

General Fee Setting Policy

Consultations

October 4 & 5, 2017



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Purpose

- Engage stakeholders in the development of the Authority's General Fee Setting Policy
 - [General Fee Setting Policy Backgrounder](#) (August 2017)
- Today's focus is on the general approach to structuring and setting RRCEA fees
 - not about WDTA charges
 - not about specific categories, timelines and fee amounts
- Future consultations on specific fee amounts starting with used tires will be held once the Ministry posts the Used Tires Regulation

Principles for Consultation

- **Inclusiveness and Openness** – Engage broadly with stakeholders, provide clear information, and make the process accessible, comprehensible and responsive
- **Timeliness** – Engage stakeholders early before decisions are made and provide regular opportunities to engage
- **Accessible and Cost Effective** – Consider a variety of tools and methods to gather feedback that promote efficient and cost-effective consultations
- **Balance** - Provide opportunities for diverse perspectives and opinions to be heard and considered
- **Transparent** – Record feedback, report back summary to stakeholders and synthesize feedback into programs and policies as appropriate
- **Evaluation** – Demonstrate the impact of public consultations on program delivery and policy development

Background

Administrative Authority (AA) Model

- Established model for implementing arms-length regulatory programs
- Established through provincial legislation
 - With delegated responsibility to ensure legislation and its regulations are enforced
 - Government oversees AAs through various Ministries
 - Self-financing through fees levied on the regulated parties
 - Not-for-profit
 - Non-crown

Policy Framework

- Provincial government's *Strategy for a Waste-Free Ontario – Building the Circular Economy* sets out
 - Objectives
 - Enhance provincial direction and oversight
 - Enable efficient and effective recovery systems
 - Increase waste reduction, improve resource productivity
 - Create conditions for sustainable end-markets
 - Targets
 - 30% diversion by 2020
 - 50% diversion by 2030
 - 80% diversion by 2050



Legislative Context

- *Resource Recovery and Circular Economy Act, 2016*
 - Resource Productivity and Recovery Authority came into effect
 - Non-Crown body with new objects, powers, compliance and enforcement tools, enhanced oversight and accountability
 - Establishes new regime where producers are
 - Accountable for their products and packaging, recovering resources and reducing waste as set out in regulations throughout the life of product
- *Waste Diversion Transition Act, 2016*
 - Sets out provisions to continue existing diversion programs until wind-up as directed by the Minister
 - Sets out provisions for winding up the existing programs and IFOs

Legislative Context

Under RRCEA producers will be responsible for the following:

- Registration with the Authority
- Waste reduction
- Collection of waste
- Management of waste
- Promotion and education
- Reporting to the Authority
- Record keeping and auditing

Authority's Mission and Vision

Mission: To promote and enforce accountability for the reduction and management of packaging and products

Vision: A waste-free Ontario where all resources are reused and recycled

Authority's Mandate

- Operate a registry to:
 - Register parties obligated by RRCEA regulations
 - Receive information from obligated parties as set out in regulation
 - Use the information to:
 - Support compliance and enforcement activities
 - Report on progress toward a circular economy
 - Support government to develop evidenced-based policies

Authority's Mandate

- Oversight and approvals under the WDTA
 - Oversee operation of programs until wind up
 - Approve wind up plans developed by IFOs and oversee implementation

Authority's Mandate

- Compliance of IFOs and stewards under WDTA
- Compliance of obligated parties (producers and service providers) with resource recovery and waste reduction requirements set out in RRCEA regulations

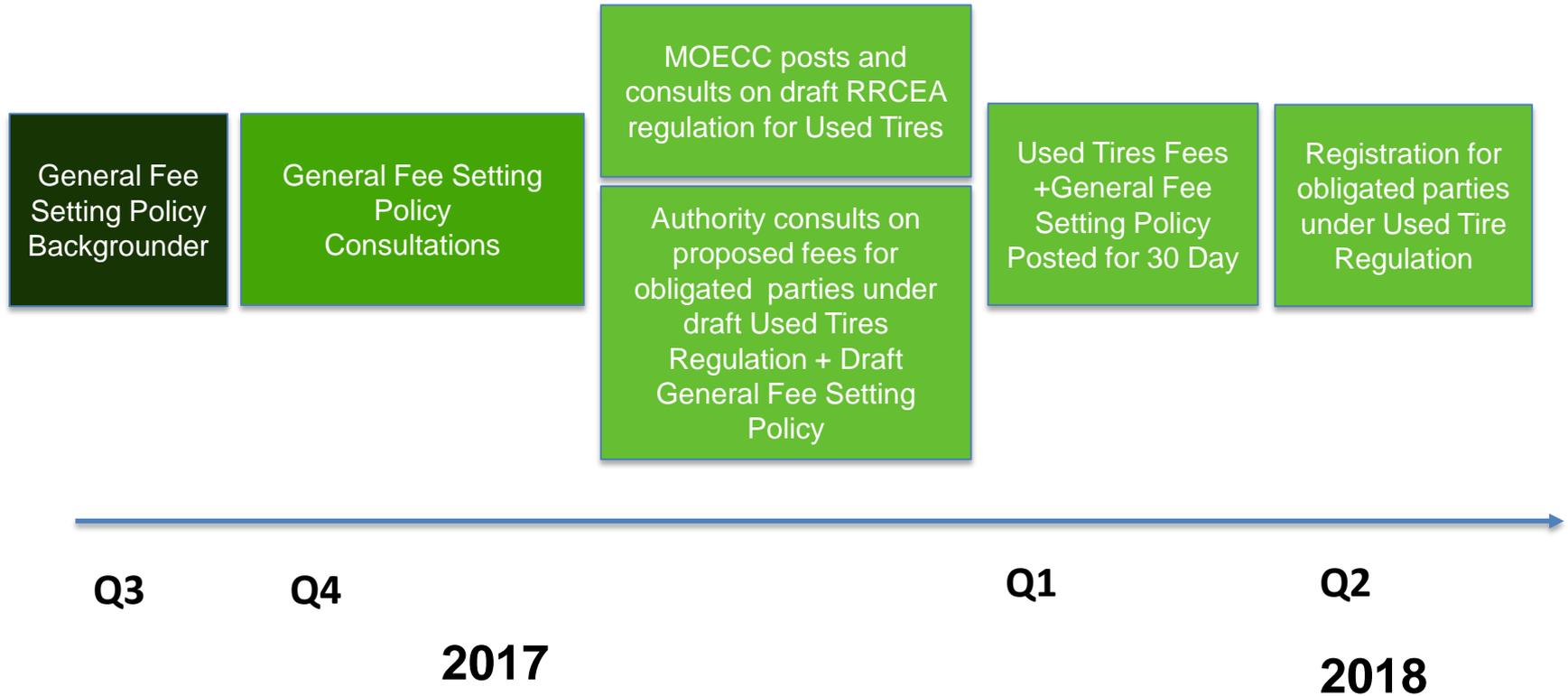
Questions

General Fee Setting Policy

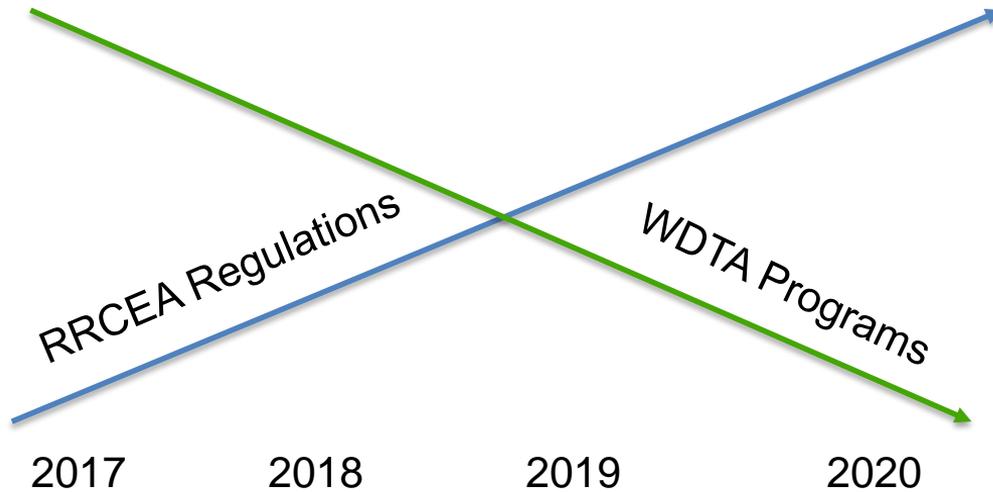
General Fee Setting Policy Consultation

- Authority is not funded by government
- Authority may set and collect fees, costs or other charges to recover costs to exercise its mandate
 - Under WDTA: by recovering costs from industry funding organizations (IFOs) and industry stewardship organizations (ISOs)
 - Under RRCEA by charging fees to obligated parties
- Authority is required to consult on fees

Consultation Steps and Timeline



RPRA Costs



As programs regulated under the WDTA are wound up, costs will be allocated incrementally to the RRCEA

RPRA start up costs will be amortized to spread costs equitably across parties obligated under the WDTA and RRCEA

Consultation Topics

- Objectives and principles
- General fee categories
- Fee review process
 - Frequency of fee review
 - Frequency of General Fee Setting Policy review

General Fee Setting Policy

Proposed Objectives & Principles

- Transparent fee setting process
- Cost-recovery for Authority
- Fee predictability for regulated parties
- Minimal administrative burden in fee calculation and collection
- Equity considerations
- No cross subsidization

Objectives and Principles

1. Are the proposed objectives and principles clear?
2. Do you support the proposed objectives and principles?
3. Should any of the proposed objectives or principles be set aside?
4. Are there additional objectives or principles that should be considered?

General Fee Categories

RPRA reviewed fee categories used by other regulators in Ontario, which included:

- Initial registration
- Annual registration
- Audit
- Inspection
- Late fees

General Fee Categories

1. Do the proposed fee categories reflect the types of fees RPRA should charge?
2. Are there other fee categories RPRA should consider?
3. Should any of the proposed fee categories be set aside?
4. Should RPRA consider variable fees (e.g. materials, company size, etc.)?
5. Should fees be payable in installments?

Fee Review Process

- Seeking a balance between
 - Frequency of fee adjustments
 - Providing predictability for regulated parties
- Seeking stakeholder suggestions on an appropriate criteria to review the General Fee Setting Policy

Fee Review Process

1. How often should fees be reviewed and set?
 - Annually?
 - Every 2 or 3 years?
2. How often should the General Fee Setting Policy be reviewed?
 - Every 2 or 3 years?
 - When new materials are designated?

Questions

Next Steps

- Comments during these webinars will be summarized and posted at www.rpra.ca
- Comments can also be provided by email to consultation@rpra.ca by October 18, 2017
 - Please note ‘General Fee Setting Policy Consultations’ in the subject heading
- Additional consultations on the General Fee Setting Policy will be held
- Consultations on proposed fees for parties obligated by an RRCEA regulation for Used Tires will take place following release of the MOECC’s draft regulation

Future Consultations

- Stay tuned for other consultations including:
 - Ontario Tire Stewardship Wind-Up Plan
 - Administrative Penalty (AP) Policy
 - Future program and IFO wind-ups as per Minister's direction
- Subscribe to the RPRA mailing list for regular updates at www.rpra.ca