RECYCLE BC: FULL PRODUCER RESPONSIBILITY

PREPARED FOR: CONNECTICUT MUNICIPAL WORKING GROUP

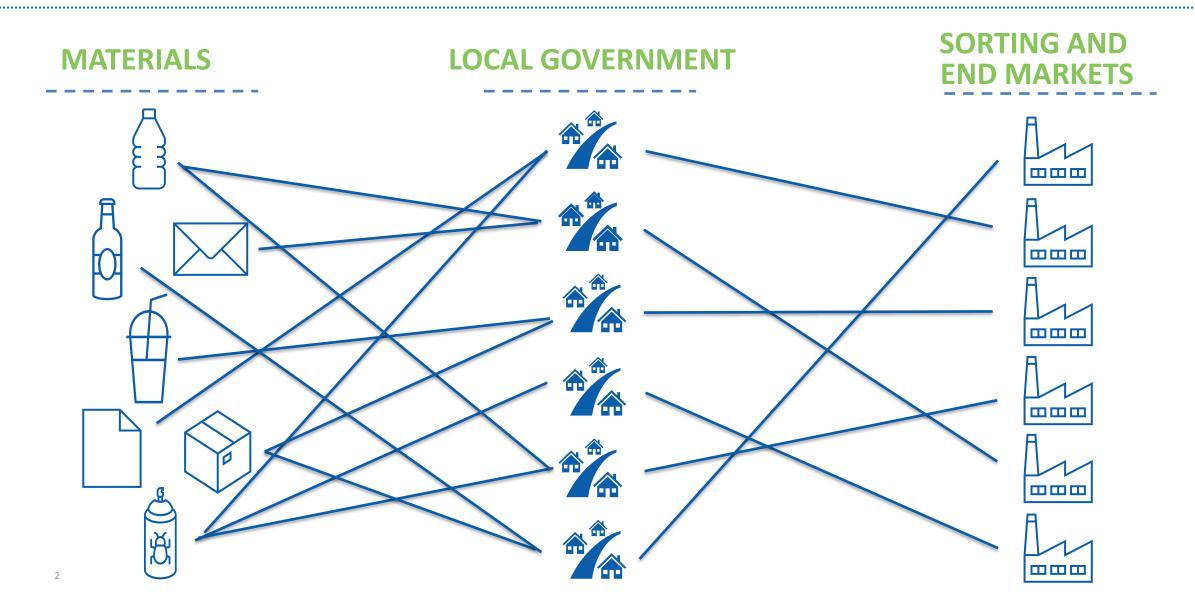
NOVEMBER 20, 2020



Agenda

- Context
- Who we are
- Our regulation
- Our performance
- CSSA
- Collection
- Post-collection

HISTORICAL CONTEXT



WHO WE ARE

Recycle BC is a not-for-profit organization responsible for residential packaging and paper recycling throughout British Columbia.

Recycle BC ensures household materials are collected, sorted and responsibly recycled.

Our program is funded by 1,200 businesses that include retailers, manufacturers and restaurants that supply packaging and paper products to BC residents, shifting costs away from homeowners.



RECYCLE BC MEMBERS

1,186 Members representing:

- Food and consumer goods brand owners and manufacturers
- First importers
- Retailers (grocery, general merchandise, convenience, drug)
- Financial institutions (banks, credit unions, insurance companies)
- Restaurants
- Magazine publishers
- Nurseries & garden centres



\$500 Million since inception

\$121 Million in program financing for 2020



REGULATION

Environmental Management Act

 Effective May 2014 – requires producers of packaging and paper products to assume responsibility for end of life management of their products

BC Recycling Regulation

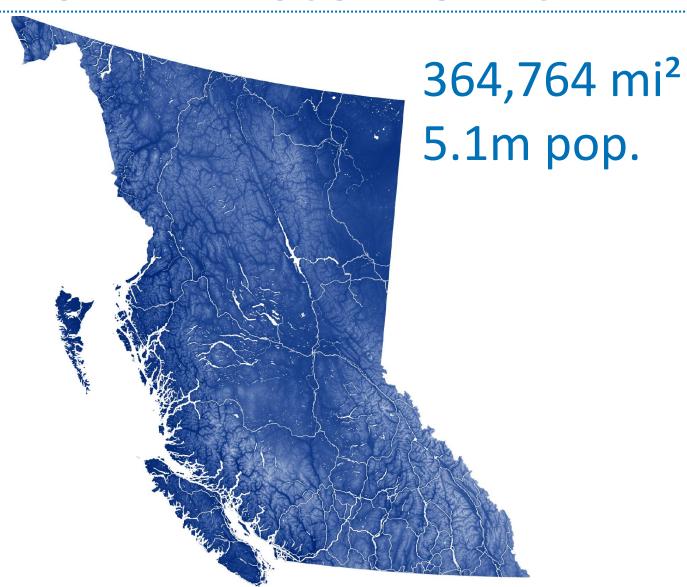
- Outlines producer responsibility for a number of material categories
- Schedule 5 defines these responsibilities for producers of packaging and paper

Recycle BC

- Represents obligated organizations and fulfills their requirements under the Regulation
 - Provides collection services
 - Processes material
 - Markets material to end-markets
- Program Plan outlines how those requirements will be met



SIZE AND SCOPE OF BC





5,567 mi²
3,565m pop.

PROGRAM PERFORMANCE:

2019 Program Recovery Rate



POLLUTION PREVENTION HIERARCHY

- 2019 End of Life Reporting
- Increased tonnes of PPP managed by recycling year-over-year (+4%).
- Increased tonnes of material managed by engineered fuel.
- Decreased the tonnes managed by disposal by 14%.
- More than 90% of collected material was managed by recycling.



PROGRAM PERFORMANCE: 2019 Material Specific Recovery Rate

MATERIAL CATEGORY	RECOVERY RATE
Paper	83%
Plastic	46%
Rigid Plastic	56%
Flexible Plastic	22%
Metal	73%
Glass	87%

RESULT	
-3.0%	
+4.0%	
+2.0%	
+3.0%	
+6.0%	
+9.0%	





CANADIAN STEWARDSHIP SERVICES ALLIANCE





Launched in 2014 100% financed and operated by businesses



Launched in 2016
Businesses pay up to 75% of municipal costs



Launched in 2010
Businesses pay 80% of municipal costs



Blue Box Program Launched in 2004 Businesses pay 50% of municipal costs



MHSW (household hazardous or special waste) Launched in 2008 100% financed and operated by businesses



Launched in 2017
100% financed and operated by businesses

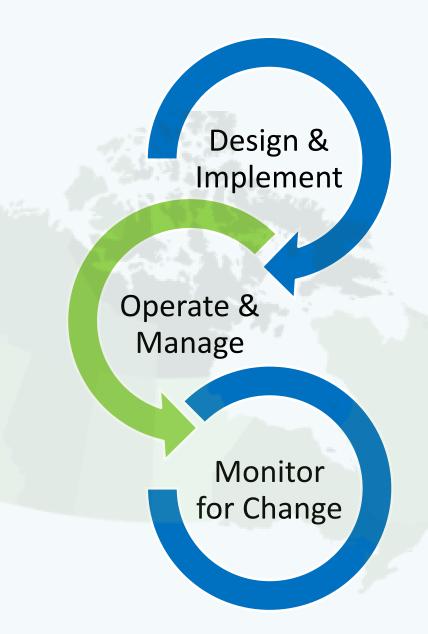
CSSA GOALS

- 1. Consistent/harmonized regulatory frameworks for recycling programs
- Maximizing recovery of postconsumer materials
 - Better environmental performance
 - Producers need access to the materials to attain their sustainability goals
- 100% compliance with all stewardship obligations in all supported programs



CSSA CAPABILITIES

- Designs, implements and supports EPR programs across Canada
- Largest and most experienced compliance solution provider in North America
- Primary interface to 3000+ program member businesses
- Team members located in Toronto, Vancouver, Ottawa and Halifax







COLLECTION



CONSISTENT MATERIAL LIST





PARTNERSHIPS











RECEIVING FACILITIES



POST-COLLECTION PARTNER





COLLECTOR AGREEMENTS

CURBSIDE AND MULTI-FAMILY

- Collect standard list of materials weekly or biweekly
- Deliver material to designated facility
- Per household annual payment rate
- 3% contamination requirement
- Service level failure credits and bonuses

DEPOT

- Collect standard material list all materials or only materials designated for depots
- Per tonne payment rate



CURBSIDE COLLECTION RATES

Service Area Density (Households/Hectare)	Incentive Rate (\$/HH/Year)
Group 1 - Single Stream collectors using automated carts – 4%	
> 2 HH/Hectare	\$33.40
0.2-2 HH/Hectare	\$35.40
< 0.2 HH/Hectare	\$37.40
Group 2 - Single Stream collectors using other container types – 8%	
> 2 HH/Hectare	\$34.50
0.2-2 HH/Hectare	\$36.65
< 0.2 HH/Hectare	\$38.80
Group 3 - Multi-Stream collectors – 10%	
> 2 HH/Hectare	\$38.45
0.2-2 HH/Hectare	\$40.65
< 0.2 HH/Hectare	\$42.80





POST-COLLECTION



OVERVIEW

POST-COLLECTION RESPONSIBILITES INCLUDE:

- Receiving of material after collection
- Transport of material to material recovery facility
- Sorting material into specific grades or types of materials
- Marketing of materials as commodities to end markets
- One province-wide system allows for economies of scale:
 - Create system to manage consistent materials
 - Investment in advanced sorting technology at select facilities
 - Quantities of material for sale to end markets



HISTORY

- System established for our program launch (2014)
- Partnership with Green by Nature EPR



- Network of facilities
 - 32 Receiving, Consolidation and Transfer Facilities.
 - 11 Pre-conditioning Facilities
 - 1 Container Recover Facility
- Term completion May 2020
- Important to go back out the market in a competitive tender process



POST-COLLECTION RFP

- Multi-year competitive tender and selection process
- Included market sounding and RFP process
- RFP focused on 5 key outcomes:
 - Investment in recycling infrastructure;
 - System efficiency with minimal redundancy;
 - Prioritization of local end-markets;
 - Clear and transparent business processes; and
 - Ongoing innovation and technology.
- GFL Environmental (GFL) responsible for management of the post-collection contract effective May 2020



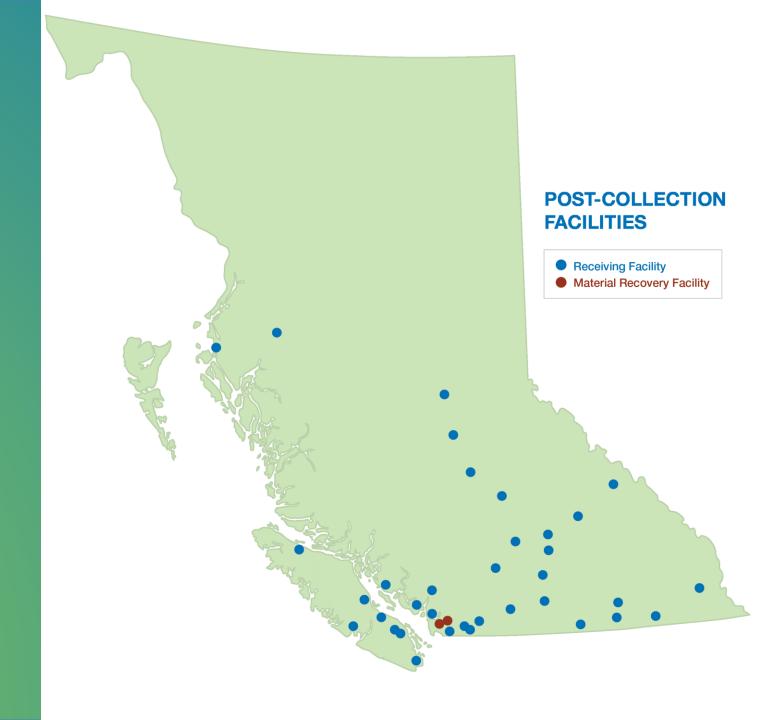
HIGHLIGHTS

- Transition to GFL means enhanced environmental outcomes through:
 - \$25 million investment in new sorting facilities
 - More paper staying local
 - Plastics continuing to go to Merlin
 Plastics, a BC end market
- Supports a local circular economy



FACILITY NETWORK

- Post-collection facility network:
 - 38 post-collection facilities
 - 36 Receiving Facilities
 - 2 Material Recovery Facilities











ENVIRONMENTAL PERFORMANCE





better ability to market materials in North America and more stringent international markets



higher quality material bales (commodities)





Q & A





Making a difference together.



