

<b>TO:</b>	<b>CHAIR AND MEMBERS CIVIC WORKS COMMITTEE MEETING ON MAY 28, 2018</b>
<b>FROM:</b>	<b>JAY STANFORD DIRECTOR, ENVIRONMENT, FLEET, &amp; SOLID WASTE</b>
<b>SUBJECT</b>	<b>UPDATES: PROPOSED AMMENDED BLUE BOX PROGRAM PLAN; FOOD AND ORGANIC WASTE FRAMEWORK &amp; POLICY STATEMENT, AND NEXT STEPS</b>

**RECOMMENDATION**

That, on the recommendation of the Director of Environment, Fleet and Solid Waste, the following report **BE RECEIVED** for information.

**PREVIOUS REPORTS PERTINENT TO THIS MATTER**

Some relevant reports that can be found at [www.london.ca](http://www.london.ca) under City Hall (Meetings) include:

- Exercise Renewal Options for Curbside Collection and Material Recovery Facility Operations Contracts (January 9, 2018 meeting of the Civic Works Committee (CWC), Item #3)
- Comments on Environmental Bill of Rights Registry – Proposed Food and Organic Waste Framework (January 9, 2018 meeting of the CWC, Item #8)
- Request for Comments on the Draft Amended Blue Box Program Plan (Prepared by Stewardship Ontario) (January 9, 2018 meeting of the CWC Item #9)
- Updates – Proposed Blue Box Program Plan Amendment and Waste Free Ontario Act Ontario (October 24, 2017 meeting of the CWC, Item #12)
- Comments on Environmental Bill of Rights Registry – Discussion Paper: Addressing Food and Organic Waste in Ontario (July 17, 2017 meeting of the CWC, Item #12)
- Comments on Environmental Bill of Rights Registry – Final Draft Strategy for a Waste Free Ontario - Building the Circular Economy (January 10, 2017 meeting of the CWC, Item #15)
- Comments on Environmental Bill of Rights Registry - Proposed Waste Free Ontario Act and Draft Strategy for a Waste Free Ontario - Building the Circular Economy (February 2, 2016 meeting of the CWC, Item #14)
- Waste Diversion – Update on Examination of Residential Organic Waste (Food Scraps) and Next Steps (April 20, 2015 meeting of the CWC, Item #13)

**STRATEGIC PLAN 2015-2019**

The following report supports the Strategic Plan in the areas of waste diversion, waste management planning, financing, climate change mitigation and adaptation, and job creation. Specifically, the potential changes to waste management locally and provincially address three of the four Areas of Focus from the Strategic Plan:

**Building a Sustainable City**

- Strong and healthy environment
- Robust infrastructure

**Growing our Economy**

- Local, regional, and global innovation
- Strategic, collaborative partnerships

**Leading in Public Service**

- Proactive Financial Management
- Innovative & supportive organizational practices
- Collaborative, engaged leadership
- Excellent service delivery

## BACKGROUND

### PURPOSE

The purpose of this report is to provide Committee and Council with:

- Updates on policy and operational items potentially impacting the Blue Box recycling program including; the draft amended Blue Box Program Plan (draft a-BBPP), the Chinese National Sword Program effecting the global market for commodities recovered from Blue Box recycling programs (identified as an emerging issue during the 2017 year-end process), and contracts for curbside collection of Blue Box materials and the operation of the London Regional Material Recovery Facility (London MRF); and
- An overview and update of the Food and Organic Waste Framework & Policy Statement which were released on April 30, 2018.

### CONTEXT

The *Waste-Free Ontario Act (WFOA)* includes both the *Waste Diversion Transition Act 2016 (WDTA)* and the *Resource Recovery and Circular Economy Act 2016 (RRCEA)*.

The MOECC published the final Strategy for a Waste-Free Ontario: Building the Circular Economy (Strategy) in February 2017, a requirement of the *Waste Free Ontario Act, 2016*, which outlines a road map for resource recovery and waste reduction for Ontario. It also:

- sets a vision and goals including interim waste diversion goals for 2020 (30%), 2030 (50%) and 2050 (80%);
- articulates key government actions to support implementation of the vision and goals; and
- identifies performance measures to be used to assess progress towards achieving the vision and goals.

The Strategy focuses on moving Ontario towards a circular economy described as “a system where nothing is wasted and valuable materials destined for landfill are put back into the economy without negative effects on the environment.” This approach – a circular economy – has the potential to reduce greenhouse gas emissions, save and better utilize scarce resources, as well as create jobs and financial opportunities.

### Recycling

The WFOA will have a major impact on municipal waste management programs as it makes producers fully responsible for the proper management of their paper products and packaging at the end-of-life through the RRCEA.

Stewardship Ontario (SO) released the Draft a-BBPP for comment on December 19, 2017 and requested comments be provided by January 15, 2018. City staff provided an overview of the draft a-BBPP and provided comments for consideration by Committee and Council to be submitted to SO and the Resource Productivity and Recovery Authority (RPRA) at the January 9<sup>th</sup> 2018 meeting of Civic Works Committee.

### Food and Organic Waste

The Strategy committed the MOECC to develop a Food and Organic Waste Action Plan. The Strategy also proposed that the first policy statement under the RRCEA will focus on food and organic waste.

The Proposed Food and Organic Waste Framework & Policy Statement were posted on the Environmental Bill of Rights (EBR) for review on November 16, 2017 for a 60 day period ending January 15, 2018. City staff provided comments on the Framework for consideration of Committee and Council to be submitted the EBR at the January 9<sup>th</sup> 2018 meeting of Civic Works Committee. The final Food and Organic Waste Framework & Policy Statement were released on April 30, 2018.

## DISCUSSION

This section is divided into 2 parts:

- PART A: Blue Box Recycling Program Status of Updates: Draft a-BBPP, Recovered Materials End Markets, Contracts for Curbside Collection and London MRF Operations
- PART B: Overview and Update of the Final Food and Organic Waste Framework & Policy Statement (Including a Summary of How Previous City of London Comments were Addressed)

### **PART A Blue Box Recycling Program Status of Updates: Draft a-BBPP, Recovered Materials End Markets, Contracts for Curbside Collection and London MRF Operations**

#### Section 1 - Status of the Draft amended Blue Box Program Plan

On December 19, 2017, SO issued the draft a-BBPP for stakeholder review and comment by January 15, 2018. The City of London provided comments (subject of January 9<sup>th</sup> 2018 CWC Report, agenda item # 9) along with many municipalities and organizations involved with recycling and waste management. Comments and concerns were substantial.

The goal was for SO to address the comments and make changes prior to submission to the Minister of the Environment & Climate Change for consideration by February 15, 2108. However in considering the detailed submissions it was determined that the gap between the draft a-BBPP and the proposed changes to meet the needs of other stakeholders was too large. SO and RPRA determined that more time was needed to address the issues that were raised. RPRA issued the following statement regarding submission of a-BBPP:

*“As the Minister directed that the proposal for an amended Blue Box Program Plan be developed collaboratively with municipalities, stewards and affected stakeholders, the Authority is committed to engaging with all parties to support the development of a proposal for an amended Blue Box Program Plan that is consistent with Minister’s direction” (February 15, 2018)*

As of May 14, 2018, no revised timeline has been communicated to submit a draft a-BBPP to the Minister of the Environment & Climate Change. Rather SO and RPRA acknowledge that the draft a-BBPP is not complete and requires further stakeholder engagement. Some of the key issues raised regarding the draft a-BBPP are outlined below:

1. A clear path to move to Individual/Full Producer Responsibility has not been provided.
2. An accountable governance model with balanced decision-making has not been provided.
3. There are few programs and processes offered and insufficient details to determine whether or not environmental outcomes will be improved during the transition phase to Individual/Full Production Responsibility.
4. There are many key areas where transparency is weak especially with measurable targets or how they will be measured.
5. A number of concerns have not been adequately addressed such as stranded assets, management of newspapers, and eligible costs for non-transitioned municipalities.

City staff were very engaged in the overall process to develop the draft a-BBPP and will continue to participate in update events if and when they occur. Further, City staff will remain active participants in both the Municipal 3Rs Collaborative (via the Ontario Municipalities of Ontario – AMO) and the Ontario Waste Management Association (OWMA) as they relate to further progress of the draft a-BBPP.

There is also ongoing recognition that the next step might be development of the regulatory framework versus negotiating amendments to the existing BBPP. Compounding the challenge of developing an arrangement that is suitable to all stakeholders is the upcoming Provincial election.

One of the most important impacts to the City of London with respect to the inability of reaching a deal is that City of London recycling program contracts (collection, processing and marketing) are no longer aligned with the dates of the proposed draft a-BBPP. This is addressed in the next section as the City will now be required to prepare a Request for Proposals (RFP) for City services.

### Section 2 - Contracts for Curbside Collection of Recyclables and Material Recovery Facility (MRF) Operation

The existing contracts with Miller Waste Systems for curbside collection and London MRF operations expires October 30, 2019. This date includes the use of all extensions that were possible under the existing agreements. In the absence of a timeline for submission of an a-BBPP and final transition to full producer responsibility the City of London will be required to procure new contracts for the curbside collection and London MRF operations services.

City staff are currently in the process of preparing the RFP(s) for these services and plan to report back the results of the process to Committee and Council for approval in December of 2018. Given the timeline uncertainty of the a-BBPP and the eventual transition to full producer responsibility, the RFP(s) will be developed to include appropriate elements (e.g., change of law clauses, transition clauses that allow City of London to move to 100% funding ASAP, etc.) to best manage the possibility of either an a-BBPP or full producer responsibility transition occurring during the term of the new service contracts.

Several other municipalities find themselves in the exact same position as London with their contractual arrangements. City staff are engaging with AMO, the Municipal 3Rs Collaborative, Regional Public Works Commissioners of Ontario (RPWCO) and OWMA as well as canvassing other municipalities to assist in preparing the most appropriate contractual clauses and elements to achieve this goal.

### Section 3 - Update on the Status of End Markets for Recovered Materials from the Recycling Program

Recyclables collected from the curbside and multi-residential programs have traditionally been marketed primarily in Ontario (over 85%) with some materials heading into markets in the United States. With the closure of a large newspaper recycling mill in Ontario in late 2016 coupled with some other paper recycling challenges in North America, more materials were being sent to China. By late 2017, more changes were announced due to the Chinese government's implementation of a program called National Sword.

As of January 1, 2018, China no longer allows the import of low-grade postconsumer plastics and unsorted paper. This action is in response to the poor quality of recyclable materials shipped from North America, Australia and Europe, severe impacts to environmental and human health caused by poor recycling infrastructure and China's desire to develop its own domestic markets for recyclable materials. The specifics of the ban are:

1. Ban of all Unsorted Mixed Paper and Mixed Plastics
2. Reduction of Contamination Threshold to 0.3%
3. Suspension of all New License Approvals for Chinese import companies

These changes have created major impacts worldwide as the quantity of available materials is substantially higher than available processing capacity. This is driving material prices down for most paper products and also causing some municipalities to stockpile materials.

In the 2017 year end operating budget monitoring process City staff noted the National Sword program as an emerging issue with a high likelihood to effect the 2018 and 2019 operating budgets. As noted at the time, the program has resulted in significantly

limiting global access to the large Chinese recovered materials markets and has placed significant downward pressure on global recovered material end markets for items recovered through Blue Box recycling programs across North America.

The effects of the National Sword program have deteriorated conditions in global markets further since the 2017 year end operating budget monitoring process was completed. At the time of writing this report, North American access to the Chinese recovered materials markets has been virtually eliminated. This has resulted in other global markets for recovered materials tightening specifications and limiting orders as those markets have become saturated with recovered materials that previously would have been destined for China.

At this time there is no indication or available timeline for the Chinese market to re-open to global recovered material commodities or if it does, to the extent it was previously engaged in large volume purchases. It is likely that current global recovered materials market downturn will persist until additional global receiving/processing capacity is developed which will require an extended period of time.

The materials that are proving the most challenging for London are paper products including newspaper, boxboard and mixed papers.

The table below provides an update to the estimated 2018 operating budget impacts to revenue for recovered materials sold from the MRF as a result of the market down turn.

		Operating Budget Impact - Revenue Loss <i>(italics represents the estimated total revenue loss which is 50% paid for by industry)</i>	
		Low (\$)	High (\$)
2017 Year End Estimate	City Portion	(\$75,000)	(\$100,000)
	<i>Total Revenue Loss</i>	<i>(\$150,000)</i>	<i>(\$200,000)</i>
Current Estimate (as of May 14, 2018)	City Portion	(\$325,000)	(\$475,000)
	<i>Total Revenue Loss</i>	<i>(\$650,000)</i>	<i>(\$950,000)</i>

Currently, industry pays between 45% and 50% of the cost of recycling; therefore about half of the market losses would be covered. However, the funding formula is based on a three-year rolling average which means that the City losses in one year could take up to three years to be recovered by industry through the annual payments from SO.

As noted during the 2017 year end operating budget monitoring process City staff continue to work with Miller Waste Systems to ensure that recovered materials produced from the London MRF are of a quality required to continue to be marketed. Further, Miller Waste Systems is a well-established service provider that has developed long term relationships with stable end markets which greatly assists the marketability of recovered materials during depressed and changing market conditions.

City staff will provide further updates on this issue as part of the 2018 mid-year operating budget monitoring process.

It is important to recognize that market conditions could change quickly and require different strategies to accommodate different situations. City staff will update Committee and Council as soon as further developments are known.

## **PART B Overview and Update of the Final Food and Organic Waste Framework & Policy Statement (Including a Summary of How Previous City of London Comments were Addressed)**

The MOECC released the Proposed Food and Organic Waste Framework on November 16, 2017 for a 60 day review period ending January 15, 2018 through the EBR Registry. In January 2018, the City of London submitted approximately 45 individual comments to

the EBR covering both the proposed Food and Organic Waste Action Plan and the proposed Food and Organic Waste Policy Statement.

MOECC released the final Food and Organic Waste Framework on April 30, 2018. The Framework consists of two complementary components (Appendix A):

- Food and Organic Waste Action Plan, which outlines strategic commitments to be taken by the province to address food and organic waste.
- Food and Organic Waste Policy Statement under the *Resource Recovery and Circular Economy Act, 2016*, which provides direction to the province, municipalities, producers, Industrial, Commercial and Institutional sector (e.g. retailers, manufacturers, hospitals, schools), the waste management sector and others to further the provincial interest in waste reduction and resource recovery as it relates to food and organic waste. The Policy Statement was issued by the Minister of the Environment and Climate Change, pursuant to Section 11 of the *Resource Recovery and Circular Economy Act, 2016*, on April 30, 2018 and came into effect at that time.

#### **Highlights of the final Framework include:**

- Ontario Food Recovery Hierarchy that consists of the following steps in order of importance:
  1. Reduce: prevent or reduce food and organic waste at the source.
  2. Feed People: safely rescue and redirect surplus food before it becomes waste.
  3. Recover Resources: recover food and organic waste to develop end-products for a beneficial use.
- A 70% target for waste reduction and resource recovery of food and organic waste for municipalities and educational institutions and hospitals by 2025.
- A 50% target for waste reduction and resource recovery of food and organic waste for multi-residential buildings and IC&I facilities subject to the Framework by 2025.
- Promotion and education, which includes retail establishments to provide sector-based promotion and education to promote operational best practices that can prevent and reduce food waste.
- All retail shopping establishments, retail shopping complexes, office buildings, restaurants, hotels and motels, and large manufacturing establishments, subject to O. Reg. 103/94 under the *Environmental Protection Act*, that generate 300 kilograms or more of food and organic waste per week shall source separate food and organic waste.

#### **What changed between the proposed and final Framework documents?**

A few of the key adjustments or changes to the Framework include:

- Updated guiding principles to recognize the need to promote behaviour change to prevent food from becoming waste (Action Plan, Introduction Section);
- Provided specific timeframes for implementation of policies recognizing the need to allow for sufficient time to meet targets and achieve outcomes (Policy Statement, Part II, Timing for Consistency);
- Clarified direction on targets with regard to applicable materials and management methods (Policy Statement, Policies 2.2 through 2.6);
- Directed owners of multi-unit residential buildings in both southern and northern Ontario to provide collection of food and organic waste and promotion and education to residents in order to ensure equal service levels across the province (Policy Statement, Policies 4.10 through 4.13);
- Amended thresholds for large educational institutions and hospitals from 300 kg to 150 kg of waste generated per week to help ensure that these institutions continue to play a leading role in resource recovery, recognizing that many institutional

establishments already source separate food and organic waste (Policy Statement, Policy 4.18);

- Provided direction to encourage best practices to avoid contamination of collected food and organic waste (Policy Statement, Policy 4.20ii); and
- Several minor administrative changes were also made to improve clarity of the document.

**How were the City of London comments addressed during the review process?**

A brief assessment is contained in Appendix B. In summary, City staff found that over 45% of the submitted comments were either addressed in one form or another and/or where City of London supported a section, the document has remained unchanged. A little over 40% of the comments were operational in nature and will be addressed through further documentation or actions by MOECC and/or others. Less than 15% do not appear to have been addressed.

**Have the potential impacts to London (City of London, residents and businesses) of the Framework changed since the January 2018 staff report?**

There are no changes to the potential impacts that were previously identified. The details are presented again in Appendix C.

**ACKNOWLEDGEMENTS**

This report was prepared with the assistance of Jessica Morris, Solid Waste Planning Coordinator and Wesley Abbott, Project Manager.

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Appendix A Overview of the Final Food and Organic Waste Framework

Appendix B How City of London Comments were Addressed on the Proposed Food and Organic Waste Framework

Appendix C Potential Impacts to London (City of London, residents and businesses) of the Food and Organic Waste Framework

## Appendix A

### Overview of the Final Food and Organic Waste Framework

The final Framework aims to:

- Reduce the amount of food that becomes waste
- Remove food and organic waste from the disposal stream
- Reduce greenhouse gas emissions that result from food and organic waste
- Support and stimulate end markets that recover the value from food and organic wastes
- Increase accountability of responsible parties
- Improve data on food and organic waste
- Enhance promotion and education regarding food and organic waste

The MOECC indicates that these actions will also support the waste reduction and resource recovery objectives of the Strategy for a Waste Free Ontario and greenhouse gas reduction objectives of Ontario's Climate Change Action Plan.

The Food and Organic Waste Framework has two parts:

#### Part A: Food and Organic Waste Action Plan (Action Plan)

The Action Plan outlines strategic commitments to be taken by the Province to address food and organic waste. The four commitments and the specific actions identified under each are:

1. Reduce Food Waste
  1. Province to work with partners to develop promotion and education tools to support food waste prevention and reduction
  2. Province to enhance and incorporate waste reduction and resource recovery activities within schools
  3. Province to work with the Government of Canada on preventing food waste
  4. Province to work with partners to support innovative approaches and tools to rescue surplus food
  5. Province to develop food safety guidelines to support the safe donation of surplus food
  6. Province to support research aimed at reducing and recovering food and organic waste
  7. Province to develop data collection mechanisms for measuring progress in waste reduction and resource recovery of food and organic waste
2. Recover Resources from Food and Organic Waste
  8. Province to amend the 3Rs Regulations to include food and organic waste and increase resource recovery across the IC&I sector
  9. Province to ban food and organic waste from ending up in disposal sites
  10. Province to support resource recovery of food and organic waste in multi-unit residential buildings
  11. Province to develop best management practices to support effective use of public waste receptacles
3. Support Resource Recovery Infrastructure
  12. Province to review existing approval processes and requirements for *resource recovery systems* using a modern regulator approach
  13. Province to require standardized training for owners and operators of resource recovery systems that undertake composting and anaerobic digestion
  14. Province to review its D-Series Land Use Compatibility Guidelines to support the development of *resource recovery systems*

*continued*



4. Promote Beneficial Uses
  15. Province to support healthy soils with strong standards and clear requirements for the use of soil amendments, while protecting the environment and human health
  16. Province to support development of renewable natural gas including consideration for linkages to food and organic waste
  17. Province to support green procurement practices, including the use of products, such as compost and digestate

(Source: MOECC, Food and Organic Waste Framework, April 30, 2018)

## **Part B: Food and Organic Waste Policy Statement (Policy Statement)**

The Policy Statement provides direction to further the provincial interest related to waste reduction and resource recovery of food and organic waste. Eight policies are identified within the final Policy Statement. These policies may be complemented by other future provincial policy statements or municipal policies that support and contribute to waste reduction and resource recovery of food and organic waste. The eight policies are:

1. Ontario Food Recovery Hierarchy
2. Targets
3. Reduce Food Waste
4. Recover Resources from Food and Organic Waste
5. Compostable Products and Packaging
6. Support Resource Recovery Infrastructure
7. Promote Beneficial Uses
8. Implementation and Interpretation

(Source: MOECC, Proposed Food and Organic Waste Framework, April 30, 2018)

## Appendix B

### How City of London Comments were Addressed on the Proposed Food and Organic Waste Framework

In January 2018, the City of London submitted approximately 45 individual comments to the EBR covering both the proposed Food and Organic Waste Action Plan and the proposed Food and Organic Waste Policy Statement. Listed below is City staff best understanding of how the comment was addressed. Under the table are the 6 comments that we do not believe have been addressed at this point in time and do not appear to be contained in other MOECC studies.

Were City of London’s Comments Addressed in the Final Food and Organic Waste Framework & Policy Statement?	Number of Comments in Category	Percentage of Comments Addressed
Yes, Final Framework & Policy Statement reflects London comments	20	45%
No, London comments were operational in nature and MOECC did not include more details on operational matters. It is anticipated that some/all of these matters will be handled in future reports being prepared by MOECC.	19	42%
No, Final Framework & Policy Statement does not reflect London comments (a)	6	13%
	45	100%

(a) Comments not addressed include:

Province to use modern regulator approaches to review existing approval processes and requirements for resource recovery systems

- The Province must demonstrate how challenges of today’s processing facilities can be addressed with both today’s processing facilities that will take in more materials and with the new processing facilities.

Compostable Products and Packaging

- Significant work is required in this area as there is an increasing number of packaging products that claim to be compostable that are ending up in Blue Box Programs, and creating sorting and processing challenges. These products may appear similar to consumers and result in confusion as to which diversion stream (i.e., organics or Blue Box) they are intended to be managed.
- The MOECC should determine and undertake the appropriate action to limit any potential confusion for consumers on how to manage compostable products and packaging. Without action, processing cost increases and/or product quality issues will occur. Municipalities and organic processors will have very little control over this.

Support Resource Recovery Infrastructure

- “Fostering Timely Approvals”, Clause 6.2 says “should”. Change to “shall”. The future system must not cause more impacts to a community. The same can be said for 6.3 and 6.4, these need to be “shall” not “should”.
- 6.11, regarding working with the community, needs to change from “should” to “shall”.

Implementation and Interpretation

- 8.4, regarding working with municipalities, needs to change from “should” to “shall”. The Province needs to understand that the municipal role in achieving the desired outcomes in the Framework is highly contingent on municipal involvement and support. This has already been demonstrated in Ontario’s Blue Box and other waste diversion systems.

## Appendix C

### **Potential Impacts to London (City of London, residents and businesses) of the Food and Organic Waste Framework**

The Framework will have impacts on programs operated by the City of London, on residents of London that must take action on food and organic waste, and on businesses in London (e.g., retail shopping establishments and complexes, office buildings, restaurants, hotels and motels, hospitals, educational institutions and manufacturing establishments). In many cases, the impacts should be viewed positively (e.g., reducing food waste and/or creating more resources from food waste is good for the economy). However, in other cases additional costs will occur that may or may not be easily absorbed and may limit the ability to invest in other programs, projects and products. A number of anticipated impacts, positive and/or negative, in the context of London are identified below.

#### Prioritizing Food Waste Reduction

Both the Action Plan and the Policy Statement prioritize food waste reduction. This is not a surprise as the financial and environmental impacts of food waste are becoming increasingly known and understood. It is estimated that each London household discards an average of \$450 to \$600 per year of food that could have been avoided. This translates to an amount of \$80 to \$100 million per year across London's total residential sector. This amount grows even higher when the value of food waste generated from businesses, institutions, etc., is included.

MOECC support to reduce this waste at the source will help Londoners save money, reduce environmental impact (e.g., reduce greenhouse gas generation), reduce the cost of managing food waste as a resource, and avoid this waste going to landfill.

London Council has recently approved 11 Guiding Principles for the Environmental Assessment (EA) for the expansion of the W12A Landfill and the development of the Resource Recovery Strategy including "Make Waste Reduction the First Priority."

#### Food and Organic Waste Disposal Ban

The Action Plan includes a disposal ban on food and organic waste. In London this would mean that food and organic waste would not be permitted to be landfilled. The Action Plan recognizes the need for phased-in implementation and timelines that will accommodate transition from current disposal systems to resource recovery systems. The Framework provides little information on how a ban would be enforced although it does suggest that the Province has enforcement tools available. Experience in London with bans, both curbside and at the landfill, highlights that bans can be time consuming to enforce, require ongoing education and awareness, and can leave a negative impression on service delivery.

From a messaging perspective, announcing a food and organic waste disposal ban with targets of 70% (single family homes) and 50% (multi-residential homes), as noted in the next section, does pose a challenge.

A disposal ban may drive investment in resource recovery systems in London, creating jobs and supporting innovation. Additionally a disposal ban may also reduce the potential for odour generation at the W12A Landfill as less putrescible waste would be received for disposal.

#### Targets

The Policy Statement identifies sector specific resource recovery targets. Municipal targets for single family residential properties are based on population size and density and whether or not there is currently a source separation program for food and organic waste in place. The proposed target for a municipality such as London is:

- 70 per cent waste reduction and resource recovery of food and organic waste generated by single-family dwellings by 2025

The Policy Statement proposes a different target for multi-residential buildings in Southern Ontario. It also makes building owners responsible for targets and service delivery, not municipalities. The proposed target for multi-residential buildings is:

- 50 per cent waste reduction and resource recovery of food and organic waste generated at the building by 2025

The proposed targets are required to be achieved through waste reduction and resource recovery efforts such as prevention, rescue of surplus food and resource recovery (e.g., composting or anaerobic digestion) of the following items:

- Food waste
- Organic waste (i.e., food preparation, soiled paper, leaf and yard waste, seasonal outdoor wastes, flowers and houseplants)

Additional resource recovery and waste reduction efforts to achieve the prescribed targets are encouraged but not required for the following items:

- Personal hygiene wastes
- Sanitary products
- Shredded paper
- Additional paper fibre products
- Compostable products and packaging
- Pet food and waste

Committee and Council have previously been provided with cost estimates to implement a source separated Green Bin Program for food and organic waste from single family homes as follows:

- Approximately \$4.5 million in annual operating costs which includes weekly organics and recycling collection (the organic portion is \$3.8 million), bi-weekly garbage collection, and estimated processing costs; and
- Approximately \$12 million in onetime capital costs which includes the net cost of additional collection vehicles, carts and kitchen catchers.

Implementing a program as outlined above is expected to be sufficient for London to achieve the proposed diversion targets. It is estimated that this expenditure will result in diversion between 12,000 and 14,000 tonnes (about 8 to 9% increased diversion) and a reduction in greenhouse gas of between 10,000 tonnes and 11,000 tonnes per year.

The Policy Statement specifies that targets are to be achieved through waste reduction and resource recovery efforts. Municipalities understand waste reduction to include home composting, grasscycling and food waste avoidance. Resource recovery includes leaf and yard waste composting and diversion of food waste through a program such as a green bin program.

City staff are currently preparing details on the costs and benefits of mixed waste processing and diverting organics through this type of processing system.

The estimated current diversion of food and organic waste in London through existing programs is approximately 60% and it includes the quantity of leaf and yard waste that is composted and the estimated quantity of waste reduced through home composting and grasscycling. This 60% accounts for approximately 22% of London's existing overall waste diversion rate of 45%. The proposed target of 70% food and organic waste diverted/reduced is achievable and in line with London's overall 60% diversion goal from landfill by 2022.

Achieving the 50% target in the multi-residential sector, by building, will be much more difficult to achieve as the sector is typically starting at 0% food and organic waste diversion.

## Timeline

Overall the timeline of the proposed actions aligns reasonably well with both London's 60% Waste Diversion Action Plan and the development of the Resource Recovery Strategy timelines. Noted below are those Provincial actions of particular interest to London as they support local initiatives to be underway in the same timeframe.

Short term actions - 2018 to 2020:

- Support of actions associated with food waste reduction and rescue of surplus food
- Support development of renewable natural gas with consideration for linkages to food and organic waste

Long term actions - 2022 and beyond:

- Disposal ban on food and organic waste
- Support resource recovery in multi-residential buildings

## Curbside Collection

To increase recovery of resources from food and organic waste, the Policy Statement proposes that municipalities, (that do not currently provide collection of source separated food and organic waste) such as London, shall provide curbside collection of food and organic waste. This policy aligns with London's direction to provide this service as it will be a necessary component in London's 60% Waste Diversion Action Plan.

## Multi-Residential Buildings

The proposed Policy Statement requires that multi-residential buildings (not municipalities) provide collection of food and organic waste to their residents. This will impact how London implements a City-wide program. Options may include City provision of a collection service to building owners, or building owners may choose to contract directly to private collection companies. Multi-residential building owners (and not municipalities) are subject to the policy for resource recovery and waste reduction targets.

## Mixed Waste Processing

London's 60% Waste Diversion Action Plan will identify and assess the potential roles for mixed waste processing (versus source separation) to reach the waste diversion target of 60% by 2022. The potential role of mixed waste processing will also be identified in the Resource Recovery Strategy which will have a longer timeframe. Mixed waste processing is an alternative to a source separation program (i.e., green bin program) and is currently being examined in other Ontario municipalities as both an alternative and supplement to green bin programs. The City of London is part of a municipal working group sharing knowledge and conducting research into mixed waste processing.

In the case of municipalities such as London, that do not currently provide collection of source separated food and organic waste, the Framework permits consideration of the implementation of alternative programs, such as mixed waste processing.

## Residents of London

Impacts to Londoners can be summarized as following:

- In general, the implementation of the Action Plan will have two significant impacts on Londoners: 1) there will be a cost of new diversion and reduction programs to taxpayers, and 2) households will be asked to develop new daily habits for how they manage food waste. There is potential for households to offset the tax dollar increase by adopting routines to save money by reducing food waste. The impact to tax payers may be further offset as a result of changes to Blue Box program funding which will reduce municipal costs for this program.

- Province wide actions and messages that work to reduce food waste will be welcomed by Londoners and have the potential to save money for households. Families and individuals in need of food assistance may benefit from food rescue programs.
- Regarding the potential impact of a city-wide organic diversion program, the extent of the impact on daily routines will depend on the type of program that London adopts. A green bin program requires more effort as households will need to take the time to sort their kitchen organic waste. A mixed waste processing program will have little to no impact on the day-to-day routine of households as they will continue to place food organic waste in the garbage and to take to the curb as they already do.
- A program to divert household organics will be welcomed by many Londoners. Since 2011 when London conducted a green bin pilot project, many citizens have been vocal in their desire to see a City wide program.
- The introduction of new compostable packaging and guidelines for best-before-dates will require an adjustment. On the other hand, consistent Province-wide promotion and education campaigns will reduce confusion and especially as people move from one area of Ontario to another.

### Institutional, Commercial & Industrial (IC&I) Sectors

Impacts to the IC&I sectors can be summarized as following:

- They will be required to achieve either 50 per cent or 70 per cent (the nature, size and amount of food and organic waste produced at each establishment determines which target is applicable) waste reduction and resource recovery of food and organic waste by 2025;
- They will be required to develop and implement education programs for both the consumers of their products and industry sector based groups. The education programs are to be aimed at preventing and reducing consumer food waste and promoting industry best practices to prevent and reduce food waste;
- They will be encouraged to identify where food waste occurs in operational practices, undertake food waste audits and implement measures to prevent and reduce food waste (e.g., food rescue); and
- The above noted impacts will require development of new programs, systems and possibly infrastructure which will have financial impacts, however may also create jobs and foster innovation.