

RPRA Sets 2018 Blue Box Steward Funding Obligation at \$124.8 Million

Annual funding obligation increase limited to 1%

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The Resource Productivity & Recovery Authority (the Authority) has set the 2018 Blue Box Steward Funding Obligation at \$124.8 million, a 1 % increase from the \$123.6 million obligation set for 2017.

The Blue Box Steward Funding Obligation is the total amount that stewards must pay to municipalities for the Blue Box Program.

In addition to information on costs and amount of materials collected through the Blue Box program obtained through the annual municipal Datacall survey conducted and verified by the Authority, the Authority considered a number of factors in determining the 2018 funding obligation, including:

- Cost Containment to reflect best practices in operating municipal waste diversion programs
- Evolving Tonne to reflect the lightweighting trend in packaging
- InKind Linage to reflect the share of promotion and education through newspapers using InKind linage attributable to the Blue Box program
- Non-Obligated Materials to reflect a portion of the costs to collect materials through the Blue Box program that are not mandated
- Three-Year Rolling Average Revenue to reflect volatile commodity prices
- Prior Year Adjustments to reflect any errors identified by the Authority in verifying and auditing Datacall information

In setting the 2018 steward funding obligation, the Authority used the 2017 methodology with updated inputs on the following basis:

2018 Steward Obligation (2016 Data Year)	
Reported Gross Cost	\$346,999,803
Plus 54% of InKind Linage	\$2,270,723
Less Non-Obligated	(\$95,815)
Less Cost Containment	(\$15,837,860)
Total RPRA Gross Cost	\$333,336,851
Less 3 Year Average Revenue	(\$88,479,060)
Plus 100% of Prior Year Adjustments	\$415,659
Total RPRA Net Costs	\$245,273,450
50% of Net Costs	\$122,636,725
Plus Steward Cost Containment	\$2,207,461
2018 Steward Obligation	\$124,844,186

Stewardship Ontario will use the 2018 steward obligation as a key component to establish its 2018 budget and 2018 fee schedule. This will be provided to stewards prior to Stewardship Ontario's Annual Steward Meeting on October 25, 2017.

The Authority has directed SO to commence paying the 2018 obligation to municipalities on schedule (on or about June 30, 2018). Details on these payments to municipalities are currently being finalized and will be available on the Authority website in the Fall.

About the Authority

The Resource Productivity and Recovery Authority supports the government in maximizing resource recovery and waste reduction to advance a circular economy in Ontario.

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