal Hazardous or Special Waste program, Phase 1, shall be submitted by May 31, 2007 for my approval. Submission dates for the remaining Phases will be provided upon approval of Phase 1.

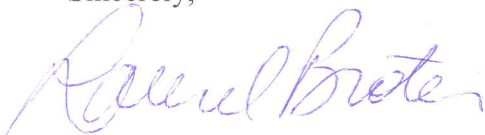
I am pleased that we are moving ahead with this worthwhile initiative. Certainly your experience and efforts in program design and development will be instrumental in developing a successful program. I feel confident that together we will be able to meet this new challenge to the benefit of all people in Ontario.

Similar to other program requests, an addendum to this letter has been attached, which highlights additional areas to be addressed in the proposed program submission.

The implementation of diversion programs for MHSW and potentially Waste Electronic and Electrical Equipment, represent significant new challenges for Waste Diversion Ontario. I want WDO to be a strong and viable entity for years to come, so early in the new year my ministry will begin a process to work cooperatively with WDO to examine governance issues including the composition of the Board.

I look forward to a strong and vibrant WDO and I thank you for your continued commitment to enhancing waste diversion in Ontario.

Sincerely,



Laurel Broten  
Minister

Enclosures

## **Addendum to the Minister's Request for a Waste Diversion Program for Municipal Hazardous or Special Waste**

1. Waste Diversion Ontario (WDO) shall develop a Waste Diversion Program for municipal hazardous or special waste ("the program") in accordance with all legislative requirements of the Waste Diversion Act, 2002 (the Act).
2. Within one month of receiving the request for the program, WDO shall submit to the Minister the proposed composition of the Stewardship Ontario Board of Directors and the proposed changes to the IFO governance structure, in accordance with Phase 1 of the phase-in schedule.
3. WDO shall submit a consultation plan in accordance with Phase 1 of the phase-in schedule to be posted on the WDO Website that includes all affected parties and members of the public, within one month of receiving the request for the program. The plan shall describe how the consultation requirements of the Act will be satisfied for the program.
4. Phase-In Schedule:
  - a) Phase 1 of the Program shall include:
    - i. paints and coatings, and containers in which they are contained;
    - ii. solvent, and containers in which they are contained;
    - iii. oil filters, after they have been used for their intended purpose;
    - iv. containers that have a capacity of 30 litres or less and that were manufactured and used for the purpose of containing lubricating oil;
    - v. single use dry cell batteries;
    - vi. antifreeze, and containers in which they are contained;
    - vii. pressurized containers such as propane tanks and cylinders; and
    - viii. fertilizers, fungicides, herbicides, insecticides or pesticides, and containers in which they are contained.
  - b) Phase 2 of the Program shall include all items listed in Phase 1 of the program, along with:
    - i. batteries (other than single use dry cell);
    - ii. aerosol containers, such as hair spray containers;
    - iii. portable fire extinguishers;
    - iv. fluorescent light bulbs and tubes;
    - v. pharmaceuticals;
    - vi. sharps, including syringes;
    - vii. switches that contain mercury; and
    - viii. thermostats, thermometers, barometers or other measuring devices, if the thermostats, thermometers, barometers, or other measuring devices contain mercury.
  - c) Future phases of the Program will be determined as per future program request letters.



5. Funding Rules, for Phase 1 of the phase-in schedule:
  - a) Consistent with WDA principles, the proposed funding rules should designate and define as stewards under the program, brand owners and/or first importers into Ontario of products that result in the generation of municipal hazardous or special waste under the program. Such products shall be referred to as “Municipal Hazardous or Special Material”;
  - b) The proposed funding rules will clearly identify Municipal Hazardous or Special Material included under the program for which potential fees are payable;
  - c) Potential fees payable in respect of Municipal Hazardous or Special Material under the program shall be applicable to Municipal Hazardous or Special Material produced, or arriving into the province, and which are for sale in Ontario;
  - d) Potential fees should only apply to Municipal Hazardous or Special Material identified under the program and not to a different program developed by Waste Diversion Ontario (i.e. Municipal Hazardous or Special Material containers managed under the blue box program);
  - e) Potential fees collected during Phase 1 of the program shall be used to pay for program activities after the initial collection of waste at the MHSW or other collection facilities. Examples of appropriate activities include: transportation of waste from collection facilities, processing, recycling and disposal of waste, and other related waste management activities; and promotional and public education activities.
  - f) In addition potential fees collected during Phase 1 of the program shall also consider capital costs to meet Phase 1 program accessibility targets;
  - g) The program shall consider options with respect to internalizing program costs and determine which option is most appropriate for Ontario as part of the program; and
  - h) Potential fees shall be used to maximize the management of MHSW through reduction, reuse and recycling and not to fund or promote the burning, landfilling or land application of MHSW unless the 3R options are not available or technically feasible;
  - i) “Small quantity waste from IC&I businesses” is waste being returned to an MHSW depot by a business that is not required to submit a generator registration report with respect to the waste under subsection 18(1) of Regulation 347 under the EPA. These IC&I businesses are limited to returning no more than 100 kg/month of Municipal Hazardous or Special Waste to a MHSW depot.
6. The program submission shall identify a tracking mechanism for MHSW from collection at a MHSW depot through to its final destination, in accordance with Phase 1 of the phase-in schedule.

7. At a minimum, the program submission will describe funding provisions in accordance with Phase 1 of the phase-in schedule, for:
  - a) Research and development activities to support and increase the effectiveness and efficiency of municipal hazardous or special waste collection and diversion;
  - b) Activities to develop and promote diversion of municipal hazardous or special waste, generated from Municipal Hazardous or Special Material identified under the program, that is available for collection; and
  - c) Educational and public awareness activities to support the program.
8. At a minimum, the program submission shall describe and include an assessment of the following elements in accordance with Phase 1 of the phase-in schedule:
  - a) A breakdown of the quantity of Municipal Hazardous or Special Material sold;
  - b) An estimate of the quantity of each MHSW, generated from Municipal Hazardous or Special Material identified under the program, that is available for collection;
  - c) The anticipated collection and diversion targets for each municipal hazardous or special waste for the first five years of the program, taking into account reduction of the quantity of MHSW available for collection as a result of the program;
  - d) Program accessibility targets to ensure that the program is convenient and accessible to all Ontarians, including, but not limited to: high-density urban areas, rural communities and northern Ontario;
  - e) The methodology for expanding and improving the existing collection and diversion infrastructure for municipal hazardous or special waste to meet the capture and accessibility targets;
  - f) A description of any material diversion and recovery infrastructure in place;
  - g) Descriptions of markets for all recovered materials;
  - h) A list of benchmarks and performance measures used to encourage 3R's, promote best practices and encourage the development of innovative diversion techniques;
  - i) A detailed breakdown of financial payments to including,
    - i. specific incentives directed; for post collection, transfer, processing, diversion, disposal and capital to improve the existing collection and diversion infrastructure.
    - ii. criteria to be applied to determine incentive eligibility; and
    - iii. the procedure for eligible parties to request and receive incentives;
  - j) A tracking and audit mechanism to ensure overall program compliance.