



Office of the Minister

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February 17, 2017

Mr. Glenn Maidment
Chair
Ontario Tire Stewardship
300 The East Mall, Suite 100
Toronto ON M9B 6B7

Dear Mr. Maidment:

Pursuant to section 14 of the *Waste Diversion Transition Act, 2016*, I am directing Ontario Tire Stewardship (OTS) to wind up the waste diversion program for Used Tires in full. OTS must develop a plan to wind up the waste diversion program for Used Tires and submit it to the Resource Productivity and Recovery Authority (the Authority) no later than October 31, 2017.

As part of the plan, I am also directing OTS to wind itself up once the waste diversion program for Used Tires has ceased operation. To that end, I am also considering prescribing provisions of the *Corporations Act*, including Part VI (Winding Up), that will apply to OTS.

The development of the plan for winding up the waste diversion program for Used Tires and for OTS must be done in accordance with this direction and in accordance with the provisions of the *Waste Diversion Transition Act, 2016* and its regulations.

It is in the public interest that the plan is consistent with the following principles:

- The public, the Authority and affected stakeholders, including stewards, municipalities and service providers (e.g., collectors, haulers, processors, recycled product manufacturers), receive transparent and clear communications from OTS on a regular basis during development and implementation of the wind up plan.
- The plan shall not adversely affect Ontario's marketplace for used tires, by resulting in unfair or preferential treatment of the public or affected stakeholders, or by resulting in activities that would pose barriers to competition.
- The sharing of data and information to parties other than the Authority must be done in a fair, open and transparent manner that does not result in preferential treatment of one person over another.
- The assets, liabilities, rights and obligations of OTS are dealt with in a fair, open and transparent process in accordance with applicable law, and assets are disposed of for fair market value.

- Data and information that is in OTS' custody or control shall not be for sale.
- The monies held in trust by OTS are treated appropriately in accordance with the *Waste Diversion Transition Act, 2016* and its regulations.
- There is no disruption in the operation of the waste diversion program for Used Tires, including collection, transportation, processing and recycled product manufacturing, while the program is operating.
- Current program targets or performance, whichever is higher, must be maintained or exceeded until the program ceases operation.
- Affected stakeholders should be consulted and have opportunities for meaningful engagement during the development and implementation of the wind up plan.

OTS is directed to develop a plan to wind up the waste diversion program for Used Tires and for winding itself up that includes the following:

- A description of the designated waste that will no longer be included in the program.
- A description of how the program will be operated while the plan is being implemented and until the program has ceased operation.
- A proposed timeline according to which key aspects of the plan will be implemented.
- A description of and a proposal for dealing with the assets, liabilities, rights and obligations of OTS, which includes, in relation to the waste diversion program for Used Tires:
 - Any program surpluses and deficits;
 - All monies held in trust by OTS pursuant to s.35 of the *Waste Diversion Transition Act, 2016*;
 - Any other assets of OTS, including, and without limitation, any intellectual property, physical assets, real property;
 - Any liabilities incurred by OTS during the development and implementation of the waste diversion program; and,
 - A detailed account of anticipated costs to operate and wind up both the waste diversion program for Used Tires and OTS, and a detailed account of how OTS will finance these costs.
- A description of all data and information that is within OTS' custody or control and that relates to the operation of the waste diversion program for Used Tires since the Minister's program request letter (August 14, 2008), and a proposal for transferring that data and information to the Authority, including:
 - The process for transferring the data and information to the Authority;

- The data and information that is to be transferred to the Authority shall include, but is not limited to:
 - A list of all registered stewards, including their business address and business contact information; the nature of the steward's designation under the *Waste Diversion Transition Act, 2016* (e.g., whether designated because the steward is an original equipment manufacturer, a brand holder, a first importer, or other person with a commercial connection to tires, or used tires); the classes of tires for which the steward is designated; the number of tires in each class supplied by the steward into the Ontario marketplace;
 - Data and information relating to the collection and management of used tires, including a list of used tire collectors, haulers, processors and recycled product manufacturers, their business address, business contact information and past program performance data and information; and
 - Other data and information requested by the Authority.
- A proposal for identifying confidential or personal data and information and indicating how such data and information will be supplied in confidence when transferring it to the Authority, which will assist the Authority in determining its treatment of such data and information based on applicable law and policies.
- A description of changes to the program that are anticipated to be necessary to implement the wind up plan.

I am further directing that the plan wind up the waste diversion program for Used Tires and OTS include the following:

- A detailed report of OTS' communications with affected stakeholders and the public during the development of the wind up plan.
- A detailed proposal for a communications plan for all affected stakeholders and the public during the implementation of the wind up plan, if approved. The proposed communications plan must set out the process by which OTS will provide information to affected stakeholders and the public on a regular basis. The plan must include a description of the key steps that will be taken by OTS to wind up the waste diversion program and OTS, and how affected stakeholders and the public will be affected by the wind up.
- A detailed report outlining how OTS has met the consultation requirements of ss.14(13) of the *Waste Diversion Transition Act, 2016* during the development of the wind up plan and including:
 - A list of the stewards, municipalities, service providers and other affected stakeholders that were consulted during the development of the plan;
 - A summary of the comments received by OTS from affected stakeholders; and,
 - A report of how the comments were considered by OTS in the development of the wind up plan.

The implementation of the wind up plan shall begin on the date by which the Authority approves the wind up plan, which I anticipate will be no later than March 31, 2018. It is expected that OTS will have early and ongoing engagement with the Authority to facilitate the development, assessment and approval of the plan to wind up the waste diversion program for used tires and OTS.

The waste diversion program for Used Tires will cease operation on December 31, 2018.

If it is in the public interest to do so, I will provide further direction at a later date related to the matters set out in this direction, or to provide clarification related to the wind up of the waste diversion program for Used Tires or OTS.

Sincerely,

A handwritten signature in black ink, appearing to read 'Glen Murray', with a large, loopy initial 'G'.

Glen Murray
Minister

c: Ms. Glenda Gies, Chair
Resource Productivity and Recovery Authority

Mr. Paul Evans, Deputy Minister
Ministry of the Environment and Climate Change