

EXTENDED PRODUCER RESPONSIBILITY RECOMMENDATIONS

Issue

To support the provincial roll out of Extended Producer Responsibility legislation the Town is required to make decisions on whether it will be a service provider.

Motion Proposed by Administration

That Administration be directed to implement the transition to Extended Producer Responsibility Programs for curbside single-use products, packaging and paper products, and continue to manage the recycling collection contract through a service agreement with Circular Materials.

And

That Administration be directed to implement the transition to Extended Producer Responsibility Programs for Hazardous and Special Products with the respective Producer Responsible Organizations (PRO's) using a combined approach whereby the Town continues to collect both HSP and Household Hazardous Waste.

Report, Analysis and Financial Implications

Extended Producer Responsibility (EPR) is an environmental/economic policy approach in which producers of products bear responsibility for ensuring those products are properly managed at the end of their life cycle. EPR covers materials in two categories, Single-Use Products, Packaging and Paper Products (PPP) and Hazardous and Special Products (HSP). EPR regulation was the result of years of lobbying to the province for producers to take responsibility for their waste; a joint letter of support for EPR legislation was sent to the province by the Town on February 14, 2018.

The proposed PPP program covers the kinds of items currently recycled through a community's recycling program with five designated material types:

- Paper
- Rigid Plastic
- Flexible Plastic
- Metal
- Glass

Alberta's EPR framework does not include PPP from the industrial, commercial and institutional sectors. PPP materials regulated under existing regulated stewardship programs (beverage containers, electronics, paint, tires, and used oil materials) are not included in EPR PPP to avoid duplicating requirements.

Currently, the Government of Alberta and Alberta municipalities jointly fund the management of household hazardous wastes. Alberta's EPR system for HSP will replace Alberta's existing household hazardous waste (HHW) program and expand upon the materials accepted. HSP covers a portion of the items currently handled through the Household Hazardous Waste program and include the following five designated material types:

- Batteries
- Corrosive Products
- Flammable Products
- Toxic Products
- Pesticides

During the June 17, 2024 Governance and Priorities Committee Meeting the following motion was made:

That a recommendation be forwarded to Council that Administration be directed to implement the transition to Extended Producer Responsibility programs for single-use products, packaging, and paper products, with Circular Materials contracting directly with service providers; and

That a recommendation be forwarded to Council that Administration be directed to implement the transition to Extended Producer Responsibility programs for hazardous and special products, with Circular Materials using a combined approach whereby the Town continues to be the service provider for Extended Producer Responsibility and non-Extended Producer Responsibility materials.

After this recommendation was made to Council, additional information was provided by Circular Materials that has led administration to an alternative recommendation. A significant change is that contamination cost risk is not being transferred to the municipality

Transition Collection Options (PPP)

Two options are available for blue cart curbside pickup of PPP.

The service model options considered were as follows:

1) Opt-in:

- Administration will continue managing the current recycling collection contract.
- Payment provided by the PRO is based on a cost per stop
- Administration will manage customer service under current contract.
- We will continue to manage P&E with support from the PRO, and a top-up will be provided for P&E and contract administration

2) Opt-out:

- The PRO will manage collection and post-collection responsibilities for the recycling program.
- The PRO will negotiate directly with a collection service provider and administer the collection contract.
- The collection service provider will be responsible for customer service, with escalated inquiries managed by the PRO.
- The PRO will directly lead P&E in collaboration with the community.

To maintain the current service for the cart collection program, Administration recommends Option 1(Opt-in). Administration has received proposed rates and is expecting to receive draft contracts in the coming weeks from Circular Materials that cover basic costs and overhead. Administration is recommending Option 1 as this option provides the least impact to the ratepayer and provides cost recovery for the program.

Hazardous and Special Products (HSP)

The regulation for HSP will limit the collection of certain consumer materials that municipalities (including Okotoks) have accepted in the household hazardous waste (HHW) program for a number of years. In light of the current practice, safety and environmental outcomes the following options were selected and analyzed:

- 1) Combined Approach: In addition to Hazardous and Special Products (HSP) Okotoks collects additional Household Hazardous Waste (HHW) Options. This will leave the Eco Center collecting similar materials with partial provincial funding.
- 2) Direct: Okotoks is the service provider and only collects materials as outlined within EPR regulations
- 3) No collection of HSP/HHW material (likely option for disposal will be landfill/drain)

Administration recommends Option 1 as this will ensure that HSP and HHW materials will continue to be managed responsibly.

Strategic Plan Goals

| | | | |
|--------------------------|----------------------------|-------------------------------------|---------------------------------------|
| <input type="checkbox"/> | Responsibly Managed Growth | <input checked="" type="checkbox"/> | Demonstrated Environmental Leadership |
| <input type="checkbox"/> | Strong Local Economy | | |
| <input type="checkbox"/> | Organizational Excellence | <input type="checkbox"/> | Enhanced Culture & Community Health |

Environmental Impacts

n/a

Governing Policies/Bylaws/Legislation or Agreements

Extended Producer Responsibility is driven by *Alberta Regulation 194/2022* which in part mandates producers to be responsible for the life cycle management of items they supply/distribute into the Alberta market.

Administration is likewise guarded by the Environmental Master Plan (EMP) page 48 (Waste Systems) which emphasises the need to support diversion initiatives at different levels of government. Point #1 under key strategies (pg. 50) identifies EPR program as one avenue to achieving increased waste diversion.

Changes to the residential program will require amendments to Okotoks Waste Bylaw 18-16 as part of this process.

Community Engagement Strategy

Community engagement will be required in the broader context of proposed waste service level changes. The recommendations above reflect the smallest change to ratepayers and specific to this report engagement is expected to focus on helping ratepayers understand any new EPR and/or HSP requirements.

CAO Comments

This item was previously considered by Council. Information has changed significantly since then that has resulted in risk avoidance and accountable service delivery positions that will ensure continued client service delivery expectations are met. As a result, Administration is recommending that the Town continues as the service provider, providing more time for the regional provider to develop alternate service delivery models.

Attachment(s)

n/a

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