

Introduction

The Resource Productivity and Recovery Authority is a not-for-profit, non-Crown corporation established by the Government of Ontario to support the province's shift to a circular economy and achieve a waste-free Ontario.

The Authority is mandated to enforce the requirements of the *Waste Diversion Transition Act, 2016* (WDTA) and the *Resource Recovery and Circular Economy Act, 2016* (RRCEA), and their associated regulations.

The RRCEA sets out the new individual producer responsibility framework requiring producers to be responsible for their products and packaging at end of life. The WDTA sets out requirements for the continuation of existing waste diversion programs, and outlines the process for the wind up of those waste diversion programs and their industry funding organizations.

The Authority's responsibilities include developing and operating a registry to effectively monitor producer performance, oversight of waste diversion programs, and compliance of obligated parties under both the WDTA and RRCEA.

As an administrative authority of the Government of Ontario, the Authority does not receive any government funding and is funded through revenues collected from the parties it regulates. The Authority's revenues are derived from two sources:

- Charges to industry funding organizations and industry stewardship organizations for oversight of programs under the WDTA.
- Charges to parties required to register with the Authority under the RRCEA. This covers the cost of operating the Registry and compliance and enforcement activities.

The RRCEA outlines the Authority's power to set and collect fees, costs or other charges related to the performance of its duties and exercises of its powers under the Act. The Authority must consult on proposed fees for at least 45 days and post those fees on its website for at least 30 days before the fee(s) take effect.

In 2018, the Authority consulted and approved its [General Fee Setting Policy](#), [Fee Setting Methodology](#) and the [2018 RRCEA Fees for Tires](#). The fees were applied to the initial registration of producers, PROs and service providers (collectors, haulers, retreaders and processors), which began July 3, 2018.

Proposed 2019 RRCEA Fees for Tires

In its [2019-2021 Business Plan](#), the Authority assumed that tires will be the only material for which obligated parties will be required to register and pay fees under the RRCEA in 2019.

The Authority believes it is prudent to avoid any significant change in the 2019 RRCEA Fees for Tires or the methodology for setting fees as tire producers and service providers are still familiarizing themselves with the new individual producer responsibility model and the costs required to fund the Authority's regulatory role.

In 2018, the Authority budgeted to collect \$1.73 million from tire producers and PROs. The Authority is confident that by the end of 2018, fee collection will meet or exceed the projected amount.

Based on the projected revenue of \$1.73 million and lower than expected RRCEA expenditures in 2018, the Authority is projecting an RRCEA fee surplus of \$550,000 at year end. Using the approved Fee Methodology prior year adjustment rule, the surplus will be applied to the 2019 RRCEA budget as a credit against 2019 fees.

This adjustment will allow the 2019 fees to remain the same as the 2018 fees. For producer responsibility organizations (PROs), the Authority is proposing an administrative change by consolidating the \$5000 registration fee with the Registry licensing fees, currently paid separately, for a total fee of \$7500. For 2019, the Authority is also proposing to maintain the unit-based fee structure.

The chart below shows the proposed 2019 RRCEA Fees for Tires.

Registrant	2018 Fees	2019 Fees
Tire producer 0-999 tires supplied	\$75 flat fee	\$75 flat fee
Tire producer 1,000+ tires supplied	\$0.14 for each tire supplied*	\$0.14 for each tire supplied*
Producer responsibility organization	\$5,000 flat fee plus Registry license fees	\$7,500 flat fee that includes Registry license fees
Tire Service Provider (collectors, haulers, retreaders and processors)	No fee	No fee

*The number of tires supplied is based on a rolling average of three years of data required to be submitted by producers under the Tires Regulation.