

5

PHASE 2 OF ONTARIO'S WASTE ELECTRONICS STEWARDSHIP PLAN

The Environmental Services Committee recommends the adoption of the recommendation contained in the following report dated September 22, 2009, from the Commissioner of Environmental Services.

1. RECOMMENDATION

It is recommended that:

1. This report be received for information.

2. PURPOSE

This report informs Council regarding Ontario Electronic Stewardship's (OES') revised Waste Electrical and Electronic Equipment (WEEE) Program Plan incorporating the second phase of implementation and its implications with respect to York Region's waste management program.

3. BACKGROUND

Electronics recycling is progressing from municipally supported towards extended producer responsibility

York Region began electronics recycling for its residents in 2001. To date York has diverted over 2,500 tonnes of e-waste material.

On December 20, 2004, the Minister of the Environment designated Waste Electronic and Electrical Equipment under the Waste Diversion Act. Since that time, a provincial program plan and an Industry Funding Organization, OES, have been developed through consultation with industry stakeholders, including York Region. The diversion program for WEEE was developed into two phases with the first phase approved by the Minister on July 9, 2008. On August 14, 2009, the Minister of the Environment approved the revised program plan incorporating phases 1 and 2 of the WEEE program.

The Phase 1 WEEE program plan was implemented April 1, 2009 and included the following materials:

Phase 1 Waste Electrical and Electronic Equipment Materials:

- Desktop computers
- Portable computers
- Computer peripherals
- Monitors
- Televisions
- Printing devices

The revised WEEE Program Plan will commence on April 1, 2010 and will expand to capture the following materials, in addition to those already included in Phase 1:

Phase 2 Waste Electrical and Electronic Equipment Materials:

- Modems
- Copiers, scanners, typewriters
- Telephones (physical and accessories)
- Cellular phones
- PDA's and pagers
- Audio and video players
- Cameras
- Equalizers, (pre)amplifiers
- Radios
- Receivers
- Speakers
- Tuners
- Turntables
- Video players/projectors
- Video recorders
- Personal hand held computers

4. ANALYSIS AND OPTIONS

Electronics recycling is part of environmentally sound waste management

Consistent with the Region's Sustainability Strategy, York is striving to improve the sustainability of waste management by increasing diversion and recognizing energy recovery as an important residual waste management option. Through removal of waste electronic materials and their potentially hazardous constituents from the residual waste stream, the WEEE program represents one important element contributing to more sustainable waste management.

While televisions were not included in York Region's original electronic recycling program due to a lack of recycling outlets, the WEEE program has enabled the Region to add televisions to our diversion program.

All materials included in the revised Phase 1 and 2 WEEE program plan, including televisions, are currently permitted for drop-off at all York Region depots including the McCleary Court Community Environmental Centre (CEC) in Vaughan.

Several York Region electronic retail locations, such as Best Buy and Future Shop, have initiated electronic waste return programs for materials included in the WEEE program. Local and provincial retail take back locations are listed through Ontario Electronic

Stewardship on their www.dowhatyoucan.ca website and provide for increased collection points for electronic waste in addition to York Region depots. York Region staff will include a link to this website from the electronics page of the York Region website to increase awareness of additional take back options.

New contract allows participation in the WEEE program with minimal impact on its operations and at no cost for transportation and collection

On June 1, 2009 York Region entered into an agreement with Greentec Recycling Services for the provision of WEEE services. The agreement allows the contractor to act as an OES-approved collector on behalf of the Region. There is no change to the way materials are collected at the depots and the contractor sorts and packages all materials at their own facility. The contractor also agreed to plan and implement a series of mobile events at various locations within the Region. The contractor is entitled to receive the financial incentive of \$165 per tonne collection incentive for the materials currently included in phases 1 and 2 of the WEEE program. The Region no longer bears the cost of transportation and collection but continues to pay the remaining program costs as presented in Section 5.

All companies that recycle electronic materials in Ontario are required to comply with the Basel Convention; an international agreement signed by Canada that ensures hazardous waste, including electronics will not be exported to non-developed nations.

In York Region staff's August 6th, 2009 (Attachment 1) response to the revised Phase 1 and 2 Waste Electrical and Electronic Equipment program, the need to review the financial incentive of \$165 per tonne to ensure more complete program cost coverage was expressed. Staff highlighted their support for harmonization of programs accepting similar materials as Waste Electrical and Electronic Equipment (i.e. batteries under the Municipal Special or Hazardous Waste (MHSW) program). Although the revised Waste Electrical and Electronic Equipment program plan added more electronic materials for collection, there was very little change from Phase 1 of the program.

The WEEE program plan provides non-municipal channels for collection of waste electronics from industrial, commercial and institutional (IC&I) sources

York Region's electronics recycling program is currently available only to residents. A number of non-municipal options have been presented for IC&I participation in the final WEEE program plan.

5. FINANCIAL IMPLICATIONS

Registered WEEE collectors are eligible for the financial payment from OES of \$165 per tonne for waste electronics received. OES contends that this payment is sufficient to

cover all operating (including receiving, sorting, packaging, tracking and reporting) and capital costs and should allow municipalities to provide new or enhanced services to their existing customers. Staff have strongly expressed to OES that the payment rate of \$165/tonne is insufficient to cover the full operating costs of the WEEE program and further provides no compensation for capital investment.

As an illustrative example of the financial implications of the program, Table 1 provides a breakdown of York's 2009 waste electronics program costs, estimated based on the 709 tonnes of waste electronics collected in 2008. As of September 18, 2009, 609 tonnes of electronics, including televisions, have been collected. Transportation and processing costs are covered under the Greentec contract at the OES maximum compensation rate of \$165 per tonne.

Table 1
Estimated 2009 Waste Electrical and Electronic Equipment Annual
Program Costs

Item	Estimated 2009 costs*
Staffing for WEEE Program (1/2 FTE)	\$45,000
Transport and Processing	\$117,000
Development of Promotional Material	\$13,500
Facility Operating Costs (electronics component)	\$56,000
Capital Repayment Costs (electronics component)	<u>\$34,000</u>
Program Costs	\$265,500
Cost Per Tonne	\$374
OES Reimbursement Per Tonne	\$165
Net Cost per Tonne	\$209

* based on 709 tonnes of electronics collected in 2008

The current cost for York Region's electronics recycling program is \$374 per tonne. Greentec receives \$165 per tonne for transportation and collection relating to OES' compensation and the Region continues to pay \$209 per tonne for the remaining program costs. While the WEEE program falls short of achieving full extended producer responsibility, it does offer the Region the following benefits:

- Provision of an expanded scope of electronics recycling services to residents
- Substantial savings over historical costs for the Region's electronic recycling program
- Protection against growth related cost increases due to recycling of greater quantities of electronics in the future

6. LOCAL MUNICIPAL IMPACT

The WEEE program now allows residents to take televisions and other waste electronics to Regional depots for recycling. Providing residents with this service should allow the Local Municipalities to cease collecting these materials as part of their curbside collection programs thereby diverting this waste from landfill. York Region staff will work with local municipal staff to facilitate this program shift and will work together on associated communications.

The draft revised Phase 1 and 2 WEEE program plan was provided to the nine local municipalities for review and their comments were incorporated into the August 9th, 2009 staff response to the MOE and OES.

7. CONCLUSION

The revised Phase 1 and 2 WEEE program has no negative impact on York's current service levels. The inclusion of televisions in the WEEE program allows York to realize even greater diversion of electronic equipment while continuing to receive and divert all electronic materials included in our previous diversion program.

Implementation of the WEEE program provides significant environmental benefits, offers savings to the Region and expands the list of waste electronic materials that residents can recycle.

For more information on this report, please contact Laura McDowell, Director of Environmental Promotion and Protection, Environmental Services Department at Ext. 5077.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report).



Environmental Services

August 6, 2009

Mr. John Fox
Ministry of the Environment
Integrated Environmental Policy Division
Waste Management Policy Branch
Non-Hazardous Waste Policy Section
135 St. Clair Avenue West , Floor 7th
Toronto, ON M4V 1P5

Dear Mr. Fox:

Re: Comments on Revised Phase 1 and 2 Waste Electrical and Electronic Equipment (WEEE) Program

Thank you for the opportunity to comment on the revised Phase 1 and 2 Waste Electrical and Electronic Equipment (WEEE) program plan submitted to the Ministry of the Environment by Waste Diversion Ontario (WDO) on July 10, 2009.

Please find below staff comments from York Region and our local municipalities. Please note that the views expressed in this letter have not been endorsed by Regional Council. We hope that you will find them useful and please feel free to contact us for further clarification if required:

General Comments

- York Region staff support the revised Phase 1 and 2 WEEE program, however, clarification is required regarding the relationship between the revised Phase 1 and 2 WEEE program and the existing Municipal Special or Hazardous Waste (MSHW) program, which both include many of the same types of batteries.
- The \$165 per tonne reimbursement from Ontario Electronic Stewardship (OES) has been stated to cover not only operating costs but also capital equipment and site related costs. We believe this amount is insufficient to cover all of these cost components. We ask that OES provide a detailed breakdown with supporting justification of the reimbursement fee to more clearly demonstrate what costs are reasonably included and what costs would remain the Region's responsibility.
- York Region staff suggest that OES establish a mechanism to assist and fund municipality-specific advertising and promotional initiatives that support the WEEE program. Municipalities currently do not have the resources required to effectively initiate this aspect of the program and specific funding would enable increased education and promotion at the municipal level.

The Regional Municipality of York, 17250 Yonge Street, Newmarket, Ontario L3Y 6Z1
Tel: 905-895-1200, 1-877-464-9675, Fax: 905-830-6927
Internet: www.york.ca

Mr. John Fox

2

Comments on Revised Phase 1 and 2 Waste Electrical and Electronic Equipment (WEEE) Program

- York Region staff request clarification as to which new materials have been added to the revised Phase 1 and 2 WEEE program. In addition, staff suggest that OES provide up-to-date lists of all collectors and the specific materials they collect to assist the public in proper handling of WEEE materials.

Collection & Collection Sites

- York Region staff supports incentives to encourage the development of collection sites for IC&I e-waste. Since most special collection events held by retailers are for residential e-waste only and because we only accept IC&I e-waste at selected facilities, collection site options for York Region small and medium sized businesses are essential.
- Due to the complexity of the sorting and packaging requirements and the additional material grouping, York Region has retained the services of a contractor to act as a collector on its behalf for the management of WEEE materials, including the removal of WEEE from electronic waste. If the process were simplified, York Region may be able to participate directly.
- Changes to the Recycling Standard require that batteries, mercury bulbs and ink and toner cartridges be removed from WEEE prior to mechanical processing. Further details as to who will be responsible for removing these items is requested. York Region does not have adequate staff coverage to do this task at the depot level and currently uses the services of a contractor.
- York Region staff suggest that retailer take-back programs be widely encouraged and supported. Take-back programs allow consumers to have new products delivered to their door and old items removed by the retailer's delivery service. This eliminates double handling of overweight, oversized items such as televisions which increases the risk of injury to residents, depot and transport staff.

Education & Outreach

- York Region staff request additional education regarding the safe handling of televisions. Currently, residents are dismantling large overweight televisions (i.e. removing the cathode ray tube (CRT) screens from the plastic or wooden consoles) in their homes so that they are light enough to lift into their vehicles to deliver to the depots. Handling unprotected CRTs screens poses a health and safety issue for depot and transportation staff.

Confidentiality

- York Region staff support the Electronic Materials Exchange Network, however, is concerned about how confidentiality and protection of information will be addressed. Further information is required on the liabilities associated with this practice.

Mr. John Fox

3

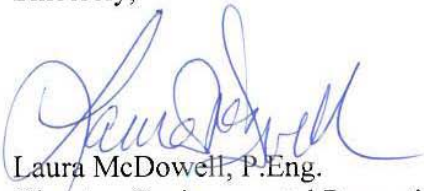
Comments on Revised Phase 1 and 2 Waste Electrical and Electronic Equipment (WEEE) Program

Program Objectives

- One of the stated program objectives is to more than double the Ontario recycling rate for WEEE but the draft program plan does not provide detail on how this objective will be accomplished. Further information, including timelines, is required to determine how this objective can be achieved.

We appreciate the opportunity to comment on the revised Phase 1 and 2 Waste Electrical and Electronic Equipment (WEEE) program plan and look forward to being involved in the program as it becomes finalized.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Laura McDowell', is written over a light blue circular stamp.

Laura McDowell, P.Eng.

Director, Environmental Promotion & Protection

LF/

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