

# Proposed 2025 program fees for consultation

September 27, 2024



# About RPRA

- The Resource Productivity and Recovery Authority (RPRA) is a regulator mandated by the Ontario government to:
  1. Support the transition to a circular economy by winding up and transitioning legacy waste diversion programs under the *Waste Diversion Transition Act, 2016* (WDTA) and implementing a producer responsibility framework under the *Resource Recovery and Circular Economy Act, 2016* (RRCEA)
  2. Provide digital registration and reporting services for the province's Excess Soil and Hazardous Waste programs under the *Environmental Protection Act* (EPA), as directed by the Minister
- As an administrative authority of the Government of Ontario, RPRA does not receive any government funding and funds its operations through fees charged to regulated parties to recover its costs to deliver its mandate.

# Proposal scope

- RPRA is consulting on proposed 2025 program fees for the Tires, Batteries, Electronics (ITT/AV), Lighting, Hazardous and Special Products (HSP), Blue Box, Excess Soil and Hazardous Waste (HWP) programs.
- Fees are being proposed in advance of the calendar year in which they will apply. RPRA's 2025 budget, on which 2025 program fees are based, has been finalized as part of the 2025 Business Plan.
- The 2025 Business Plan is submitted annually to the Minister of the Environment, Conservation and Parks on October 1, and will be posted to the RPRA website shortly thereafter.
- This proposal provides key financial information excerpted from the 2025 Business Plan that will provide stakeholders with financial and contextual information to inform feedback.
- RPRA welcomes comments, questions and feedback on this proposal until November 12, 2024.

# Consultation process

- RPRA's legislative framework requires RPRA to consult on proposed program fees for 45 days and post the final fees for 30 days before they come into effect.
- The consultation on proposed 2025 program fees begins on September 27 and ends on November 12, 2024.
- You can share feedback at [consultations@rpra.ca](mailto:consultations@rpra.ca) on or before November 12, 2024.
- Participate in a consultation webinar to learn more about the proposal. Follow the links below to register:
  - **Session 1: Hazardous Waste Program (HWP) registry**
    - Monday, October 7, 10:30 a.m. to 11:30 a.m. EST
  - **Session 2: Excess Soil registry**
    - Wednesday, October 9, 10:00 a.m. to 11:00 a.m. EST
  - **Session 3: Tires Programs**
    - Friday, October 18, 10:00 a.m. to 11:00 a.m. EST
  - **Session 4: Blue Box and Hazardous and Special Products (HSP)**
    - Tuesday, October 22, 10:30 a.m. to 11:30 a.m. EST
  - **Session 5: Electronics, Lighting and Batteries programs**
    - Wednesday, October 23, 11:00 a.m. to 12:00 p.m. EST
- Webinar recordings will be posted to RPRA's website immediately following the webinars.
- The finalized 2025 program fees and a consultation report summarizing feedback received during the consultation will be posted to RPRA's website on or before December 1<sup>st</sup>, and stakeholders will be notified of the posting.
- For more information on the consultation process, visit RPRA's consultation webpage.

# Fee revenue sources

RPRA recovers its costs by setting and collecting fee revenues from three sources:

- 1. Producer responsibility program registrants**

Fees to producers that are required to register and report to RPRA under the RRCEA regulations.

- 2. Excess Soil and Hazardous Waste Program registrants**

Fees to parties obligated to register and report through RPRA's Excess Soil and Hazardous Waste Program (HWP) registries. The Ministry of the Environment, Conservation and Parks is responsible for compliance activities related to these programs.

- 3. *Waste Diversion and Transition Act, 2016 (WDTA) programs***

Monthly cost recovery charges to industry funding organizations.

# What do RPRA's fees support?

RPRA's fees support the delivery of RPRA's mandate, which consists of the following overarching deliverables:

- development and ongoing maintenance of registries
- operating registries and support to registrants
- compliance and enforcement of resource recovery requirements
- public reporting of registry data and RPRA's compliance activities
- oversight of the operation and wind up of legacy waste diversion programs and industry funding organizations under the *Waste Diversion Transition Act (WDTA)*

RPRA's Strategic Plan contains RPRA's overarching strategic goals and objectives, and the strategies employed to achieve those goals and objectives.

# RPRA's strategic goals

RPRA's budget is driven by its strategic goals:

- **Accessible registry services that provide value to registrants**
- **Effective enforcement that supports waste reduction and a healthy resource recovery sector**
- **Trusted and useful public information about resource recovery, waste and RPRA activities**
- **A connected culture where employees can grow and do meaningful work**
- **Robust internal systems and processes that remain innovative and adaptable to change**

# Select new 2025 planned activities supported by RPRA fees

The full list of RPRA's key planned activities for 2025 is published in the 2025 business plan, which will be posted publicly in early October. A selection is summarized below:

- Establish working groups for collaboration with other Canadian producer responsibility regulators
- Develop and implement new collection and performance-related system guidelines
- Open new Blue Box facilities registry portal
- Finalize and implement a registry service delivery model, including proposed service standards
- Improve the efficiency of RPRA's billing and payment processes
- Conduct useability review and identify enhancements required for RPRA's Where to Recycle map
- Develop and launch new public-facing website about Ontario's circular economy
- Develop and implement audit procedures, in consultation with stakeholders



# RPRA's approach to fee setting

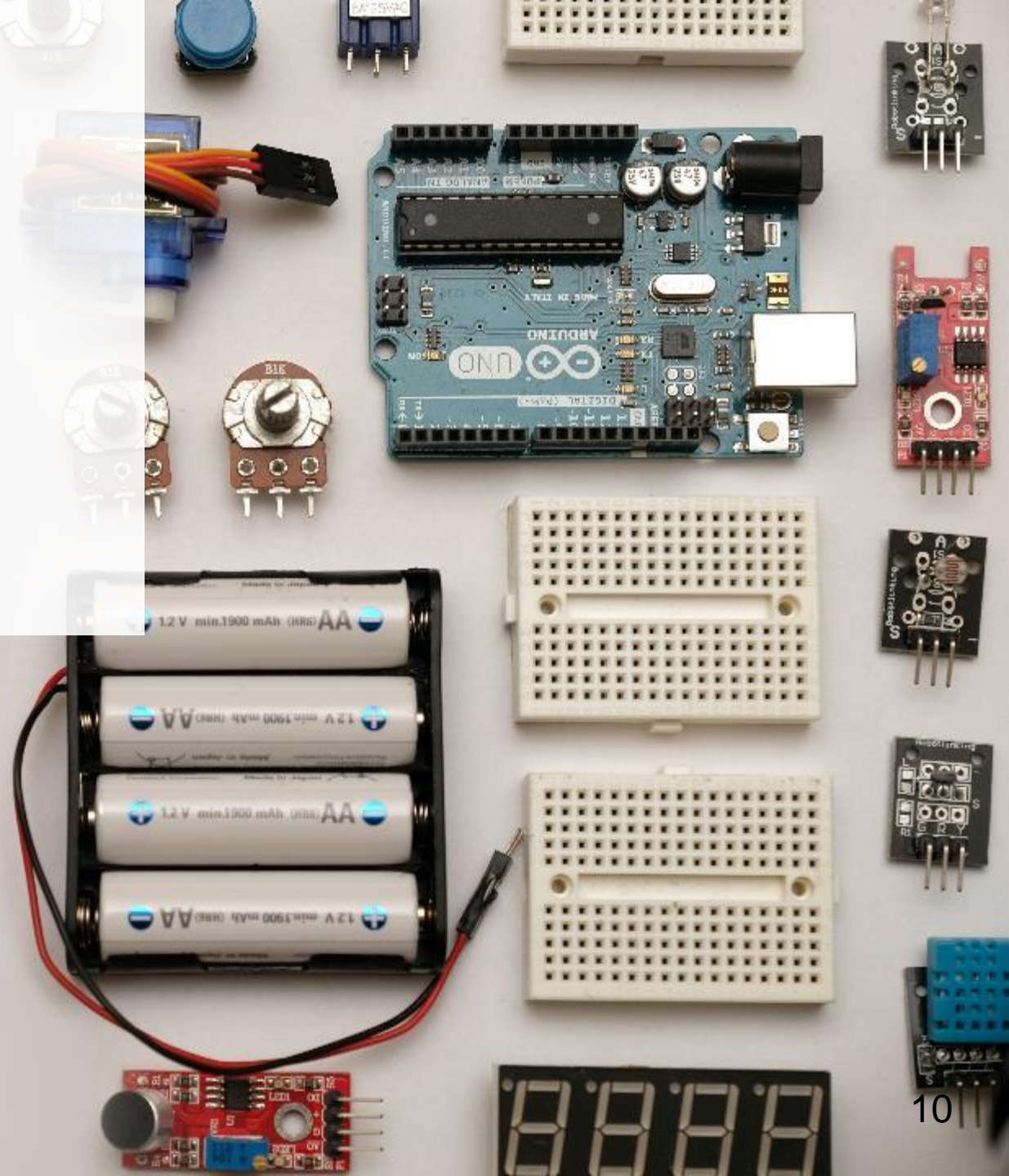
The board-approved [General Fee Setting Policy](#) provides guidance for setting fees. The fees, consultation process, and public documents must align with this policy.

Under the policy, there are five main inputs to RPRA's fee setting process:

1. **Annual budget** approved by RPRA board as part of annual business planning process
2. **Cost allocation methodology** which guides the division of RPRA's cost recovery target to the different programs RPRA operates
3. A potential **adjustment to recover prior year deficits or refund** prior year surpluses
4. A **fee model** that determines how and what fee payers within each program are charged
5. Estimates of the **number of fee-paying program registrants and the amount of material supplied** for each program

For more information about RPRA's approach to fee setting, visit the [fees webpage](#) on the RPRA website.

**2025 budget, program cost recovery targets, and surplus/deficit applications**



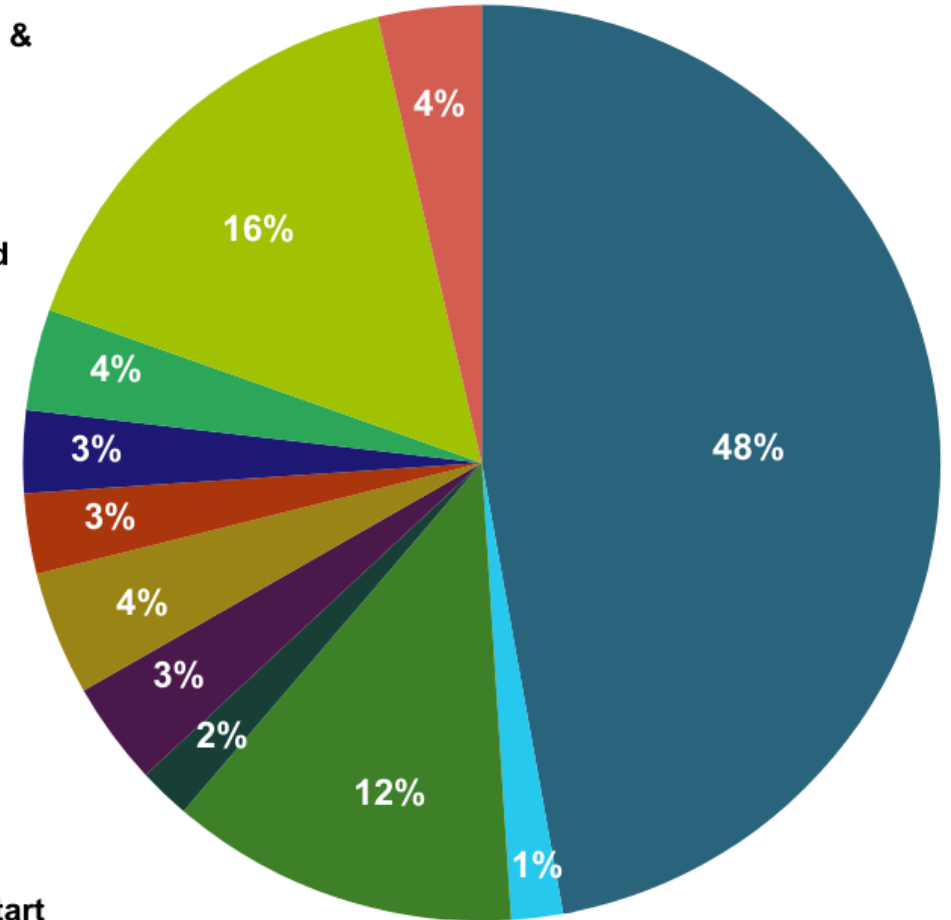
# 2025 budgeted revenue requirement excluding surplus or deficit adjustments

Program allocations	2024 budgeted revenue requirement	2025 budgeted revenue requirement	Notes
Producer responsibility programs (tires, batteries, electronics, hazardous and special waste (HSP), lighting, Blue Box materials)	\$15.2 M	\$16.8 M	The increase in cost recovery targets for registry programs reflects the increased resourcing costs for service and administration of the registry, increased resources to support compliance and enforcement activities, and required technology investments. The Blue Box program needs have driven \$1.2M of \$1.4M increase in the producer responsibility program increase.
Excess soil and hazardous waste registry programs	\$8.9 M	\$9.1 M	
<b>Sub-total – registry programs</b>	<b>\$24.2 M</b>	<b>\$25.9 M</b>	
WDTA programs	\$1.7 M	\$1.3 M	Cost recovery target for WDTA programs will eventually reach zero in future years, once all programs are fully wound-up.

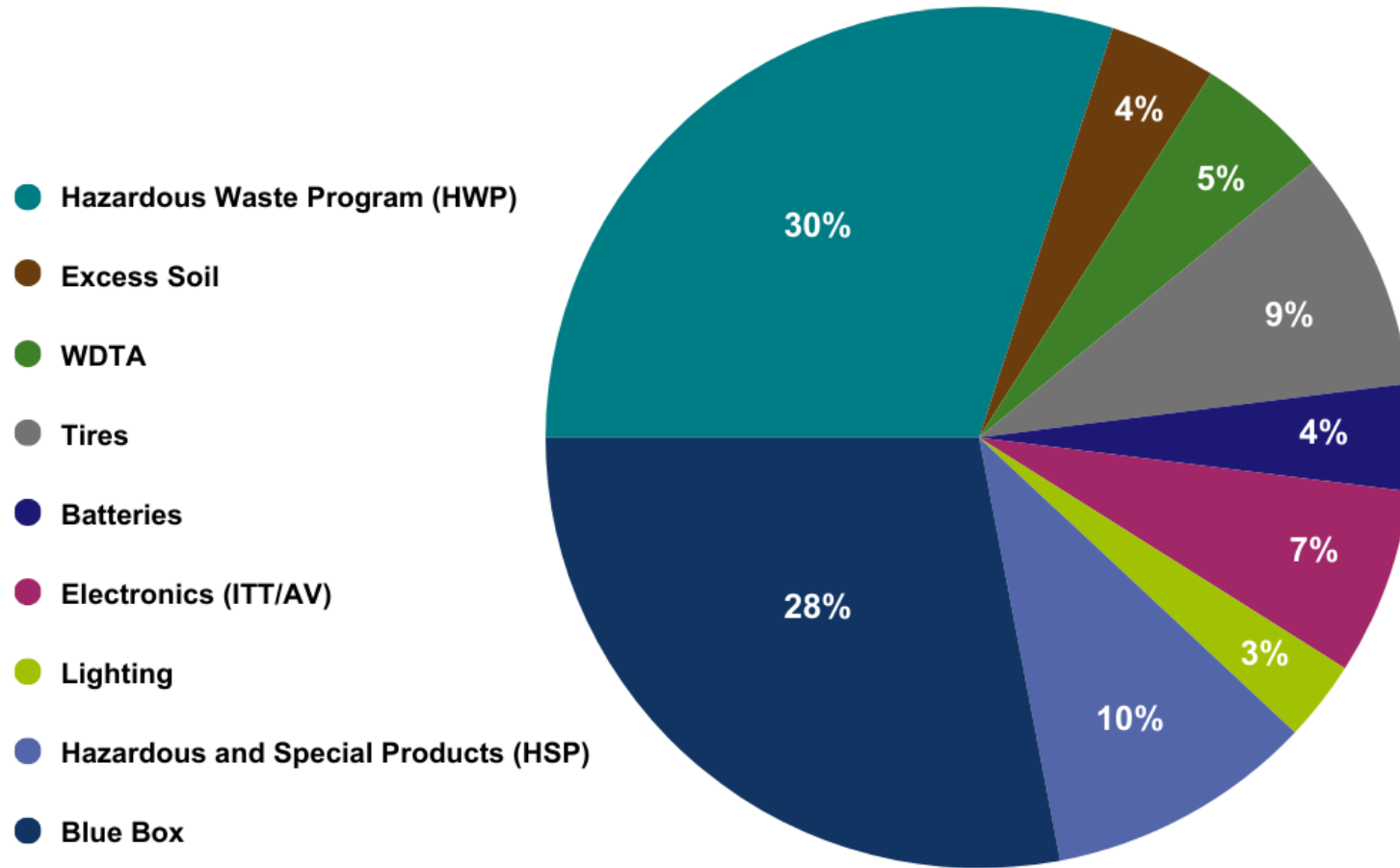
# 2025 budget breakdown

RPRA's budget increased by 5% compared to the 2024 budget – from \$25.8 M to \$27.2 M, in line with the 2025 forecast published in RPRA's 2024 business plan.

- Salaries and benefits
- Communications, data analytics & stakeholder engagement
- Amortization
- Board compensation and related expenses
- Rent
- Interest
- Other operations
- Compliance and support
- Professional fees
- Registry and IT
- Reserve recovery and RRCEA start up recovery



# 2025 program cost allocations



61% - producer responsibility programs

34%- Excess soil and HWP registries

5% - WDTA

# 2025 revenue requirement by program including surplus-deficit

Program	***2024 program allocation	***2024 recovery of prior year deficit / refund of prior year surplus	2024 recovery target	2025 program allocation	2025 recovery of prior year deficit / refund of prior year surplus	2025 Recovery Target
Tires	\$2.37M	(\$43,891)	\$2,327,553	\$2,490,919	\$(94,715)	\$2,396,204
Batteries & ITT/AV	\$2.92M	(\$367,469)	\$2,559,514	\$3,080,626	\$(617,382)	\$2,463,244
Lighting	\$0.90M	\$318,471	\$1,220,144	\$920,965	\$ - *	\$920,965
HSP	\$2.49M	\$74,118	\$2,568,958	\$2,559,771	\$ - *	\$2,559,771
Blue Box	\$6.52M	(\$597,025)	\$5,921,321	\$7,721,814	\$(917,523)	\$6,804,291
Excess Soil	\$1.14M	\$1,105,745	**\$2,241,916	\$1,138,659	\$793,756	\$1,932,415
HWP	\$7.81M	\$517,823	\$8,331,344	\$8,012,790	\$318,242	\$8,331,031

\* No program surplus or deficit amount applied to the recovery target of these programs in 2025.

\*\* Please be aware that during the Excess Soil webinar, this was incorrectly reported as \$1.75 Million.

\*\*\* The first two columns, '2024 program allocation' and '2024 recovery of prior year deficit/refund of prior year surplus,' were not included in the initial proposal but have now been added for additional context.

# Application of program surplus or deficit

- Program surpluses or deficits occur when annual revenue for a program (the amount of fees collected from registrants) exceeds or falls short of the program's cost recovery target.
- Surpluses and deficits for each program are applied to the cost recovery target two years after they occur and may be applied over the span of one or more years, with a goal of minimizing annual fee fluctuations for the program.





# **Proposed 2025 program fee models and fee rates**



# Overview of proposed 2025 fee models

No changes are proposed to program fee models applied in 2024

## **Producer responsibility program fee model**

- a nominal fixed flat fee for producers under a program-specific supply threshold
- a variable per kg or per tire rate for all other producers

## **Hazardous Waste Program Registry fee model**

- fixed fee per manifest
- additional variable per tonne fee

## **Excess Soil Registry fee model:**

- For project area notices:
  - fixed nominal fee for small soil volumes
  - variable per m<sup>3</sup> rates for projects that exceed the threshold for exemption from registration
- For soil reuse site notices:
  - fixed flat fees that increase with site size
- Residential development soil depot notices:
  - fixed flat fee

# Proposed 2025 vs 2024 variable program fee rates

Program	2024 rate per kg	2025 proposed rate \$/kg large producers	\$ Change 2024 – 2025	% Change 2024 – 2025
Tires	\$0.186	\$0.204	\$0.018	9.7%
Batteries and electronics	\$0.037	\$0.033	\$(0.004)	-11%
Lighting	\$0.319	\$0.193	\$(0.126)	-39.6%
HSP – Oil Filters	\$0.074	\$0.071	\$(0.003)	-4.4%
HSP – Oil Containers	\$0.094	\$0.103	\$0.009	9.5%
HSP – Antifreeze	\$0.025	\$0.025	\$0.0	0%
HSP – Paints, coatings, solvents, pesticides, and pressurized containers	\$0.013	\$0.0108	\$(0.002)	-16.6%
Blue Box	\$0.0062	\$0.0076	\$0.001	23.3%
HWP	\$30/tonne	\$30/tonne	\$0	\$0
Excess Soil*	<ul style="list-style-type: none"> <li>• Project area notices: 30% increase</li> <li>• Reuse Site notices: 5% increase</li> </ul>			

\*See slides 28 and 29 for rates and changes for all Excess Soil notice types

**The factors driving rates changes in each program are detailed in the following slides.**

# 2025 tires program fee proposed for consultation

Program	Registrant	Proposed 2025 Fee	2024 Fee	Change
Tires	Producer: 0 to 999 tires supplied	\$95 flat fee	\$90 flat fee	5.6%
	Producer: 1,000+ tires supplied	\$0.204 per tire	\$0.186 per tire	9.7%

- Fee structure is unchanged from 2024
- The number of tires supplied is a rolling average of 2021, 2022 and 2023

# Breakdown of tires program fee rate change

Tires	
Factors affecting fee rate	% change to fee fate
Increase in 2025 program allocation	5.5%
Estimated supply volume decrease	6.2%
Change in surplus applied from previous years	-2.3%
2025 small producer count	0.1%
<b>Total increase in Tires 2025 fee rate</b>	<b>9.7%</b>

# 2025 electronics and batteries program fee proposed for consultation

Program	Registrant	Proposed 2025 fee	2024 fee	Change
Electronics (ITT/AV)	Producer: 6360 Kg or less	\$95 flat fee	\$90	5.6%
	Producer: > 6360 Kg	\$0.033 per Kg	\$0.037 per Kg	-11.1%
Batteries	Producer: 6250 Kg or less	\$95 flat fee	\$90	5%
	Producers: >6250 Kg	\$0.033 per Kg	\$0.037 per Kg	-11.1%

- Fee structure is unchanged from 2024
- The volume of batteries and electronics supplied are rolling averages of 2021, 2022 and 2023, net of the number of kg that the producer is permitted to count toward a reduction in the management requirement under the regulation

# Breakdown of electronics and batteries program fee rate change

<b>Electronics and Batteries</b>	
<b>Factors affecting fee rate</b>	<b>% change to fee rate</b>
Increase in 2025 program allocation	5.6%
Estimated ITT-AV and Batteries supply volume increase	-7.9%
Change in surplus applied from previous years	-9.1%
2025 small producer count	-0.1%
<b>Total decrease in electronics and batteries 2025 fee rate</b>	<b>-11.1%</b>

# 2025 HSP program fees proposed for consultation

HSP material	Registrant	Proposed 2025 fee	2024 fee	Change
Automotive materials – oil filters	Producer: > 10,000 kg	\$0.071 per Kg	\$0.074 per Kg	-4.4%
Automotive materials – oil containers	Producer: > 10,000 kg	\$0.103 per Kg	\$0.094 per Kg	9.5%
Automotive materials – antifreeze	Producer: > 10,000 kg	\$0.025 per Kg	\$0.025 per Kg	0%
Paints and coatings, solvents, pesticides, and pressurized containers	Producer: > 10,000 kg	\$0.0108 per Kg	\$0.013 per Kg	-16.6%
<b>Category C</b> – Mercury-containing barometers, thermometers, thermostats	Producer	\$7,500 flat fee	\$7,500 flat fee	None
<b>Category D</b> – Fertilizers	Producer	\$1,000 flat fee	\$1,000 flat fee	None
<b>Category E</b> – Refillable propane containers	Producer	\$1,000 flat fee	\$1,000 flat fee	None

- The supply data used to calculate the proposed 2025 HSP program fees is the supply reported into the sectors identified for that material type in the 2021 rules for stewards under the Municipal Hazardous or Special Waste (MHSW) program (consistent with the 2024 HSP fees)
- The supply data used to determine the proposed 2025 fee is the average of 2021, 2022 and 2023 kgs supplied
- Fee structure is unchanged from 2024

# Breakdown of HSP fee rate change

HSP – Automotive materials	
Factors affecting fee rate	% change to fee rate
Decrease in 2025 program allocation	-0.3%
Estimated supply volume decrease	1%
Surplus applied from prior year	0%
2025 small producer count	0.1%
<b>Total change in HSP – automotive materials 2024 Fee</b>	<b>1.0%</b>

HSP – Paints and coatings, solvents, pesticides, non-refillable pressurized containers	
Factors affecting fee rate	% change to fee rate
Decrease in 2025 program allocation	-2.5%
Estimated supply volume increase	-11%
Surplus from prior year	0%
2025 small producer count	0.2%
<b>Total change in HSP – paints and coatings, solvents, pesticides, and non-refillable pressurized containers 2025 fee</b>	<b>-13.5%</b>



# 2025 Blue Box program fees proposed for consultation

Program	Registrant	Proposed 2025 Fee	2024 Fee	Change
Blue Box	Producer: 50,000 kg or less	\$95 flat fee	\$90	5.6%
	Producer: > 50,000 kg	\$0.0076 per kg	\$0.0062 per kg	23.3%

- Fee structure is unchanged from 2024
- The producer and volume estimations used to set fees for 2025 will be based on reporting submitted in 2024, consistent with how fees are set according to the Blue Box regulation

# Breakdown of proposed year-over-year Blue Box program fee change

Blue Box	
Factors affecting fee rate	% change in fee rate
Increase in 2025 program allocation	22.1%
Estimated supply volume decrease	7.3%
Change in surplus from prior year	-5.9%
2025 small producer count	-0.5%
<b>Total increase in Blue Box 2025 fee rate</b>	<b>23.3%</b>

# 2025 Lighting program fees proposed for consultation

Material Group	Registrant	Proposed 2025 Fee	2024 Fee	Change
Lighting	Producer: 1166 kg or less	\$95 flat fee	\$90 flat fee	5.6%
	Producer: > 1166 kg	\$0.193 per kg	\$0.319 per kg	-39.6%

- Fee structure is unchanged from 2024
- The volume of lighting supplied is the average of volume supplied in 2021, 2022 & 2023

# Breakdown of proposed year-over-year Lighting fee change

Lighting	
Factors affecting fee rate	% change in fee rate
Increase in 2025 program allocation	1.3%
Supply volume increase	-19.9%
Reduction in deficit recovery from prior year	-20.9%
2025 small producer count	0.0%
<b>Total increase in Lighting 2025 Fee</b>	<b>-39.6%</b>

# 2025 HWP fees proposed for consultation

Description	Proposed 2025 fee	2024 Fee	Change
<b>Hazardous waste</b> *Excludes waste exempted from tonnage fees per the Subject Waste Regulation under the RRCEA	Variable - \$30/tonne	Variable - \$30/tonne	0%
<b>Manifest</b> *Excludes waste exempted from manifest fees as per the Subject Waste regulation under the RRCEA	Flat - \$6	Flat - \$6	0%

- Fee structure is unchanged from 2024
- Program allocation to HWP is reduced compared to 2024, but application of deficit recovery from prior years is resulting in no change to fee rates for 2025

# Breakdown of proposed year-over-year HWP fee change

HWP	
Factors affecting fee rate	% change in fee rate
Increase in 2025 program allocation	2.9%
Supply volume increase	0%
Reduction in deficit recovery from prior year	-2.9%
Manifest fee increase	0%
<b>Total increase in HWP 2025 Fee</b>	<b>0%</b>

# Excess soil fee structure (unchanged from 2024)

- The Excess Soil Regulation requires notices to be filed for the following activities:
  - Movement of excess soil (project area notices)
  - Operation of a soil reuse site (reuse site notices)
  - Operation of a Residential Development Soil Depot (RDSD)
- The fee structure assigns fees to each notice type

## Excess Soil – proposed 2025 project area notice fees vs. 2024

Description	Soil Volume	2024 Fee	2025 fee	% increase over 2024
Very small projects (e.g., a backyard pool)	100-1999 m3	\$90	\$95	5.6%
Small to medium scale projects (e.g., regrading a backyard, building a single home)	2000 < 10,000 m3	\$0.100	\$0.130	30%
Small infill development; linear infrastructure	>10,000 m3 to 50,000	\$0.125	\$0.163	30%
Condo townhome developments, smaller commercial and industrial projects	>50,000 m3 to 100,000 m3	\$0.240	\$0.312	30%
New subdivisions, large-scale industrial and commercial development, subway line)	>100,000 to 500,000 m3	\$0.300	\$0.390	30%
	>500,000 m3*	\$150,000	\$195,000	30%



## Excess soil – proposed reuse site and soil depot notice fees vs. 2024

Notice type/site size	2024 fee (flat)	2025 fee	% increase over 2024
Reuse Site <sup>L</sup> <sub>SEP</sub> (10,000 to 50,000 m3)	\$3,150	\$3,310	5%
Reuse Site <sup>L</sup> <sub>SEP</sub> (50,000 to 1 M m3)	\$12,600	\$13,230	5%
Reuse Site <sup>L</sup> <sub>SEP</sub> (1-5 Million m3)	\$29,400	\$30,870	5%
Reuse Site <sup>L</sup> <sub>SEP</sub> (> 5 Million m3)	\$42,000	\$44,100	5%
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Residential Development Soil Depot	\$1,050	\$1,103	5%

## Breakdown of proposed year over year excess soil fee change

- The program allocation to Excess Soil of direct, shared and indirect costs stayed the same for 2025 compared to 2024
- Despite no increase in the program allocation, the proposed deficit recovery for 2025 plus a decrease in the volume of excess soil predicted to be reported into the registry in 2025 (based on 2024 year-to-date) requires an increase to the proposed fee rate.

# Feedback

- If you have questions about the proposal or would like to discuss it in more detail, email us at [consultations@rpra.ca](mailto:consultations@rpra.ca)
- Register for a webinar by clicking the links below:
  - [Proposed 2025 Program Fees for the Hazardous Waste Program registry](#)
    - Monday, October 7, 10:30 a.m. to 11:30 a.m. EST
  - [Proposed 2025 Program Fees for the Excess Soil registry](#)
    - Wednesday, October 9, 10:00 a.m. to 11:00 a.m. EST
  - [Proposed 2025 Program Fees for Tire producers](#)
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