

April 11, 2018

E. Patrick Shea  
Administrator  
Ontario Tire Stewardship  
300 The East Mall, Suite 100  
Toronto, ON  
M9B 6B7

**Re: Wind Up Plan for the Used Tires Program and Ontario Tire Stewardship**

Dear Mr. Shea:

As directed by the Minister of the Environment and Climate Change (the Minister), Ontario Tire Stewardship (OTS) submitted a wind up plan for the Used Tires Program and OTS (the Wind Up Plan) to Resource Productivity and Recovery Authority (the Authority) on November 30, 2017.

On December 21, 2017, the Authority posted the Wind Up Plan and consulted with representatives of municipalities, representatives of stewards and other affected stakeholders until March 1, 2018. The Authority also conducted an assessment of the Wind Up Plan to ensure it was consistent with the Minister's direction and in accordance with the *Waste Diversion Transition Act (WDTA)* and its regulations.

I am pleased to inform you that on March 22, 2018, the Authority's Board approved the Wind Up Plan including the Rules for Stewards with Respect to Payment of Tire Stewardship Fees dated March 22, 2018 with the following conditions:

1. The OTS Wind Up Plan, including the final fee elimination date, shall be updated by OTS as directed by the Authority as required to address operational issues, such as disruption to the management of tires, and implementation issues.
2. The OTS Wind Up Plan shall be updated by OTS as directed by the Authority as information becomes available, including but not limited to:
  - The audited 2017 and 2018 financial statements, when available;
  - New financial information (e.g., Canada Revenue Agency ruling on Harmonized Sales Tax, change to budgets or actuals, cash flows);
  - The final detailed method for final reconciliation including recovery of the outstanding Off-the-Road tire deficit; and
  - The amount and management of any unanticipated liabilities.

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3. OTS shall communicate any updates, including the final fee elimination date, to representatives of municipalities, representatives of stewards and other affected stakeholders in a manner that is satisfactory to the Authority.
  4. OTS shall make the TreadMarks IT system available to any party as directed by the Authority.
  5. OTS shall transfer all of the data that is in OTS' custody and control to the Authority, as directed by the Authority or Registrar.

Based on the information currently available, the Tire Stewardship Fee for passenger and light truck tires can be eliminated on October 1, 2018. This date may be adjusted, as part of the updates referenced in conditions # 1 and # 2 above.

In accordance with the *WDTA*, this approval will be published on the Authority's Registry. A report describing the consultation process and summarizing stakeholder comments received will also be posted on the Authority's Registry.

OTS may communicate the Authority's decision to approve the Wind Up Plan with conditions only after the Authority publishes its decision. The Authority will work with OTS to develop a co-ordinated communications strategy including the date on which OTS may communicate the Authority's approval with conditions to stakeholders.

Finally, on behalf of the Authority, I would like to express my appreciation for your leadership and the diligence and cooperation of OTS staff in reaching this critical milestone. There is, of course, much work to be done in the months ahead, and the collaborative approach established between OTS and the Authority will be key to successfully implementing the Wind Up Plan.

Sincerely,



Glenda Gies  
Chair, Resource Productivity and Recovery Authority