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- A Sampling Methodology
- B Methodology Verification

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1.0 Definitions

2.0 Regulatory Definitions

“Category A” means any of the following types of materials:

1. Non-refillable pressurized containers.
2. Oil filters.

“Category B” means any of the following types of materials:

1. Antifreeze.
2. Oil containers.
3. Paints and coatings.
4. Pesticides.
5. Refillable pressurized containers.
6. Solvents.

“Category C” means any of the following types of materials:

1. Barometers.
2. Thermometers.
3. Thermostats.

“Category D” means any of the following types of materials:

1. Fertilizers;

“Category E” means any of the following types of materials:

1. Refillable propane containers;

“hazardous and special product” or “HSP” means any material that is of a type listed in the definitions of Category A, Category B, Category C, Category D or Category E;

“HSP processor” means a person who processes, for the purpose of resource recovery, HSP used by consumers in Ontario;

“Recycling efficiency rate” (RER) means the ratio of the weight of resources recovered from a type of HSP recovered at a facility by an HSP processor to the weight of that type of HSP received at that facility by that HSP processor.

3.0

Additional Definitions and Terminology for the purpose of the Procedure

“downstream processor” is a person or facility that receives recoverable resources that were generated from HSP used and collected in Ontario from an HSP processor for the purpose of further processing. All processing activities are considered in scope of this definition, until the resources can be considered a recovered resource.

“preparing for processing” are activities that are carried out prior to processing HSP, including sorting, cleaning, blending, mixing, and repackaging. A person who only prepares materials for processing would not be considered an HSP processor. The removal of non-designated hazardous content from the designated materials is considered as processing.

“primary processor” is the first person/facility that receives HSP used and collected in Ontario and processes these.

“processing” are activities that alter the characteristics of materials derived from HSP for the purpose of resource recovery. This includes, but is not limited to, distillation of solvents and antifreeze, filtration of antifreeze, creating pellets of oil containers, and crushing metal. Processing includes the removal of non-designated hazardous content from the designated materials.

“recoverable resources” is understood as a resource derived from HSP that is sent downstream to be further processed.

“recovered resource” is understood as a material derived from HSP that will not undergo any further refining, and is used as a new product, or as a material in the manufacturing of a new product.

4.0

Examples of Recoverable and Recovered Resources

Table 1: Examples of Recoverable and Recovered Resources

Examples of Recoverable Resources	Examples of Recovered Resources
	Commercial grade ethylene glycol
Paint that is send for further processing	Paint that is blended into paint sold to end users
Shredded plastics send for further processing	Plastic pellets sent for manufacturing of new products (e.g. garden furniture)

5.0 Calculation of the RER

All HSP processors must determine their RER according to this procedure.

6.0 Methods for Determining the RER

For the determination of the recycling efficiency rate, processors must calculate the RER through **mass balancing** the total weight of materials received and processed during two consecutive quarters of a calendar year in accordance with this procedure. The mass balance calculation must be done annually.

Where a processor cannot determine their RER using through mass balancing, they may instead calculate the RER data generated through a **field test** executed in accordance with this procedure. This could, for example, be the case when a downstream processor does not obtain the information required to attribute process performance to a particular primary processor.

The field test must be completed on an interval that is the lowest of the following:

- a. Once every three years; or
- b. When material changes are made to the recycling process; or
- c. When material changes occur in the feedstock.

For any processor opting to use the field test option, it must be demonstrated in the Field Test Report why the processor was unable to confirm their RER through mass balancing.

7.0 General Calculation Guidance

Using either method, the RER must be calculated for each facility separately. If the processor's facility processes multiple types of HSP, the RER must be calculated separately for each type.

All weights used in the mass balance approach should be based on measurements using calibrated scales. Scales must be calibrated in accordance with the National Institute of Standards and Technology (NIST) calibration standards.

This procedure recognizes that some HSP that is not designated may be identical in its material composition to designated HSP, and therefore including it in the RER calculation does not impact the RER outcome. Therefore, for the purposes of determining the RER, a processor may include the weight of HSP received and recovered that is not designated under the Regulation if their composition is identical to the designated HSP. For example, if a load of HSP received from a source outside Ontario is identical in composition to typical loads received from an Ontario source, the weight can be included in the RER calculation.

If non-designated materials (NDM) are not identical in composition to designated HSP, their weight must be removed from the total weight received and recovered and be excluded from the RER calculation.

It is important to remember that non-designated materials cannot be included in producer performance management reporting to the Authority.

8.0

Recycling Efficiency Rate (RER) Calculation Formula for Mass Balance

The RER is to be calculated in accordance with the following formula:

$$(R / (TW+AM)) \times 100\%$$

More guidance on the inputs to this calculation will be provided in the “Determination of the weight of HSP received for processing (TW)” and “Determination of the weight of recovered resources (R)” sections of this procedure.

For the mass balancing approach for oil filters:

R: the weight of the recovered resources derived from all oil filters received by the processor at a facility in the timeframe specified in this procedure, net the weight of oil which is captured, recaptured, extracted, collected or diverted during processing.

TW: the total weight of all oil filters received by the processor at that facility in the timeframe specified in this procedure, net the weight of oil which is captured, recaptured, extracted, collected or diverted during processing.

AM: the weight of any materials added during processing.

For the mass balancing approach for all other types of HSP (excluding oil filters):

R: the weight of the recovered resources derived from all HSP received by the processor in the timeframe specified in this procedure.

TW: the total weight of all HSP received by the processor in the timeframe specified in this procedure.

AM: the weight of any materials added during processing.

For the field test approach for oil filters:

R: the weight of the recovered resources derived from all oil filters run through the field test, net the weight of oil which is captured, recaptured, extracted, collected or diverted during processing.

TW: the total weight of all oil filters run through the field test, net the weight of oil which is captured, recaptured, extracted, collected or diverted during processing.

AM: the weight of any materials added during processing.

For the field test approach for all other types of HSP (excluding oil filters):

R: the weight of the recovered resources derived from all HSP run through the field test.

TW: the total weight of all HSP run through the field test.

AM: the weight of any materials added during processing.

A Mass Balance Template has been developed to be used in parallel with those using the mass balance approach. The template allows processors to conduct a mass balance of all materials that are received, stored, and shipped from their facility in a year to facilitate the calculation of their RER. This calculation is completed at Step 5 of the Mass Balance Template.

9.0

Determination of the Weight of HSP Received For Processing (TW)

The determination of the weight of HSP received for processing (TW) difference between the mass balancing and field test approach.

10.0

Mass Balance Approach

The total weight of HSP received (TW) is considered the total of the weight of HSP sent for processing following the sorting process (see **Figure 1**).

5.0 Calculation of the RER 5

The items for the determination of the weight of HSP received for processing are included in the Mass Balance Template at Steps 1, 2 and 3.

11.0

Timeframe

The total weight must be determined for HSP received during a specified timeframe of two subsequent quarters and processed within three (3) months after the end of the specified timeframe.

12.0

Calculation guidance

If this weight is not measured by itself, using a calibrated scale, the weight is to be derived using the following formula:

$$\mathbf{TW = Total\ weight\ of\ received\ and\ processed\ HSP = WI - NDM - Hx - Hnp - Hru - Hf}$$

Where,

TW: Total weight of HSP received for processing during the specified timeframe

WI: Weight of all inbound materials (including opening inventory, as well as materials received from haulers)

NDM: Material not designated under the Regulation (oil, other automotive fluids, garbage, etc.)

Hx: HSP sent for processing at another facility

Hnp: HSP received but not processed within the specified timeframe +3 months. This is the closing inventory of HSP.

Hru: HSP sent for reuse

Hf: HSP sent for refurbishing

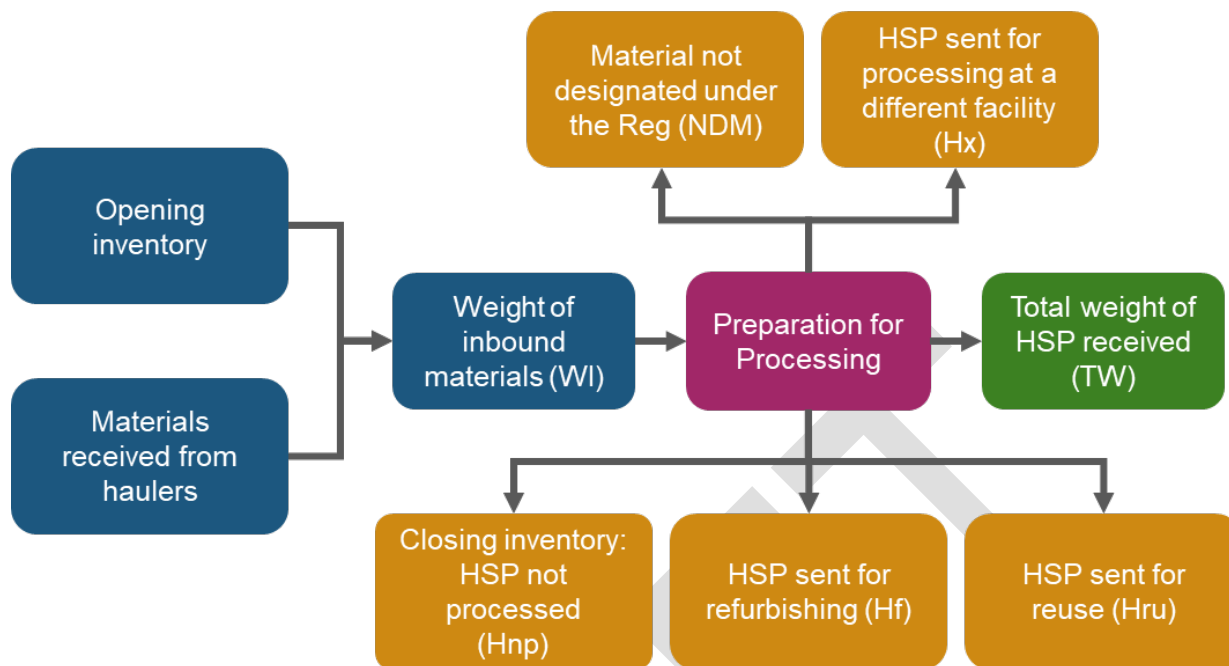


Figure 1: Process Flow Diagram for the Mass Balance Preparation for Processing Stage

13.0

Field Test Approach

When using the field test method, the total weight (TW) used to calculate the RER will be the weight of the feedstock used to run the field test. The total weight must only include HSP that are designated under the Regulation, or derived from HSP that are designated under the Regulation. Any non-designated materials must be excluded from the field test, except where they are identical in composition to designated materials as explained in the “General Calculation Guidance” section.

See also the guidance on the feedstock composition in the “Field Test Plan” section of this procedure.

14.0

Determination of the Weight of Recovered Resources (R)

The determination of the weight of recovered resources is the same when using either the mass balance or field test approach.

Resources can be considered recovered when:

- They are sold for a particular use or for the manufacturing of a product or material; and
- They undergo no further refining.

Figure 2 illustrates the processing stage, with TW as the input. If using the mass balance approach, the items for the determination of the weight of recovered resources are included in the Mass Balance Template at Step 4.

5.0 Calculation of the RER 7

In case any added materials (AMs) are used in the process and are incorporated into, and thus accounted for, in the outbound recoverable or recovered resources, their weight must be included in the calculation of the total weight (TW). Such materials may include reactants and additives. Any materials added to the process, that do not become part of outbound recoverable or recovered resources, such as water used to control the temperature of the process, must not be included in the total weight nor in the recovered resources and shall remain excluded from the RER calculation.

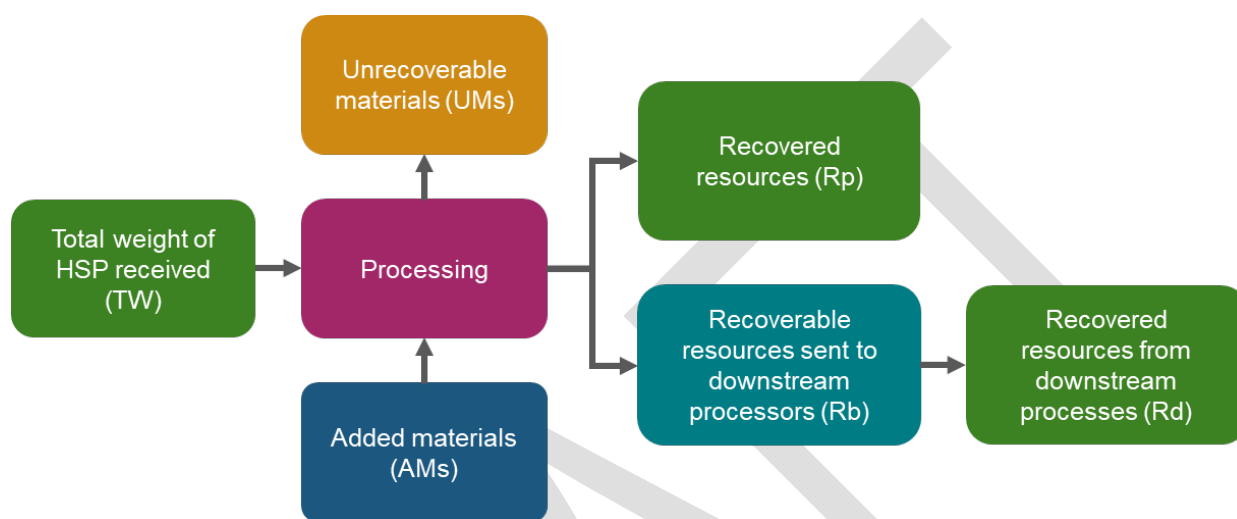


Figure 2: Process Flow Diagram for the Processing Stage.

Resources can be recovered by the HSP processor, or by a downstream processor. The total weight of recovered resources (R) is to be calculated as the total weight of resources recovered by the HSP processor (Rp), in addition to the total weight of recoverable (Rb) outbound materials multiplied by their respective downstream RER.

Resources can be considered recoverable (Rb) when sent to a downstream processing facility that further processes the material, with the purpose of generating recovered resources.

Unrecoverable materials (UMs) are products from HSP that are not recovered or recoverable resources, and are landfilled, incinerated, used as fuel or fuel supplement, or deposited on land. It may also include process losses. While UMs are not directly used to calculate the recovered resources, they must be accounted for in the mass balance, see step 5 of the mass balance template.

Recovered, recoverable and unrecoverable materials must be summed in groups corresponding to their next processing/disposal destination.

The calculation of R is as follows:

$$R = R_p + R_{d1} + R_{d2} + R_{d3} + R_{d4}$$

Where,

R: Total weight of recovered resources

R_p: weight of recovered resources from the HSP processor

R_{di} (i=1,2,3,4,...): Weight of recovered resources per downstream processor

5.0 Calculation of the RER 8

For the purpose of this procedure,

$$\mathbf{Rdi} = \mathbf{Rbi} \times \mathbf{RERdsi} \quad (i=1,2,3,4,\dots)$$

Where,

Rbi (i=1,2,3,4,...): Weight of recoverable resources sent to the downstream processor

RERdsi (i=1,2,3,4,...): The RER of the downstream processor

For a material to be considered a recovered or recoverable resource, the processor must be able to demonstrate a basis for the allocation of that material into one of these categories. For example: a material that is classified as a recovered resource must be accompanied by proof of sale demonstrating it was provided to a manufacturer of new products, where a recoverable resource would be accompanied by proof of sale or transfer to a downstream processor.

Outbound materials may include:

- Recovered resources (Rp)
 - Resources that undergo no further refining, which may include:
 - Plastic
 - Paints and Solvents
 - Aluminum
 - Magnetic (steel)
 - Brass
- Recoverable resources (Rb)
 - Resources that undergo refining, which may include:
 - Aluminum
 - Magnetic (steel)
 - Mixed metals
 - Brass
 - Ethylene Glycol
 - Paints and Solvents
 - Plastic
- Unrecoverable materials (UMs)
 - Unaccounted losses
 - Materials sent to landfill (including dust)
 - Materials that are land disposed
 - Material sent for energy recovery (incineration, fuel or fuel supplement)
 - For oil filters: any oil residue contained in the used oil filter and any oil which is captured, recaptured, extracted, collected or diverted during processing.

15.0

Determination of the Downstream RER Factor

The downstream RER (RERds) factor is to be determined by each downstream processor using the mass balance approach or field test approach as laid out in this procedure. Where a downstream processor sends materials to a further downstream processor, this section must also be followed for determining the RER of the further downstream processor. All processing activities are considered in scope of this definition, until the resources can be considered a recovered resource.

5.0 Calculation of the RER 9

The downstream processor is to provide a letter, including:

- A statement of:
 - The RER of the facility to which the materials from the processor were sent;
 - A list of products or materials that were targeted for recovery; and
 - A statement of the average yield per targeted material.
- A signature of the site manager or equivalent.

A processor who is unable to obtain the RER of a downstream processor must contact RPRA for guidance.

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16.0 Verification of the RER

The verification of the RER differs between the mass balance and the field test approach. For the mass balance approach, the verification will be done after the mass balance calculation has been completed, whereas, for the field test approach, the verification will take place ahead of the running of the field test during the development of the field test plan. Given this, the mass balance approach has a verifier, while the field test approach has a Field Test Verifier.

17.0 General Guidance for the Verification of RER

18.0 Verifier/Field Test Verifier Credentials

The verifier/Field Test Verifier may be either a first party or third-party. The verifier must have the following competencies:

- If the facility is located in Canada, the verifier/Field Test Verifier must be a licensed engineering practitioner who holds a license, limited license or temporary license under the Professional Engineers Act or equivalent in other Canadian provinces;
- If the facility is located outside of Canada, the verifier/Field Test Verifier must be an engineer having at least:
 - An M.Eng. or M.Sc. degree in a relevant engineering discipline with three years of demonstrated engineering experience in an operational setting; or
 - A B.Eng. or B.Sc. degree in a relevant engineering discipline with five years of demonstrated engineering experience in an operational setting; or
 - A verification certification from an accredited body relating to national or international environmental standards; and
- The verifier/Field Test Verifier must have physically toured the facility that is being assessed, and possesses technical expertise and ability to assess the following:
 - The processes within the boundary of the RER, the modeling approach and assumptions, as well as the magnitude of potential errors, omissions, and misrepresentations; and
 - Internal information systems for gathering and reporting data, including quality control procedures.

When using the mass balance approach, the verifier cannot be the same person that initially calculated the RER.

19.0

Material Error Thresholds

Material errors may be qualitative and quantitative in nature.

From a quantitative perspective, an error is considered to be materially misleading if its value exceeds 5% of the total weight processed (TW).

Qualitative materiality refers to intangible issues that affect the RER statement. Examples include:

- control issues that erode the verifier's confidence in the reported data;
- difficulty in locating requested information; and
- non-compliance with regulations indirectly related to RER.

20.0

Record Keeping

All data informing the field test design, including relevant information on inbound and outbound loads over the prior year, must be kept for a period of five (5) years.

21.0

Verification of the Mass Balance Calculation

22.0

Objectives

The verifier and client shall agree on the verification/validation objectives at the beginning of the verification engagement. Verification objectives shall include reaching a conclusion about the accuracy of the RER and the conformity of the RER with the criteria set out in the calculation guidance in this procedure.

At the conclusion of the verification process, the verifier must be able to confirm that no material errors were found in the determination of the reported RER. If material errors are found, the RER cannot be relied upon by the processor and must be corrected. The verifier must consider the materiality thresholds as detailed below when determining if any material errors exist.

23.0

Scope

The verifier and client shall agree on the verification/validation scope at the beginning of the verification process. The scope, as a minimum, shall include the following details:

- facilities and processes;
- HSP type(s); and
- time period.

24.0

Verification Execution Procedure

The verification process shall involve:

1. Assessing the completeness, consistency, and accuracy of the data/information provided, as well as the reliability and credibility of data sources.
2. Where multiple methodological choices, equations, or parameters are available to the user, determining whether adequate justification for the selected choice has been provided.

3. Checking whether all the assumptions and data used are clearly disclosed along with references and sources as well as whether justifications are provided (where required) that are reasonable and supported by evidence.
4. Identifying issues that require further elaboration, research, or analysis.

25.0

Step A: Data and Calculation Verification

The following has to be obtained and verified:

1. The weight of all inbound materials:
 - a. Obtain a list of all incoming loads that make up the total weight of HSP received (WI);
 - b. Verify the total weight of HSP received (WI) by recalculating the sum;
 - c. Select a sample of inbound shipments in accordance with the sampling procedure in **Appendix A**;
 - d. Verify the weight of each sample through comparison with bill of ladings or manifests;
2. The weight of materials to exclude from the total inbound weight, being: material not designated under the Regulation (packaging, garbage, etc.);
 - a. Obtain one or multiple lists of statements of weights of material not designated under the Regulation;
 - b. Verify the inputs.
 - i. If these are estimated, for example through a composition study or tracking system assessment, assess the methodology to determine the inputs in accordance with **Appendix B**;
 - ii. If they are measured, verify the calibration log of the scale;
 - c. Verify the total weight of material not designated under the Regulation by recalculating the sum;
 - d. If non-designated materials were deemed to be identical in composition to designated materials and included in the mass balance for RER, verify that non-designated materials are identical;
3. The weight of all outbound materials
 - a. Obtain a list of all outbound loads that make up the total weight of materials shipped to a third party, including materials sent for disposal, for reuse, and for (further) treatment by other (downstream) processors;
 - b. Verify the total weight of outbound loads by recalculating the sum;
 - c. Select a sample of outbound shipments in accordance with the sampling procedure in **Appendix A**;
 - d. Verify the following data points through comparison with bill of ladings or manifests, focusing on:
 - i. Weight of each sample;
 - ii. Categorization in the dataset (recoverable or unrecoverable materials). In case of hazardous waste, the categorization must align with mentioned disposal code;
 - iii. Destination (business legitimacy and management type, for hazardous materials ensure the destination is licensed to receive those materials);
4. The weight of unprocessed HSP:

- a. Obtain a statement of the weight of materials received but not processed within the specified timeframe +3 months after the type of HSP is collected by the producer;
 - b. Verify the source of the inputs:
 - i. If these are derived, assess the methodology to determine the inputs;
 - ii. If they are measured, verify the calibration log of the scale;
 - c. Verify the total weight of unprocessed HSP by recalculating the sum
5. The weight of recoverable materials (Rb)
- a. From the list of outbound materials:
 - i. Verify the categorization of materials;
 - ii. Recalculate the sum per recoverable material type;
 - b. Verify composition audit data to confirm the relative amounts of potential recovered materials generated;
6. The downstream RER:
- a. Verify the statement and signature corresponds with requirements;
 - b. Verify the downstream RER used with the RER stated by the downstream processor;
7. The mass balance:
- a. Verify that the weight of all inbound materials equals the weight of all outbound materials minus the weight of unprocessed HSP; and
8. Recalculate the RER.

26.0

Step B: Evaluation and conclusion

The verifier shall evaluate the RER statement, considering:

- sufficiency and appropriateness of evidence;
- material misstatements;
- conformity with the calculation guidance requirements; and
- changes compared to prior reporting periods.

27.0

Step C: Verification Reporting

The verifier shall develop a verification report, that is no more than 5,000 words in length. The report must contain the following sections:

1. A description of the verifier and their competencies related to the required credentials described in this procedure;
2. Verifier and competence;
3. Scope of verification;
4. Sampling methodology;
5. Assessment of data management systems and controls;
6. Summary of verified RER calculation inputs and outputs using the International System of Units (SI units);
7. Summary of assumptions or other data considerations:
 - a. Including a description of any estimation methodologies used;
8. Summary of errors meeting the materiality threshold and recommended corrective action;
9. Verification Statement:
 - a. Statement of the RER and other key findings from the verifier

10. Review declaration:

- a. Statement of acknowledgement by the site manager.

28.0

Verification of the Field Test Approach

29.0

Field Test Verifier

Given the nature of the field test, where the preparation and planning for the field test determine the reliability of the derived data, the field test must be overseen by a Field Test Verifier who will also be responsible for verifying the accuracy of the RER. The Field Test Verifier must meet the requirements set out in the “Verifier/Field Test Verifier Credentials” section.

The Field Test Verifier is expected to develop a Field Test Plan that will ensure that an RER can be determined for the processor and that is free from material errors as set out in the “Material Error Thresholds” section.

30.0

Field Test Plan

All field tests must be initiated with a Field Test Plan which includes the test run design considerations including:

- The feedstock composition:
 - The feedstock must have a composition representative of an average sample of obligated materials collected from consumers in Ontario in one year:
 - If the average material composition is identical regardless of the source then for the purpose of the field test the feedstock may include materials sourced from outside Ontario. If the average material composition is not identical, then the feedstock must be Ontario materials only;
 - If a methodology is used for deriving the feedstock composition, it must be verified in accordance with **Appendix B** by the Field Test Verifier;
- Operational settings that are representative of normal operating conditions considered based on average daily capacity;
- A batch size and test duration that allows for the test results to be representative of normal operating conditions; and
- A data collection approach.

The Field Test Verifier and Facility Manager must sign off on the Field Test Plan.

31.0

Field Test Verification Report

All processors relying on the field test method must prepare a Field Test Verification Report. The Field Test Verification Report must include the following:

- An explanation for why the processors cannot verify their RER using the mass balance method;
- A description of the Field Test Verifier and their competencies as related to the required credentials described in the procedure;
- A description of the field test process, including a statement of the feedstock and products targeted in the design of the process, and including:

16.0 Verification of the RER 15

- An explanation of how the feedstock composition was determined to be representative of a typical load for the prior year;
- An explanation of how the operational settings, and the resulting products that are the recovered and recoverable resources, are representative of normal operating conditions in the prior year;
- A summary the RER calculation inputs and outputs generated through the field test outputs using the International System of Units (SI units);
- The Field Test Plan as an appendix;
- A verification statement of the Field Test Verifier, confirming the RER of the processor and the accuracy of the data submitted in the report; and
- A review declaration from the facility/site manager.

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Appendix A

Sampling Methodology

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When sampling inbound and outbound loads, samples equivalent to at least 50% of the total weight inbound/outbound from that facility must be reviewed. Samples must also be taken for each of the inbound source types, outbound material types and outbound destinations. This may mean that more than 50% by weight of the loads will need to be verified.

This sample size is considered a recommended sample size. The sample size may be reduced at the discretion of the verifier.

The following risk elements should be considered by the verifier:

- Weight audits undertaken by other competent third parties, demonstrated through:
 - Audit report(s); or
 - Certification(s).

The verifier should ensure that the scope of such audits overlap with relevant parts of the verification execution scope, and the risk adjustment should only apply to the previously audited inputs.

Appendix B

Methodology Verification

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These factors should be considered when a processor relied on a methodology, such as a composition study, an allocation method or a tracking system.

In assessing the reasonableness of the methodology, the verifier or Field Test Verifier shall consider the following factors:

1. The methodology is appropriate for the process being considered and is based in an understanding of the actual material flow of the facility;
2. The methodology should be reflective of the feedstock average composition and variation and total quantities received and processed;
3. Whether the inputs into the methodology were generated in the timeframe for which the RER is being calculated; and
4. The methodology has been updated to reflect relevant process changes, if any.

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