



RPRA

Resource Productivity
& Recovery Authority

Business Plan

**20
22**

Vision and Mission Statements

Vision

A circular economy today for a waste-free tomorrow

Mission

Support compliance with individual producer responsibility through education and enforcement to foster Ontario's circular economy, spur innovation, and protect the environment

This Business Plan has been produced with limited graphics and images in the spirit of the Ontario Government's Agencies and Appointments Directive.

Glossary

Key Acronyms

C4C	Communicating for Compliance	MHSW	Municipal Hazardous or Special Waste
CRO	Compliance and Registry Officer	OES	Ontario Electronic Stewardship
EEE	Electrical and Electronic Equipment	OTS	Ontario Tire Stewardship
EPA	Environmental Protection Act	PRO	Producer Responsibility Organization
EPR	Extended Producer Responsibility	RPRA	Resource Productivity & Recovery Authority
HSP	Hazardous and Special Products	RRCEA	<i>Resource Recovery and Circular Economy Act, 2016</i>
HWP	Hazardous Waste Program	SPAG	Service Provider Advisory Group
IFO	Industry Funding Organization	UTP	Used Tires Program
IAC	Industry Advisory Council	WDTA	<i>Waste Diversion Transition Act, 2016</i>
ISO	Industry Stewardship Organization	WEEE	Waste Electrical and Electronic Equipment
ISP	Industry Stewardship Plan	WFOA	<i>Waste-Free Ontario Act, 2016</i>

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Advancing Ontario's Circular Economy

This is the Resource Productivity and Recovery Authority's sixth business plan since it was established on November 30, 2016 with the proclamation of the *Waste-Free Ontario Act, 2016* (WFOA). This plan sets out the Authority's strategic priorities, objectives and activities, and the human and financial resources it will need to deliver on its mandate during the 2022-2024 planning period. The activities described in this plan derive solely from the Authority's statutory mandate and the directions received to date from the Minister.

The Ontario Government has signalled a strong commitment to reducing waste and litter as well as increasing resource recovery and advancing a circular economy. Its strategy is laid out in the [Reducing Litter and Waste in Our Communities: Discussion Paper](#) published in March 2019. The Authority has an important role to play in supporting the government and all the organizations and people who will be involved in achieving the environmental and economic objectives of its plan, including supporting businesses in achieving compliance through education and awareness, and enforcement when necessary.

The WFOA is comprised of the *Resource Recovery and Circular Economy Act, 2016* (RRCEA) and the *Waste Diversion Transition Act, 2016* (WDTA), which together outline a regulatory framework for transforming recycling in Ontario through the transition of the materials managed under Ontario's four legacy waste diversion programs to Ontario's new producer responsibility regulatory framework for resource recovery.

As outlined in the RRCEA, the new producer responsibility regulatory framework for advancing Ontario's circular economy requires producers of designated materials to be financially responsible and accountable for their products and packaging when consumers dispose of them. When a regulation for a material group is put in place, producers of designated materials become obligated to comply on an individual basis with all requirements, including establishing collection networks and meeting mandatory and enforceable resource recovery targets set out in regulation where those requirements apply.

The new producer responsibility regulatory framework also introduces opportunities for competition in

the compliance services market by eliminating the monopolies held by Industry Funding Organizations (IFOs) and giving producers the option of either operating their own collection and management systems or contracting with a producer responsibility organization (PRO) for compliance services.

This transformation in waste diversion and resource recovery in Ontario is well underway through a staged process that follows requirements and timelines outlined in the WDTA and directions from the Minister of the Environment, Conservation and Parks (the Minister), and aligns with the Authority's wind-up guidelines.

- On December 31, 2018, the Used Tires Program (UTP) operated by Ontario Tire Stewardship (OTS) ceased operations and tires were transitioned to the new producer responsibility regulatory framework outlined in the Tires Regulation under the RRCEA on January 1, 2019. OTS is currently non-operational and is expected to be formally liquidated in 2022 following the resolution of outstanding financial and tax matters. Grant Thornton Limited has been appointed liquidator by the Ontario Superior Court of Justice and is responsible for implementing the remaining provisions of the approved OTS Wind-Up Plan.
- On June 30, 2020, the batteries portion of the Municipal Hazardous or Special Waste (MHSW) Program operated by Stewardship Ontario (SO) ceased operations and batteries were transitioned to the new producer responsibility regulatory framework outlined in the Batteries Regulation under the RRCEA on July 1, 2020.
- On December 31, 2020, the Waste Electrical and Electronic Equipment (WEEE) Program operated by Ontario Electronic Stewardship (OES) ceased operations and electrical and electronic equipment was transitioned to the Electrical and Electronic Equipment (EEE) Regulation under the RRCEA starting January 1, 2021. OES is currently non-operational and is expected to be wound up sometime in 2022. Deloitte Restructuring has been appointed liquidator by the Ontario Superior Court of Justice and is responsible for the implementation of the remaining elements of the approved OES Wind-Up Plan.

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- On September 30, 2021, the remainder of the MHSW Program ceased operations and starting October 1, 2021, hazardous and special products became subject to the new producer responsibility regulatory framework outlined in the Hazardous and Special Products (HSP) Regulation under the RRCEA.
- Between 2023 and 2025, the Blue Box Program operated by SO will be transitioned to the producer responsibility regulatory framework outlined in the new Blue Box Regulation issued under the RRCEA. SO is expected to be wound up sometime in 2026.

The Authority's activities during the 2022-2024 business planning period will be focused on supporting these changes by fulfilling its legislated mandate to oversee the smooth transition of legacy waste diversion programs and the industry funding organizations that operated them; support businesses in transitioning the materials managed by those programs to the new regulatory framework; and regulate obligated parties to maximize compliance under each of the five RRCEA regulations.

Additionally, the Authority will pursue implementation of digital reporting services for two programs delivered directly by the ministry. In April 2020 the Authority's mandate was changed by the Minister following amendments to the RRCEA, WDTA and the *Environmental Protection Act* (EPA). The amendments enable the Minister to direct the Authority to develop and operate digital reporting services for a wider range of waste and resource recovery programs beyond producer responsibility.

The Minister has issued two directions under this amendment:

- On April 12, 2020, the Minister directed the Authority to establish and operate a digital reporting service for the ministry's Hazardous Waste Program (HWP) for hazardous and liquid industrial waste. The service is currently under development and will begin operating on January 1, 2023. Compliance and enforcement functions related to the HWP will remain with the ministry. The digital reporting service will support the ministry's goal of ensuring that hazardous waste is safely managed, while making it easier for the regulated community to report their hazardous waste management activities.
- On March 15, 2021, the Minister directed the Authority to establish and operate a Registry to be used to file notices under the Excess Soil Regulation.

Compliance and enforcement functions related to this program will also remain with the ministry. The Excess Soil Registry will support the beneficial reuse of millions of cubic tonnes of soil generated through construction and excavation activity, protect the quality of ground or surface water and land, ensure the safety of local communities, and prohibit illegal dumping. Phase 1 of the project is currently being developed and is scheduled to come online starting in December 2021. Phase 2 of the project focusing on enhanced registry functionalities is expected to begin sometime in 2022 following the completion of Phase 1.

To support all participants in this broad transformation in waste management, waste diversion and resource recovery in an efficient and accountable way, the Authority is committed to:

- As a regulator of the producer responsibility regulatory framework, focusing on enabling businesses to adapt to the new regulations, fostering a level playing field, and efficiently allocating compliance resources based on a risk-based compliance framework;
- Building a secure, cost-effective and user-friendly electronic Registry for the registration of regulated parties, reporting of data and, over time, serving as a key source of information on resource recovery and waste management as proposed in the Ontario government's Reducing Litter and Waste in Our Communities: Discussion Paper;
- Overseeing the transition of legacy waste diversion programs to help ensure fair outcomes for businesses operating in the sectors subject to regulations, and avoid disruption in waste diversion services to Ontario residents;
- Providing to all concerned parties accurate and clear information on progress toward meeting the government's public policy objectives by analysing and reporting on information and data received through the Municipal Datacall, Registry, and compliance activities;
- Effectively and transparently communicating with stakeholders and Indigenous communities in order to educate, respond to concerns, and support compliance activities; and

01 Introduction

- Operating efficiently and limiting expenditures to what is needed to deliver effectively on the Authority's mandate as set out in the WFOA and as directed by the Minister.

The Authority is committed to carrying out all of its activities in accordance with its [Values and Code of Conduct](#), which can be found on its website. As an organization entirely funded by fees paid by businesses, the Authority is committed to minimizing expenditures and administrative burden, while effectively delivering its legislated mandate.

The budget and forecasts reflect the planning assumptions set out below in Section 5 of this document and the Authority's estimation of the human and financial resources needed to meet its obligations during the planning period. The Authority's activities and requisite resources will grow during the 2022-2024 planning period in response to the government's plan to transition the remaining legacy Blue Box Program to the new producer responsibility regulatory framework and have the Authority build and operate the Registry for the Excess Soil Program beginning in late 2021 and the digital reporting service and Registry for the HWP beginning in 2023.

Estimation of required resources over the three-year planning period is inherently uncertain due to significant

unknowns related to the outcome of procurement processes and the complexities of operationalizing new regulatory requirements and undertaking new activities. As such, the 2022 budget and 2023 and 2024 forecasts are subject to revision as additional information is obtained over the course of the planning period.

The Authority and the businesses it regulates are on a path of learning and adaptation as Ontario moves through a period of transformation and transition to a new regulatory framework for managing waste and recovering resources. The Authority's success in effectively delivering its mandate is dependent on understanding the businesses it regulates and the collaboration of the regulated producer community and the broader waste management sector. The Authority will continue to work closely with all parties to ensure that its approach to implementation optimizes the ability of market players to understand, respond, adapt, and comply with new regulatory requirements while minimizing administrative burden.

02 Business Plan Requirements

Consulting Stakeholders

Every year in October, the Authority publishes a Business Plan for the next three fiscal years, as required under the *Resource Recovery and Circular Economy Act, 2016* (RRCEA) and the Operating Agreement between the Minister and the Authority. The plan outlines the Authority's strategic priorities, objectives, and planned activities for the next three fiscal years. It also sets out the financial and operational plans, including the necessary financial and human resources required, to achieve these objectives and their related performance measures.

The Authority's Business Plan is a key transparency and accountability tool to support oversight by the Minister. It also supports the organization's commitment to transparency and accountability to stakeholders, including regulated parties and the public.

In April 2021, the Operating Agreement between the Authority and the Minister of the Environment, Conservation and Parks was amended to strengthen accountability and transparency. Specifically, the amendments to the agreement increased ministerial oversight of the Authority, increased financial transparency and enabled industry input into the Authority's business planning process.

Starting in 2021 with the development of this business plan, the Authority sought input from stakeholders through the Industry Advisory Council (IAC), which the Minister directed the Authority to establish in February 2021. The council represents a cross-section of associations representing the regulated producer community and provides advice and feedback to the Authority during the business planning process. The council, however, does not make decisions pertaining to the operations and finances of the Authority.

In parallel, the Authority also sought input from the broader waste management sector through the Service Provider Advisory Group (SPAG), which the Authority established in 2019 in order to engage non-producer stakeholders in the waste management sector, including municipalities, processors, and other service providers. Similar to the Authority's engagement with the IAC on the development of its business plan, the SPAG provides feedback and advice but does not make decisions on the Authority's operations and finances.

Discussions on the Authority's strategic priorities were

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held in April, and discussions on resourcing requirements occurred in July. Further information about the [IAC and SPAG](#), including membership and meeting minutes, is available on the Authority's website.

The 2022–2024 Business Plan is based on information available as of the date of finalization, ministerial directions received, key assumptions related to program transitions, and the estimated number of registrants on the Authority's Registry.

All of the Authority's planned activities outlined in this Business Plan flow directly from government decisions. The planned activities and projected resource requirements reflect the best available information from the ministry at the time of publication and are subject to change as the Authority receives further direction from the Minister, and as RRCEA and EPA regulations are developed, finalized, and come into force. Throughout the planning period, the Authority will limit hiring and expenditures to what is required to deliver its mandate. The budget and forecasts are for planning purposes. As new information becomes available to support a better understanding of implementation requirements and costs, adjustments will be made.

An assessment of the Authority's success in meeting the objectives and performance targets for the first fiscal year set out in this three-year plan will be published in the Authority's 2022 Annual Report on June 1, 2023. The annual report will also include the Authority's audited financial statements for the 2022 fiscal year.

Regulating Resource Recovery in Ontario

Role and Mandate

On November 30, 2016, the Government of Ontario established the Resource Productivity and Recovery Authority and mandated it to play a key role in reducing waste and litter through resource recovery by:

- Performing the duties and exercising the powers given to the Authority under the [Resource Recovery and Circular Economy Act, 2016](#) (RRCEA), the [Waste Diversion Transition Act, 2016](#) (WDTA) or any other Act; and
- Providing information to those involved in resource recovery and waste reduction activities in Ontario and the broader public about the Authority's work to advance a circular economy and enforce producer responsibility requirements.

The RRCEA and the WDTA outline the legislative framework for the Authority's responsibilities, powers and duties:

- The WDTA sets out the Authority's oversight responsibility for the operation of the waste diversion programs continued under the Act and the orderly wind up of those programs and the industry funding organizations (IFOs) responsible for managing those programs;
- The RRCEA sets out the Authority's responsibility for developing and maintaining a Registry and enforcing compliance requirements on producers of products and packaging that result in waste and on others involved in waste diversion, including collectors, haulers, processors and other service providers. Under the RRCEA, producers will be held individually responsible and accountable for materials following transition from the WDTA as well as new materials designated by the Government of Ontario; and
- The RRCEA also sets out the framework for the Authority to implement digital reporting services through its Registry for a wider range of waste and resource recovery programs.

The Authority's powers and duties include:

- Overseeing IFOs and industry stewardship organizations (ISOs) and the waste diversion programs they operate under the WDTA, including

compliance by the organizations with their approved program plans and compliance by stewards with the rules for stewards established by the IFOs;

- Approving wind-up plans developed by IFOs as directed by the Minister and overseeing implementation of approved plans;
- Reporting publicly on outcomes relating to waste reduction and resource recovery;
- Developing and maintaining an online Registry to receive information reported by parties obligated to register with the Authority; and
- Ensuring compliance by obligated parties with their responsibilities as set out in regulations under the RRCEA.

The Authority's key activities include:

- Overseeing the ongoing operation of the Blue Box Program operated by Stewardship Ontario (SO);
- Overseeing the cessation of waste diversion programs operating under the WDTA as directed by the Minister and the subsequent liquidation of IFOs following the wind up of their programs. These programs are:
 - The Used Tires Program, which ceased operations on December 31, 2018, and was operated by Ontario Tire Stewardship;
 - The Batteries Program, which ceased operations on June 30, 2020, operated as part of the Municipal Hazardous or Special Waste (MHSW) Program by SO;
 - The Waste Electrical and Electronic Equipment Program, which ended operations on December 31, 2020, operated by Ontario Electronic Stewardship;
 - The MHSW Program, which ceased operating on September 30, 2021, operated by SO, Product Care Association, Automotive Materials Stewardship, and SodaStream; and
 - The Blue Box Program, directed by the Minister to cease operations over the period between July 1, 2023 and December 31, 2025, operated by SO.
- Developing, maintaining and operating a Registry to register and receive information from regulated parties and monitor performance;

03 Corporate Overview

- Operating Registry systems to support the Tires Regulation, Batteries Regulation, and the Electrical and Electronic Equipment Regulation;
- Overseeing producer performance against requirements set out in RRCEA regulations by conducting compliance and enforcement activities; and
- Reporting publicly on progress toward meeting the government's objectives.

Organizational Structure

The Authority is a corporation without share capital, governed by a skills-based Board of Directors.

The Board is responsible for the overall governance of the affairs of the Authority and is accountable for the delivery of its mandated objectives under the Acts and the [Operating Agreement between the Authority and the Minister of the Environment, Conservation and Parks](#).

In addition to its governance responsibilities, the Board also makes statutory decisions as required under approved program or wind-up plans, the legislation, and as directed by the Minister. These decisions include:

- Setting the annual Steward Obligation for the Blue Box Program;
- Approving, with or without conditions, wind-up plans submitted by IFOs; and
- Setting fees to recover the Authority's costs.

The Minister appoints up to five members to the Board of Directors and the Board elects up to six additional members to form the full 11-member Board of Directors. The Minister may appoint the Chair and the Board elects a Vice-Chair, Secretary and Treasurer. The Board appoints a Chief Executive Officer and a Registrar and delegates responsibilities to these senior staff to manage the business of the Authority. The Authority and its Board members, officers, employees, and agents are not agents of the Crown.

The Board has statutory responsibilities under the RRCEA and WDTA and convenes regularly to make the decisions required throughout the wind up and transition of programs from the WDTA to the RRCEA. Director remuneration is aligned with per diems set out in Ontario's Public Service Agencies & Appointments Directive and Board expenses are strictly managed.

Additional information about the Board of Directors,

All of the Authority's planned activities outlined in this Business Plan flow directly from government decisions. The planned activities and projected resource requirements reflect the best available information from the ministry at the time of publication and are subject to change.

including biographies and committees, is available on the Authority's [website](#).

Relationship with the Government of Ontario

The Minister of the Environment, Conservation and Parks is responsible for overseeing the Authority.

Roles and responsibilities of the Minister and the Authority are set out in the Operating Agreement, which is available on the Authority's [website](#).

The Board is accountable to the Minister for the performance of the Authority.

French Language Services

The RRCEA requires the Authority to develop a plan to provide services in French and the Operating Agreement requires the means by which the Authority will provide French language services to be outlined in the Business Plan.

The Authority uses a combination of third-party French translation services and bilingual staff to deliver services in French on request.

The Authority has posted its [French Language Services Plan](#) on its website. The plan is reviewed annually and revised as required.

04 Update On Activities Since The 2021 Plan Was Published

Operating in a Dynamic Environment

Since the Authority's 2021 Business Plan was published in October 2020, the Authority's operating environment has been dynamic. Some of the assumptions underlying the 2021 Business Plan have changed and affected the Authority's activities, which required the Authority to adapt its operation and budget.

Key changes in the initial assumptions that underpinned the Authority's 2021 budget published in the 2021 Business Plan include the following:

- Timing of the release of the final Batteries Regulation and final Electrical and Electronic Equipment (EEE) Regulation affected the start of Registry projects for both materials. The launch of the Registry projects, which could not begin until final regulations were available, in turn necessitated the Authority to establish a manual registration process for Batteries and EEE registrants that required unanticipated effort by the Authority's Compliance and Registry Officers.
- The final Blue Box Regulation released in June requires the Authority to manually register obligated parties in 2021, requiring unanticipated effort by the compliance team.
- Minister's direction issued in March 2021 directing the Authority to build and operate the Excess Soil Registry required the Authority to initiate the

Registry development project and hire Registry Support Officers to staff the new program in 2021. Phase 1 of the Excess Soil Registry is required to be operational by December 2021.

These changes in assumptions since the 2021 Business Plan was finalized have resulted in an intensive period of implementation in 2021, which will carry through into 2022, with multiple and overlapping Registry development projects. Projects that began in 2021 include: Batteries and EEE Registry portals, Hazardous Waste Program (HWP) digital reporting service, and the Excess Soil Registry. The HWP digital reporting service and the Excess Soil Registry projects will continue in 2022 and registry projects for Blue Box (BB) and Hazardous and Special Products (HSP) will be launched in 2022.

The Authority's active programs increased from three at the beginning of 2021 (Tires, Batteries, and the ITT/AV portion of the EEE Regulation) to five by Q2 of 2021 (addition of BB and HSP).

The 2021 Business Plan published in October 2020 budgeted \$11.88 M for fiscal 2021. However, due to significant changes in the Authority's operating environment, the 2021 budget was revised through a budget reset process with Board review and approval to \$14.35 M in March 2021, an increase of 21% from the published 2021 budget.

04 Update On Activities Since The 2021 Plan Was Published

In Millions	Budget 2021	Reset 2021
Revenue		
Cost recovery	\$ 9.53	\$ 12.70
Reserve contribution	0.90	0.90
Start-up cost recovery	0.09	0.09
Deferred recovery	0.00	0.00
Total Revenues	10.53	13.69
Expenses		
Salaries and benefits	5.13	6.22
Communications	0.27	0.34
Amortization	1.67	1.20
Board compensation and related expenses	0.29	0.29
Rent	0.85	0.85
Telephone and internet	0.11	0.12
Loan interest	0.37	0.20
Other operating	0.61	0.76
Professional fees	1.22	2.03
Registry	1.16	2.13
Contingency	0.20	0.20
Total Expenses	11.88	14.35
Total Activities	12.87	15.34
Registry Programs	9.73	11.32
WDTA	3.15	4.02
Total Expenses	11.88	14.35
Reserve contribution	0.90	0.90
Start-up cost recovery	0.09	0.09
Deferred recovery	0.00	0.00
Total Activities	12.87	15.34
Deferred costs	-2.35	-1.65
Net Total Activities	\$ 10.53	\$ 13.69

04 Update On Activities Since The 2021 Plan Was Published

Department	Full Time Equivalent Staff Position (FTE)	
	2021 Business Plan	2021 Revised
Compliance and Enforcement and Registry Support	13.2	18.6
I&IT	8.5	11.4
CEO Office (includes Legal/Board Secretarial/Project Management)	3.0	3.6
Finance and Administration (includes HR)	6.6	9.0
Communication and Stakeholder Relations (includes Technical Services Group, former Transition Team)	10.5	11.7
Total Year End FTE	41.8	54.3
Total Prorated FTE	46	59

As a result of the changed assumptions in 2021, the related Human Resource Plan was also revised in order to ensure the Authority had adequate staff to support its five active programs in 2021. An additional 12.5 FTEs, primarily in the Compliance and Enforcement and Registry Support and I&IT team, were added to the 41.8 FTEs outlined in the 2021 Business Plan for a total of 54.3 FTEs projected for 2021.

The additional staff acquired in 2021 supported the following highlights of the Authority's 2021 activities to date:

- On January 1, 2021, electronics were transitioned to the new regulatory framework outlined in the EEE Regulation following the end of the Waste Electrical and Electronic Equipment (WEEE) Program operated by Ontario Electronic Stewardship on December 31, 2020. The Authority initiated outreach campaigns to engage regulated parties under the Batteries and EEE regulations to support their understanding of the new producer responsibility regulatory framework and maximize compliance with the January 31, 2021 deadline to register with the Authority. The Authority conducted a second campaign in spring 2021 to support electronics and batteries producers to meet their April 30, 2021 deadline for collection and management system reports. The Authority developed manual processes in order to meet the 2021 deadlines for registration and reporting set in the regulations due to the timing of the regulations' finalization in 2020, which delayed the development of the Registry portals for Batteries and EEE.
- In April 2021, the projects to develop the Registry portals for Batteries and EEE kicked off with the announcement of Slalom Consulting ULC as the successful proponent. The project was completed in August 2021.
- On December 16, 2020, the Authority approved with conditions the Blue Box Program Transition and Stewardship Ontario Wind Up Plan, including the Continuous Improvement Fund's Wind Up Plan. Starting in 2021, the Authority began overseeing the implementation of the plan outlining the steps for ending operations of both the Blue Box Program and Stewardship Ontario (SO), the industry funding organization responsible for administering the program. Throughout 2021, the Authority worked closely with SO and the Association of Municipalities of Ontario (AMO) and the City of Toronto in implementing the plan and resolving key matters to support the transition of the Blue Box Program to the new producer responsibility regulatory

The Authority's active programs increased from three at the beginning of 2021 (Tires, Batteries, and the ITT/AV portion of the EEE Regulation) to five by Q2 of 2021 (addition of BB and HSP).

04 Update On Activities Since The 2021 Plan Was Published

framework, including simplifying the methodology for calculating the Municipal Funding Allocation Model, reviewing the Steward Obligation methodology, reviewing the Municipal In-Kind Advertising Program, and addressing the conditions of approval of the transition plan. Additionally, the Authority appointed an Administrator in June 2021 following the planned governance transition of the SO Board of Directors following the release of the Blue Box (BB) Regulation and Hazardous and Special Products (HSP) Regulation.

- On February 4, 2021, the Authority received directions from the Minister to establish an Industry Advisory Council (IAC) that would provide advice to the Authority on carrying out its responsibilities. As directed, the Authority engaged and consulted both industry and the Ministry in establishing the IAC membership and terms of reference. The first IAC meeting was held in April and subsequent meetings were held in June and July to obtain input on the Authority's 2022-2024 Business Plan.
- On March 15, 2021, the Minister of the Environment, Conservation and Parks directed the Authority to develop, implement and maintain a registry for operators and owners of residential development soil depots, reuse sites and project leaders to file their required notices under the Excess Soil Regulation. Regulated individuals are required to file their required notices to the online publicly accessible registry as of January 1, 2022, the effective date of the registry in the Excess Soil Regulation. In anticipation of the Minister's directions, the Authority initiated preparatory work to procure an information technology partner and in April 2021 launched the Excess Soil Registry Project with PricewaterhouseCoopers (PwC) in two phases. Phase 1 of the project will develop the essential components to allow regulated parties to register and begin filing and updating their notices ahead of January 1, 2022. Phase 2 will develop additional registry functionalities to be defined in consultation with the Ministry and industry stakeholders and will begin later in 2022.
- On March 26, 2021, further to the Minister's direction, the Authority approved an addendum to the Ontario Tire Stewardship (OTS) Wind Up Plan to allow any surplus funds from the Used Tires

Projects that began in 2021 include: Batteries and EEE Registry portals, Hazardous Waste (HWP) Program digital reporting service, and the Excess Soil Registry. The HWP digital reporting service and the Excess Soil Registry projects will continue in 2022 and registry projects for BB and HSP will be launched in 2022.

Program, which ceased operating on December 31, 2018, to be returned to stewards with the expectation that these returned funds would be used for the benefit of consumers. The Authority held consultations on the addendum in January and February 2021 and approved it in March 2021. Starting in May 2021, OTS facilitated an interim distribution of \$12 M of the program surplus to 276 eligible OTS stewards. The remaining funds will be distributed as part of the dissolution of OTS pending final resolution of all outstanding financial and tax matters anticipated in 2022.

- Between March and May 2021, the Authority undertook the first phase of 2021 Registry Fees consultations to accommodate timing of the release of the BB Regulation and the HSP Regulation. The first phase proposed Registry fees for tires, batteries, and electronics, which were set at 2020 levels because the Authority's ability to finalize program budgets and allocations required the release of the final Blue Box and HSP regulations. The second phase of Registry fees consultations for Blue Box and HSP occurred between June and August 2021 following the release of the Blue Box and HSP regulations. Registry fees for the programs were set in August 2021 in order to support registration and reporting requirements for obligated parties under the new regulations starting in 2021.

04 Update On Activities Since The 2021 Plan Was Published

- In April 2021, the Authority launched the HWP digital reporting service project. The project will support the Ministry's goal of ensuring that industrial and liquid hazardous waste is safely managed while making it easier for the regulated community to report their waste management activities. PwC and Vyana were selected as the Authority's technology partners to build the technical components of the digital reporting service, which will include electronic manifesting and tracking capability and a mobile application. The project will be completed by the end of 2022 in order for the system to be available starting January 1, 2023. The Authority received direction to build and operate the service from the Minister of the Environment, Conservation and Parks in April 2020.
- In April 2021 the Minister issued new direction to extend the end date of the Municipal Hazardous or Special Waste Program (MHSW) by three months from June 30, 2021 to September 30, 2021. In order to extend the end date, Stewardship Ontario and the Authority undertook consultations to amend the previously approved MHSW Wind Up Plan. The Authority's consultations took place between May 2021 and June 2021, following which the amended plan was approved. Transition to the new producer responsibility regulatory framework outlined in the HSP Regulation occurred on October 1, 2021.
- On June 1, 2021, the Authority released its 2020 Annual Report and on June 30, 2021 the Authority held its Annual Public Meeting (APM), as required under the WDTA and RRCEA and the Operating Agreement between the Authority and the Minister. The 2021 APM was held online as in 2020 due to the ongoing COVID-19 pandemic.
- On June 3, 2021, the Ontario government released the BB Regulation and on June 8, 2021 the HSP Regulation was released, both issued under the RRCEA outlining new producer responsibility regulatory requirements for resource recovery. In anticipation of the new regulations, the Authority recruited and onboarded Compliance and Registry Officers to support the compliance programs for the new regulations. The Authority also developed and implemented a communications and engagement strategy to assist obligated parties in understanding and complying with new regulatory requirements. Due to timing of the release of the new regulations, the Authority developed manual processes to register and receive reports from regulated parties. Development of Registry portals for HSP and BB will begin with the launch of a procurement process for technology partners with projects anticipated to begin in 2022.

Fulfilling the Authority’s Mandate

During the 2022-2024 period, the Authority will organize delivery of its mandate under the following five strategic priorities:

- 1. Transition of Waste Diversion Programs
- 2. Responsible Management of Data
- 3. Trusted Authority
- 4. Accountability
- 5. Organizational Efficiency and Sustainability

These strategic priorities reflect the primary responsibilities as set out in the Authority’s governing legislation and in directions from the Minister and align with the Authority’s current and medium-term focus. These five strategic priorities have been used consistently in the Authority’s five previous business plans, with the exception of the addition this year of ‘Efficiency’ to the ‘Organizational Efficiency and Sustainability’ priority. Efficiency was added to highlight the Authority’s commitment to operating on a cost-effective basis and responds to advice provided by members of the Industry Advisory Council, who recommended that efficiency should be emphasized as an operating principle.

As additional legacy waste diversion programs are transitioned to the new producer responsibility regulatory framework and as previously transitioned programs mature, the Authority’s activities will evolve during the planning period. In particular, as programs under the RRCEA submit resource recovery performance reports as required under the regulations, the Authority is able to fulfill its legislatively mandated requirement to provide information to the public about Ontario’s progress

diverting waste and shifting from a linear to a circular economy. Additionally, the data will allow the Authority to better achieve its mandated responsibilities to undertake compliance activities to enforce regulatory requirements and provide data and information to the Minister to support evidence-based policy decisions.

Three key activities will be initiated to support the government’s vision outlined in its 2019 Reducing Litter and Waste in Our Communities: Discussion Paper. This paper envisioned the Authority playing an important role in the collection, assessment, and reporting of resource recovery data and information to support its waste diversion strategy. The key activities to align with this vision are:

- 1. **Analytics:** Provide data and information to help the province effectively set targets and develop policies and support the Authority in increasing operational efficiencies
- 2. **Performance Reporting:** Enable the Authority to monitor and assess producer performance to foster a fair and competitive market
- 3. **Public Information:** Make data and information available to the public, where appropriate, through the Authority’s public-facing registry

These three emerging areas of activity, grouped under the ‘Responsible Management of Data’ strategic priority, will be undertaken as producers submit performance reports on the schedules outlined in the RRCEA regulations:

Regulation	Timing	
	Annual Submission of Producer Performance Data	Submission of Audit Report on Management Systems
Tires	May 31 st , starting 2020	Annually starting October 31, 2020
Batteries	April 30 th , starting 2022	Every three years starting April 30, 2024
ITT/AV (EEE)	April 30 th , starting 2022	Every three years starting April 30, 2024
Lighting (EEE)	April 30 th , starting 2024	Every three years starting April 30, 2024
HSP (Cat A, B, C only)	July 31 st , starting 2023	Every three years starting July 31, 2023
Blue Box	April 30 th , starting 2024	Every three years starting April 30, 2027

05 Strategic Priorities For 2022–2024

The Authority will seek input from industry stakeholders on these initiatives to further define the scope of these activities, including reporting format, timing, focus of insights, additional sources of data, and ensuring confidentiality of commercially sensitive data.

Key Assumptions

The Authority's 2022-2024 Business Plan is based on requirements set out in the Authority's legislated mandate, directions received to date from the Minister, and plans announced by the government that affect the Authority during the planning period.

The Authority will adjust its activities and review its budget as necessary should any of the assumptions underlying the 2022-2024 Business Plan change.

Key assumptions relate to:

- Timing of waste diversion program wind ups and transition of materials managed by those programs to the new producer responsibility regulatory framework
- New material designations under the regulatory framework
- Directions for the Authority to operate registries and digital reporting services for other waste and resource recovery programs
- The number of obligated parties associated with each initiative

In addition to these key assumptions, the Authority is also making important assumptions about the trajectory of the COVID-19 pandemic. For 2022, the Authority is assuming the pandemic will continue to abate with the success of Ontario's mass vaccination program, but that ongoing public health mitigations to ensure personal health and safety will be required, possibly precluding in-person meetings. For the 2023-2024 period, the Authority is assuming that business operations will normalize. Given the uncertainties associated with the pandemic, however, these assumptions could change. The Authority will continue to monitor and follow public health advice and adjust its operations as appropriate.

During the 2022-2024 planning period, the Authority assumes it will implement and have in place compliance programs for the five regulations issued under the *Resource Recovery and Circular Economy Act, 2016* (RRCEA): Tires, Batteries, Electrical and Electronic Equipment (EEE), Hazardous and Special Products (HSP) and Blue Box (BB). The Authority is currently operating Registry portals and compliance programs for Tires, Batteries, and Information

The number of programs the Authority's will be operating will grow from five [Tires, Batteries, ITT/AV, HSP and BB] at the beginning of 2021 to six [add Excess Soil] in 2022 to eight [HWP and Lighting] in 2023 and 2024.

Technology and Telecommunications and Audio Visual components of the EEE Regulation. The compliance programs for HSP and Blue Box are currently operating following the end of the legacy Municipal Hazardous or Special Waste (MHSW) program on September 30, 2021 and in advance of the scheduled transition of the legacy Blue Box program between 2023 and 2025, but the Registry portals for these two regulations will begin development in 2022 and be operational in 2022 or 2023. In 2022, the Registry portal and compliance program for Lighting under the EEE Regulation will begin operating as requirements for lighting producers under the regulation come into force.

The support program for the Excess Soil Registry is currently operating and the first phase of the Registry, which will focus on core functionalities, will be operational by the end of 2021 ahead of the January 1, 2022 in-force date of the registry in the Excess Soil Regulation. The second phase of the registry development project will be consulted on with the Ministry and industry starting in 2022. The support program for the Hazardous Waste Program (HWP) digital reporting service and Registry will begin in 2022 ahead of the service coming online starting January 1, 2023.

The support program for both the Excess Soil Registry and HWP digital reporting service will focus on providing support to registered users of the systems, including providing and maintaining the digital reporting service; supporting stakeholders who are required to use the system through communication materials, undertaking outreach activities, and providing education and training in using the system; providing the ministry with access to information and data to support their enforcement and compliance activities; and setting and collecting fees to recover costs to the Authority and in the case of HWP the ministry's costs too.

05 Strategic Priorities For 2022–2024

The following chart sets out the key assumptions on timing and the approximate number of registrants during the 2022-2024 planning period. These assumptions underpin the Authority's human resources plan and financial budget and forecasts.

Initiatives	Assumed Time Frame for Registration of Obligated Parties	Assumed Number of Registered Producers/Generators
Excess Soil Registry	2022	1,000
Registry and Digital Reporting Service for the Hazardous Waste Program	2022	25,000
Lighting component under the EEE Regulation	2022	TBC
Total number of registered Tires producers in 2022		450
Total number of registered Batteries producers in 2022		160
Total number of registered Hazardous and Special Products producers in 2022		345
Total number of registered Blue Box producers in 2022		1,800
Total number of registered ITT/AV producers under EEE Regulation in 2022		190
Total assumed number of all registered producers/generators in 2022-2024 *		28,945

*Total number of registered producers/generators is assumed to be the same in 2023 and 2024 as in 2022 with some minor variances due to businesses entering and exiting the market, confirmation of the number of obligated lighting producers, and free riders being identified.

This plan also assumes the Authority will continue to engage extensively with producers, municipalities, First Nations, and service providers to transition the Blue Box Program between 2023 and 2025, as well as the expected liquidation of Ontario Tire Stewardship (OTS) and Ontario Electronic Stewardship (OES) in 2022 following the resolution of outstanding financial and tax matters.

The 2022 budget and 2023 and 2024 financial forecasts reflect increases in expenses for staffing, Registry development, amortization, and other costs necessary for the Authority to:

1. Fulfill its mandate as set out in the *Waste Diversion and Transition Act, 2016* (WDTA), RRCEA and the Tires, Batteries, EEE, HSP and BB regulations.
2. Fulfill its changed mandate under the RRCEA and EPA and the General Waste Management and Excess Soil regulations to develop and operate the

Registry and digital reporting service for the HWP and the Excess Soil Registry.

3. Comply with the Minister's directions to transition the BB Program to the new producer responsibility regulatory framework outlined in the BB Regulation issued under the RRCEA starting in 2023.
4. Comply with the Minister's directions to liquidate OTS and OES.

The Authority is estimating its 2022 budget at \$17.45 M, assuming no new initiatives are directed by the Minister. In last year's business plan, the Authority forecasted its 2022 budget at \$13.85 M. The Authority is forecasting its 2023 and 2024 budget will increase to \$19.67 M and \$20.52 M, primarily due to increasing salaries and benefit costs and Registry amortization expenses. Should any of the key assumptions underlying this plan change, the following activities and milestones will be adjusted as required.

05 Strategic Priorities For 2022–2024

The budget increase from this year to 2022 and through to 2023 and 2024 reflects the increase in the number of programs and the related activities associated with those programs including Registry development and operations, compliance programs

where required, and support programs. The number of programs the Authority's will be operating will grow from five at the beginning of 2021 to six in 2022 to eight in 2023 and 2024 on the following basis:

Year	Program
2018	1 – Tires
2019	1 – Tires
2020	2 – Tires and Batteries
2021	5 – Tires, Batteries, ITT/AV, HSP and Blue Box
2022	6 – Tire, Batteries, ITT/AV, HSP, Blue Box and Excess Soil
2023	8 – Tires, Batteries, ITT/AV, HSP, Blue Box, Excess Soil, HWP, Lighting
2024	8 – Tires, Batteries, ITT/AV, HSP, Blue Box, Excess Soil, HWP, Lighting

Should any of the key assumptions underlying this plan change, the following activities and milestones will be adjusted as required.

05 Strategic Priorities For 2022–2024

Strategic Priority One: Transition of Waste Diversion Programs

Objectives

To support current waste diversion programs, the Authority will:

- Seek to ensure the ongoing effective operation of the Blue Box Program prior to transition; and
- Ensure implementation of the approved Blue Box Program transition plans:
 - Effective transition of the programs on the timeline established by the Minister; and,
 - Continuous and reliable services for residents during the transition period.

Activities and Milestones

Continued Oversight Under WDTA

- 2022 – 2024
 - Oversee the Blue Box Program including:
 - Compliance with the WDTA and its regulations
 - Adherence to approved program plans and program agreements
 - Performance against targets
 - Delivery of annual reports
 - Review Stewardship Ontario's budget and its processes to set steward fees in accordance with approved fee-setting methodologies

- Support the Blue Box Program Plan:
 - Administer the Municipal Datacall including training, data verification and audit
 - Oversee the Continuous Improvement Fund
 - Administer the News Media Canada In-Kind Advertising Program
 - Set the annual Steward Obligation in a manner that is fair and reasonable to obligated stewards and participating municipalities and First Nations

Wind Up Under WDTA

- 2022
 - Oversee disbursement of any surplus funds upon final resolution of outstanding tax issues, as well as the dissolution of OES as per the WEEE Program Wind-Up Plan
 - Oversee disbursement of surplus funds upon final resolution of outstanding tax issues, as well as dissolution of OTS as per the Used Tires Program (UTP) Wind-Up Plan
 - Oversee implementation of the transition plan for the Blue Box Program
 - Oversee distribution of final MHSW surplus funds to Industry Stewardship Organizations and stewards
- 2022 – 2024
 - Oversee implementation of the transition plan for the Blue Box Program

05 Strategic Priorities For 2022–2024

Strategic Priority Two: Responsible Management of Data

Objectives

To ensure responsible management of data housed in the Registry, the Authority will:

- Assess, monitor and ensure accuracy of data submitted by obligated parties;
- Ensure secure data systems to protect confidential information, including personal and commercially sensitive information;
- Provide public access to information that is not confidential to enable businesses and residents to both assess and contribute to Ontario's progress in waste reduction and resource recovery;
- Provide data and information to support the government's policy development, including target setting, through analysis of the data housed in the Registry;
- Provide data and information to support the government's compliance and enforcement activities on Excess Soil and HWP;
- Utilize the data housed in the Registry to increase the Authority's operational efficiencies, including informing its risk-based compliance strategy to hold obligated producers responsible and accountable; and
- Monitor and assess producer performance to ensure a fair and competitive market and to report on the aggregate outcomes of the new producer responsibility regulatory framework and Ontario's progress in achieving a circular economy.

Activities and Milestones Under RRCEA and WDTA

● 2022-2024

- Manage the data in the Registry according to the Authority's Access and Privacy Code, Records Retention Policy and the principles set out in Schedule B (Access and Privacy Principles) of the Operating Agreement

Activities and Milestones Under RRCEA

● 2022

- Go-live with the Excess Soil Registry following soft launch in Q4 2021

- Start the Hazardous and Special Products Registry project as required under the RRCEA and Hazardous and Special Products Regulation
- Start the Blue Box Registry project as required under the RRCEA and Blue Box Regulation
- Complete the Registry and digital reporting service for the HWP as required under the RRCEA and the General Waste Management Regulation under the EPA
- Initiate the second phase of the Excess Soil Registry to support industry operational efficiencies
- Establish an analytics function in the organization to leverage data in the Registry to support Ministry decision-making, enhance internal operational efficiency, report on aggregate producer performance, and share information with the public on Ontario's progress to a circular economy
- Engage stakeholders in developing an approach to reporting on producer performance targets set out in RRCEA regulations for Tires, Batteries and Electronics.
- 2023-2024
 - Start accepting waste management activity reports and tracking of hazardous waste starting January 1, 2023 through the Registry and digital reporting service for the HWP
 - Report on producer performance in meeting requirements set out in RRCEA regulations for Tires, Batteries, EEE, HSP and Blue Box
 - Design and deploy data analytics in order to support performance reporting, public reporting and identify compliance and enforcement priorities consistent with the Authority's risk-based compliance approach
 - Support Ontarians recycling efforts by enhancing the Authority's online tool that currently maps drop-off locations for used tires to include other materials and provide information about recyclable materials.

05 Strategic Priorities For 2022–2024

Strategic Priority Three: Trusted Authority

Objectives

To deliver compliance and enforcement in a conscientious manner that enables regulated parties to meet their obligations efficiently without overburdening businesses, the Authority will:

- Hold Stewardship Ontario accountable for its waste diversion program requirements and hold stewards accountable for their obligations under the IFO's rules for stewards;
- Provide clear, instructive communications to support obligated parties under the RRCEA to register and to comply with RRCEA regulations;
- Foster a level playing field for parties obligated under the RRCEA by monitoring implementation of IFO wind-up plans and undertaking effective compliance and enforcement of RRCEA regulations; and,
- Cost-effectively deliver the Authority's legislated mandate and directions received from the Minister.

Activities and Milestones Under RRCEA and WDTA

● 2022-2024

- Continue implementation of the Authority's Risk-Based Compliance Framework incorporating graduated measures beginning with communications to encourage voluntary compliance before escalating enforcement efforts where necessary

- Continue overseeing Stewardship Ontario's compliance with the Blue Box Program Plan and transition plan

Activities and Milestones Under RRCEA

● 2022

- Implement a communications strategy to educate registrants obligated under RRCEA regulations for Tires, Batteries, EEE, HSP, and Blue Box about their regulatory requirements in order to support compliance
- Implement a communications strategy to support obligated parties in using the Registry and digital reporting service for the HWP and the Excess Soil Registry

● 2022-2024

- Support compliance by obligated parties with their regulatory requirements through the ongoing deployment of effective compliance strategies with a focus on communications
- Ensure Compliance and Registry Officers and Registry Support Officers are trained and supported to effectively respond to registrant inquiries, provide excellent customer service and undertake effective compliance activities

05 Strategic Priorities For 2022–2024

Strategic Priority Four: Accountability

Objectives

To be accountable, the Authority will:

- Comply with the reporting and publishing requirements in the RRCEA, WDTA and the Operating Agreement;
- Comply with the Information Sharing Protocol in the Operating Agreement;
- Engage and consult with stakeholders broadly and openly on development of the Authority's policies and planned activities where appropriate;
- Establish a culture of open dialogue, collaboration and responsible discourse; and
- Conduct its operations in an efficient and economical manner in line with expectations set out in the Authority's Operating Agreement with the Minister.

Activities and Milestones Under RRCEA and WDTA

- 2022
 - Submit the Authority's 2021 Annual Report to the Minister by June 1, 2022
 - Hold an Annual Public Meeting in June 2022
 - Submit the Authority's 2023 Business Plan to the Minister by October 1, 2022
 - Maintain an effective system for responding to public feedback and complaints received by the Authority related to performing its duties and exercising its powers under the Acts

● 2022-2024

- Provide the Minister with information set out in the Information Sharing Protocol in Schedule A of the Operating Agreement as requested and required
- Post all documents required to be posted on the Registry under the RRCEA, WDTA and the Operating Agreement
- Develop and maintain all policies and procedures required under the Operating Agreement
- Provide timely information to persons involved in activities that relate to resource recovery or waste reduction in Ontario and to the public about the Acts and the regulations
- Continue to provide key communications in French consistent with the Authority's French Language Services Plan
- Undertake consultation with stakeholders on any changes to the Authority's General Fee Setting Policy and annual fees, costs or other charges
- Continue to use the Industry Advisory Council and Service Provider Advisory Group as forums to enable open dialogue with stakeholders, information sharing and effective engagement, including in the development of each year's Business Plan
- Continue to provide information about the Authority's objectives and activities under the WDTA and RRCEA through the Authority's website and other communications method

05 Strategic Priorities For 2022–2024

Strategic Priority Five: Organizational Efficiency and Sustainability

Objectives

To be a skilled, professional, cost-effective, and stable organization, the Authority will:

- Attract and retain capable and experienced staff by fostering a diverse and inclusive organizational culture based on professionalism, continuous improvement, integrity, accountability, respect, and collaboration;
- Operate based on principles and practices that will ensure efficient and effective management and value-for-money;
- Establish and administer fees, costs and other charges that sustain the Authority's operations consistent with the cost recovery requirements of the WDTA and RRCEA and principles set out in the General Fee Setting Policy; and,
- Maintain governance practices to meet or exceed recognized best practices.

Activities and Milestones Under RRCEA and WDTA

- **2022-2024**
 - Undertake an organizational review in 2022 to seek opportunities for efficiencies

- Review performance measures in 2022 to ensure Key Performance Indicators are results oriented, including cost-efficiency
- Maintain an organizational culture that prioritizes principles of cost-effectiveness and value-for-money
- Maintain operating policies and procedures to ensure up-to-date, clear, and consistent practices
- Maintain governance policies and procedures based on best practices
- Recruit and onboard staff to strengthen the Authority's delivery of services
- Support and enhance the Authority's internal operational culture through ongoing employee engagement, training, and succession planning
- As terms of elected Board members expire, re-elect or replace to ensure the Board has a full slate of elected directors
- Onboard any new Board members to ensure continuity of effective governance and organizational oversight

Activities and Milestones Under RRCEA

- **2022-2024**
 - Consult and set fees consistent with the General Fee Setting Policy

Achieving Value-For-Money

Approach

The Authority's financial planning process is overseen by the Authority's Board of Directors. The financial plan reflects the planning assumptions set out in this document, and the Authority's estimation of the resources needed to fulfill its legislated mandate and the Minister's directions during the planning period. In exercising its oversight, the Authority's Board helps ensure that the Authority conducts its operations efficiently and economically. This goal is achieved in part through the Authority's commitment to strong and transparent procurement procedures; a risk-based compliance framework that allows for an efficient allocation of compliance resources; and a strategic approach to human resources that includes assessing for each staffing requirement cost efficiency between hiring permanent, full-time staff versus contracting out, and hiring only as anticipated needs materialize.

Based on the increasing number of the Authority's programs and the number of registrants associated with those programs...the Authority continues to achieve efficiency gains of 61% based on FTEs per program and 111% based on FTEs per registrant...

Key Assumptions

The key assumptions described in Section 5 of this Plan, which as previously noted are subject to change as regulations are finalized and as further directions from the Minister are received, inform the Authority's 2022–2024 financial plan.

In addition to the key assumptions set out in Section 5, and the assumptions described in greater detail below, the Authority's financial plan also assumes, with respect to the Registry:

- The Registry will be developed to implement

the requirements of final regulations under the *Resource Recovery and Circular Economy Act, 2016* (RRCEA);

- The Registry and digital reporting service for the the Hazardous Waste Program (HWP) and Excess Soil Registry will be developed to fulfill the directions provided by the Minister and meet the requirements of the regulations;
- Registry development and implementation costs are amortized over 10 years; and
- Registry expenses include annual licensing costs, managed services, and maintenance costs.

Components of the Authority's 2022–2024 financial plan include:

- Human Resources
- Revenues and Expenses
- Credit Facilities
- Reserve Fund
- Risks

Human Resources

As legacy waste diversion programs are wound up and regulations under the RRCEA come into force, additional staff will be needed due to increased regulatory requirements under the RRCEA regulations as compared to the *Waste Diversion and Transition Act, 2016* (WDTA) programs. The Authority will require additional staff to support the Registry, compliance and enforcement, financial administration, information and information technology, and communications and public reporting functions associated with the RRCEA programs. The Authority will also require additional staff to support the Registry and digital reporting service for the HWP and Excess Soil Registry.

In last year's business plan, the Authority had budgeted for a staff complement of 41.8 FTE in 2021. However, a number of the planning assumptions that underpinned that estimate changed after the business plan was published, including the Minister's direction to build and operate the Excess Soil Registry by late 2021 and the requirement of the Blue Box Regulation to begin registering obligated parties in 2021. This necessitated an acceleration of the Authority's hiring plans for 2022 in 2021, leading to an adjustment in the Authority's

06 Financial Plan

2021 resourcing plan from the planned 41.8 FTE to 54.3 prorated FTE or 59 year end FTE.

For 2022, the Authority is estimating its staff complement will grow from 59 FTE in 2021 to 69 FTE. The increase in staffing requirements - compared to the 50 FTE estimated for 2022 in last year's business plan - is based on the following factors:

- Need for increased compliance and communications services to meet the needs of regulated businesses in adapting to regulatory change across the five programs the Authority will be implementing during the planning period, as well as the two new programs for which the Authority will be providing digital reporting/Registry services to businesses
- Changes to the key assumptions underpinning the business plan, including new ministerial direction to build and operate the Excess Soil Registry and timing of Registry projects
- Increasing complexity of the Authority's operations and need for additional support in financial planning and analysis; IT support, in particular cybersecurity; and project management to ensure efficient and cost effective operations

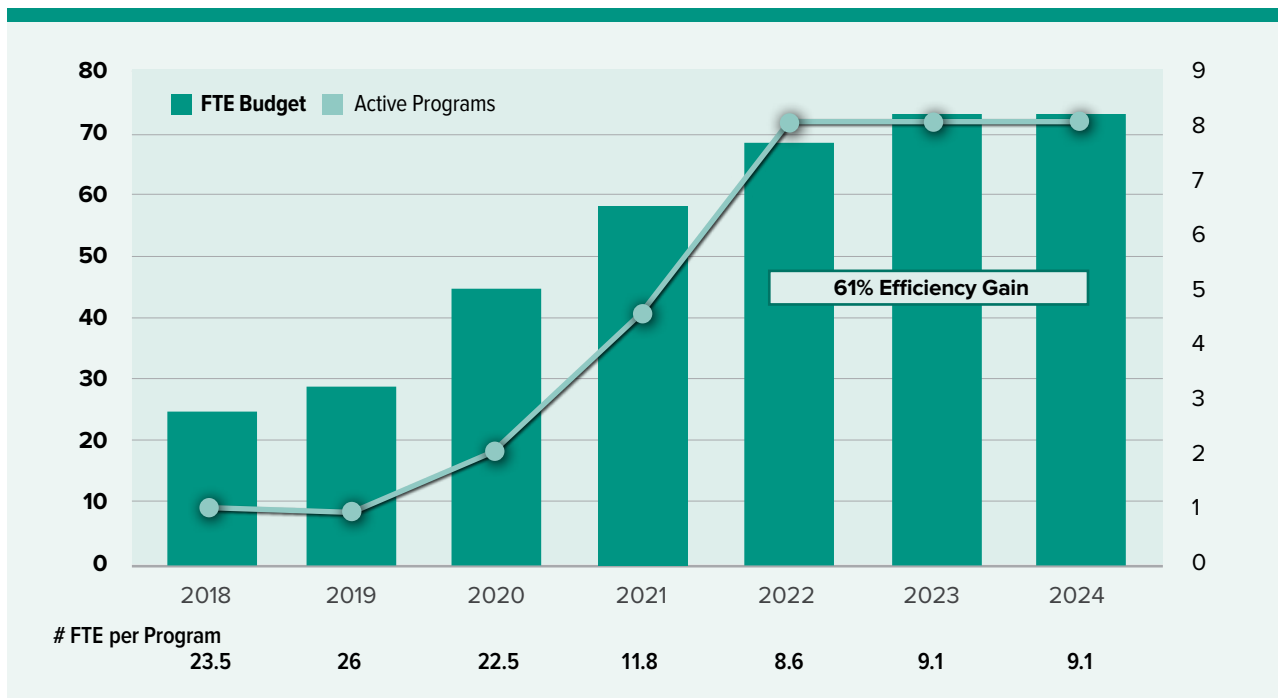
- Complexity of the Hazardous Waste Program (HWP) Digital Reporting Service and Registry project
- Requirement for program management and project management support as the Authority executes multiple complex IT projects concurrently

The Authority's staffing increases over time reflect the growth in both the number and complexity of the Authority's programs from 1 (Tires) in 2018 to 8 (Tires, Batteries, ITT/AV, BB, HSP, Excess Soil, HWP and Lighting) in 2023.

In order to fulfill its responsibilities at a reasonable standard of delivery related to this growing legislated mandate, the Authority's staff complement will increase by a total of 10 FTEs in 2022 from the 2021 level and by an additional 4 in 2023-2024 from 2022 levels for a total of 14 FTEs over the three-year planning period.

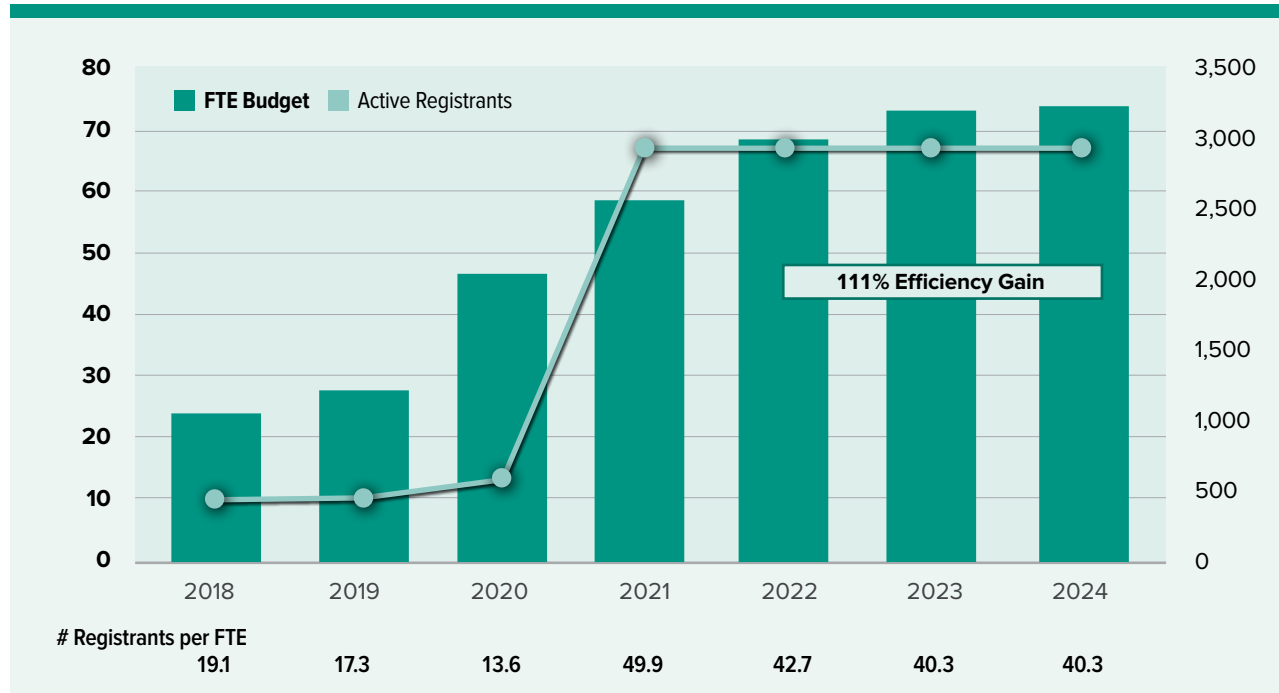
Based on the increasing number of the Authority's programs and the number of registrants associated with those programs, however, the Authority continues to achieve efficiency gains of 61% based on FTEs per program and 111% based on FTEs per registrant as outlined in the charts below.

Budgeted FTEs and Active Program Growth (includes HWP, ES)



06 Financial Plan

Budgeted FTEs and Active Registrant Growth (does not includes HWP, ES)



*Registrants for HWP and Excess Soil have been excluded in this analysis as the Authority will be operating support programs only for these programs, which require less resources per registrant than compliance programs. The addition of HWP and Excess Soil registrants would otherwise significantly increase the efficiency gain.

The table below summarizes the additional staff the Authority is planning to recruit in 2022 in order to fulfill its mandate, on the following basis:

- The Compliance, Registry and Legal group, which was previously called the Compliance and Enforcement group, will include the legal resources that had previously been under the CEO's Office. This change reflects the combined role of Registrar and General Counsel. The group is planned to increase by 3 FTEs to support the registration and compliance of obligated parties under the following RRCEA regulations: Tires, Batteries, EEE, HSP, and Blue Box. The group will also be providing support services for the digital reporting service and Registry for HWP and the Excess Soil Registry. The compliance and enforcement functions for the HWP and Excess Soil programs will remain with the Ministry of the Environment, Conservation and Parks. Additionally, the team will be responsible for providing both corporate and regulatory legal support to the organization.
- The Information and Information Technology (I&IT) group will be reduced by 1 FTE to reflect the use of consultants and contractors based on a reassessment

of the cost effectiveness of permanent, full-time staff versus external resources. The Authority will be building and operating new Registry systems for HSP and Blue Box, as well as the digital reporting service and Registry for HWP and the Excess Soil Registry. Additionally, the Tires, Batteries and ITT/AV registries are currently in operation and the Lighting Registry portal, which was built in 2021, will be made operational in 2022. All operational registry portals will require ongoing maintenance and/or enhancements.

- The Finance and Human Resources team, which was previously called the Finance and Administration team, will increase by 1 FTE from 2021 levels with the addition of a Director of Human Resources. The team will support the Authority's growing staff complement and increasing financial management requirements, including planning and analysis, controls, payroll and benefits administration, procurement, full-cycle HR management, and enterprise risk management.
- The CEO's Office, which includes the Board Secretariat, will remain flat at 2 FTEs from 2021 and throughout the planning period.

06 Financial Plan

- The Programs and Public Affairs team, which was previously called the Communications and Stakeholder Relations team, will be responsible for communications, stakeholder relations, the wind up of legacy waste diversion programs, and providing analytic and research support throughout the organizations. The team will also play a key role collaborating with the Compliance, Registry and Legal team to support the Authority's emerging portfolio of work on public reporting, including performance reporting. In order to support this full scope of work, the Programs and Public Affairs team will be increased by 4 FTEs in 2022.
- A new Strategic Initiatives team will be established under a new executive structure that will include a

new head of Strategic Initiatives. This new function will have a total staff complement of 3 FTEs starting in 2022 and will be responsible for providing project delivery support to ensure the Authority's expanding and increasingly complex portfolio of priority projects are effectively coordinated and managed. The team will also be responsible for organizational design and process improvements to ensure the Authority is structured to operate optimally and cost effectively and deliver its priority projects in order to fulfill its legislated mandate.

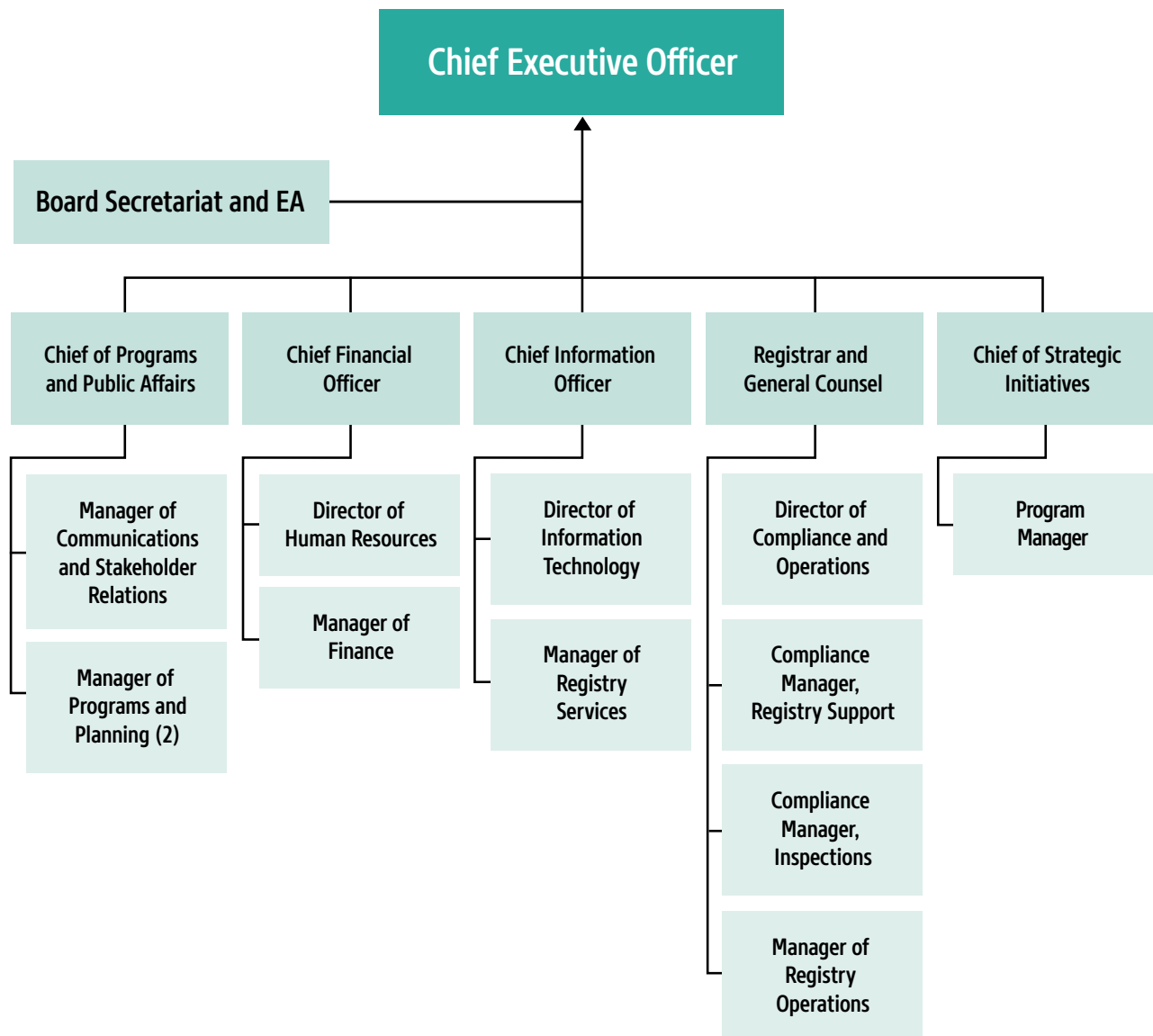
The following table sets out the human resources anticipated to be in position by the end of 2021 as well as the human resources anticipated to be added in 2022 through to 2024, based on current assumptions.

Department
Compliance, Registry and Legal
I&IT
CEO Office
Finance and Human Resources
Programs and Public Affairs (includes Communications & Stakeholder Relations and Technical Services, former Transition Team)
Strategic Initiatives
Total Year End FTE

Full Time Equivalent Staff Position			
2021	2022	2023	2024
23	26	28	28
14	13	15	15
2	2	2	2
9	10	10	10
11	15	15	15
N/A	3	3	3
59	69	73	73

06 Financial Plan

The following organizational chart illustrates the management structure from the HR table for the 2022-2024 period.



06 Financial Plan

Revenues and Expenses

As authorized by its legislated mandate, the Authority's 2022–2024 activities will be supported by revenues from two sources:

- Regulated industry funding organizations under the WDTA
- Regulated parties under the RRCEA and EPA

The estimated revenues from the regulated parties under the WDTA reflect the key wind-up assumptions included in Section 5 and are derived through charges to IFOs for WDTA-related expenses. WDTA costs will continue to be recovered from IFOs until wind up of the associated program and industry funding organization is complete.

The estimated revenues from regulated parties under the RRCEA and EPA reflect additional registrants as outlined in Section 5 of this Business Plan and are derived through registration fees, costs, and other charges such as transaction or filing fees and late fees. RRCEA and EPA costs, including the current year's Registry amortization will be recovered through fees and other charges in each year. Registry and digital reporting service capital costs are amortized over 10 years and recovered through annual or transaction-based fees over the ten-year period. Certain expenses for programs under development could be deferred and recovered in future periods. Fees will be set by the Authority initially annually then on a periodic basis after consultation with stakeholders.

The financial and human resource estimates assume the Authority will operate cost-efficiently and effectively to achieve value for money. This assumption will be supported by additional efforts the Authority will be undertaking in 2022 and throughout the planning period to enhance operational efficiencies, including undertaking an organizational review, identifying process efficiencies, and establishing key performance indicators to better measure operational efficiency. Any changes to key assumptions outlined in Section 5 will be carefully monitored.

The Authority will continue to operate under a strong accountability framework that includes robust governance oversight, stakeholder engagement, ministry oversight, public reporting, procurement policies, and

effective cost controls such as business cases for budgets, strengthening cost estimations, robust risk and mitigation analysis, expense variance tracking, and portfolio and project management discipline on all Registry projects. Recognizing that not all expenses are predictable, the plan includes a total contingency of approximately 5% included in salaries and benefits and professional fees to handle unexpected overages, mitigate risks associated with uncertain assumptions and ensure organizational sustainability.

Estimated Registry development expenditures are based on Registry requirements outlined in published regulations and, for the HWP digital reporting service and Registry and the Excess Soil Registry, the requirements outlined by the ministry and the respective regulations. Actual budgets will be determined based on final regulations and competitive procurement processes, which may result in variances to budgeted amortization expenses.

The primary factors resulting in the increase between the 2021 Budget and the 2022 Budget are related to the following:

- An increase in compensation, including salary and benefits due to the need for additional human resources capacity primarily in the Compliance, Registry and Legal team and the Programs and Public Affairs team.
- An increase in other operating expenses reflecting added software and other IT services expenses related to supporting the Authority's expanded staff.
- An increase in amortization and loan interest expenses reflecting Registry and digital reporting service financing costs and the amortization of these capital expenditures when the capital assets become operational.
- An increase in Registry expenses reflecting the additional software and managed services expenses to support new Registry systems.

The gradually increasing allocation of expenses to RRCEA and EPA reflects Registry and digital reporting service implementations, expanded staffing for the Compliance, Registry and Legal team, and other activities in support of the Authority's RRCEA and EPA-related mandate.

06 Financial Plan

2022 Business Plan

In Millions	Actual 2020	2021		2022 Business Plan		
		Budget 2021	Reset 2021	Budget 2022	Forecast 2023	Forecast 2024
Revenues						
Cost recovery	\$ 8.90	\$ 9.53	\$ 12.70	\$ 15.81	\$ 19.67	\$ 20.52
Reserve contribution	0.60	0.90	0.90	0.90	0.90	0.90
Start-up cost recovery	0.09	0.09	0.09	0.09	0.09	0.09
Deferred recovery	–	0.00	0.00	0.18	1.10	1.10
Total Revenues	9.59	10.53	13.69	16.98	21.76	22.61
Expenses						
Salaries and benefits	4.48	5.13	6.22	8.99	9.66	10.00
Communications	0.17	0.27	0.34	0.34	0.34	0.34
Amortization	0.75	1.67	1.20	1.30	3.18	3.98
Board compensation and related expense	0.25	0.29	0.29	0.35	0.38	0.36
Rent	0.82	0.85	0.85	0.90	0.91	0.93
Telephone and internet	0.08	0.11	0.12	0.11	0.12	0.13
Loan interest	0.12	0.37	0.20	0.41	0.90	0.98
Other operating	0.27	0.61	0.76	1.03	1.03	1.05
Professional fees	0.90	1.22	2.03	1.87	1.65	1.58
Registry	1.07	1.16	2.13	2.16	1.49	1.16
Contingency	–	0.20	0.20	0.00	0.00	0.00
Total Expenses	8.90	11.88	14.35	17.45	19.67	20.52
Total Activities	9.59	12.87	15.34	18.62	21.76	22.61
Registry Programs	4.32	9.73	11.32	16.03	20.31	21.15
WDTA	5.27	3.15	4.02	2.59	1.44	1.46
Total Expenses	8.90	11.88	14.35	17.45	19.67	20.52
Reserve contribution	0.60	0.90	0.90	0.90	0.90	0.90
Start-up cost recovery	0.09	0.09	0.09	0.09	0.09	0.09
Deferred recovery	0.00	0.00	0.00	0.18	1.10	1.10
Total Activities	9.59	12.87	15.34	18.62	21.76	22.61
Deferred costs	–	-2.35	-1.65	-1.64	0.00	0.00
Net Total Activities	\$ 9.59	\$ 10.53	\$ 13.69	\$ 16.98	\$ 21.76	\$ 22.61

Budget Notes

- ¹ The Budget reserve contribution increases from the 2020 Budget consistent with the Authority's reserve policy, which sets the maximum reserve at an amount not to exceed 50% of the Authority's annual operating budget.
- ² Deferred costs include direct and shared expenses related to new materials or mandate prior to operationalizing the Registry for the material or the digital reporting service for the new mandate. The deferred costs will be recovered in subsequent years.
- ³ Salaries and benefits include all full-time and contract employees, including associated benefits.
- ⁴ Amortization includes the amortization of estimated Registry development costs and other capital expenditures.
- ⁵ Other operating expenses include office supplies, insurance, bank charges, staff expenses and Municipal Datacall maintenance expenses.
- ⁶ Professional fees include external legal services, external audit services, HR recruitment services, contracted compliance training, and consulting.

06 Financial Plan

The gradually declining allocation of expenses to WDTA reflects the Authority's declining activities related to the oversight of legacy waste diversion programs as they cease operating. As remaining programs and IFOs cease operating, including the anticipated liquidation of Ontario Tire Stewardship in 2022; the anticipated liquidation of Ontario Electronic Stewardship in 2022; and the transition of the Blue Box Program between 2023 and 2025 and the liquidation of SO thereafter, the Authority's costs recovered from IFOs will steadily decline and eventually reach zero.

Credit Facilities

The assumed increase in utilization of the credit facilities during the 2022-2024 period is related to financing the Registry development costs, which are amortized as an intangible asset. The credit facilities will be used to cover these expenditures for cash flow purposes and to enable equitable distribution of common costs across all material groups. The annual amortized costs of the Registry will be recovered through annual registration and transaction fees. Details of registry costs for each completed portal, as well as foundational system costs, are outlined in the Authority's annual report published in June of each year. The most recent [2020 Annual Report](#) is available on the Authority's website.

Reserve Fund

The Authority's Operating Agreement with the Minister stipulates that the Authority's contingency reserve may not exceed 50% of the organization's annual operating costs. The Board has established a reserve fund policy consistent with this requirement. Contributions to the reserve fund in 2022 through 2024 are consistent with the Board policy.

Risk

Risk is inherent in any business plan, in particular in a plan that covers three years and that is based on uncertain assumptions about the scope of activities required during the planning period.

The Authority has a robust enterprise risk management plan, which identifies, assesses, and develops mitigation plans to manage risks to the organization, delivery of its mandate and achievement of its business plan objectives.

The key risks associated with the 2022–2024 Business Plan include:

- Assumptions about government decision making, in particular assignment of new materials or mandates under the RRCEA;
- Assumptions about the trajectory of the COVID-19 pandemic and its broader economic impact;
- Assumptions about the number of registrants under new RRCEA and EPA regulations;
- Uncertainties inherent in the implementation of new regulations, including level of voluntary compliance by obligated parties and the support needs of these parties, and effectiveness of communication and compliance strategies;
- Technology risks in the development and deployment of Registry enhancements; and
- Availability, recruitment and retention of skilled, competent human resources.

The Authority's risk mitigation strategies support organizational resilience to deliver its legislated mandate, fulfill directions from the Minister, and achieve its strategic priorities. The Authority will monitor its risks throughout the planning period and will continually assess its exposure and update its mitigation strategies.

07 Performance Measures

Tracking Results

The Authority sets strategic priorities, objectives, and performance targets in its annual Business Plan. The Authority reports on its performance against its objectives in its Annual Report and at its open Annual Public Meeting to ensure transparency and accountability to its stakeholders and the public. The Authority's performance against its 2020 objectives was published in its 2020 Annual Report, which is available on the Authority's [website](#). The Authority's performance against its 2021 objectives will be reported on in its 2021 Annual Report, which will be published and posted to the Authority's website by June 1, 2022.

The 2022 objectives and performance targets outlined below are based on the Authority's mandate, responsibilities, and strategic priorities. Some of the targets are based on mandated requirements and others are selected to be challenging but also achievable statements of planned results. While the Strategic Priorities have not changed compared to 2021, certain 2022 measures and targets differ from previously published measures and

targets either because new measures and targets have been added to reflect the development and evolution of the Authority's compliance programs, or they have been revised to reflect changes in government or ministry direction.

Some of the Authority's performance measures in 2022 continue to focus on supporting the build out of the Registry and/or digital reporting service, and/or reflect one-time activities. As such, some of the measures do not lend themselves to quantification and instead reflect activities to gauge progress in completing planned activities. Over time, performance measures will be updated to allow for quantification and year-over-year comparisons. As noted below under Strategic Priority Five, the Authority will undertake a review of its performance measures to develop more stable and outcome-based key performance indicators (KPIs). As the organization matures and evolves from start-up mode to steady-state mode, it is anticipated that its KPIs will shift from activity-based measures to quantitative and outcome-based measures.

Strategic Priority One: Transition of Waste Diversion Programs

Objective	Measure	2022 Target
Continued oversight of waste diversion programs	Effective and efficient operation of the Blue Box Program	Stewardship Ontario operates in compliance with WDTA requirements Respond within 7 days to complaints Initiate action within 7 days for substantiated non-compliance
Effective wind up of IFO programs and IFOs	Implementation of approved OTS Wind-Up Plan for the Used Tires Program and implementation of approved OES Wind-Up Plan for the WEEE Program and implementation of approved Stewardship Ontario wind-up plans for the Municipal Hazardous or Special Waste Program and the Blue Box Program	Oversee disposition of OTS surplus funds as per Minister's directions and dissolution of OTS following resolution of all outstanding financial and tax matters Oversee dissolution of OES following resolution of all outstanding financial and tax matters Oversee distribution of final MHSW surplus funds to Industry Stewardship Organizations and stewards Effective monitoring and response to any program disruption during implementation of approved Blue Box Program Wind-Up Plan

07 Performance Measures

Strategic Priority Two: Responsible Management of Data

Objective	Measure	2022 Target
Develop and maintain Registry to fulfill organizational mandate	Develop Registry functionality consistent with the Hazardous and Special Products Regulation, the Blue Box Regulation, and the Minister's directions on Registry and Digital Reporting Service for the Hazardous Waste Program and the Excess Soil Registry.	Initiate Registry development project for Blue Box in accordance with Board project approvals and consistent with requirements in the Blue Box Regulation Initiate Registry development project for Hazardous and Special Products in accordance with Board project approvals and consistent with requirements in the Hazardous and Special Products Regulation Consult and engage with stakeholders and the Ministry to scope and initiate Phase 2 of the Excess Soil Registry project in accordance with Board project approvals Complete the development of the digital reporting service and Registry for the Hazardous Waste Program consistent with the Minister's directions to have the service go live January 1, 2023 and consistent with the General Waste Management Regulation in accordance with Board project approvals
Registrants submit required data	Completeness of data reported by registrants	Initiate action within 7 days for substantiated non-compliance Initiate inspection of all high priority producer annual supply reports submitted in the Tires, Batteries, EEE, HSP and Blue Box programs Initiate inspection of all high priority annual performance reports submitted in the Tires, Batteries and EEE programs
Responsible parties registered	Percentage of responsible parties registered	Individually engage with 90% of potential Lighting producers as identified through available membership lists from relevant industry associations for that material category and register high priority Lighting producers by deadline
Protection of confidential, personal, and commercially sensitive data	Security and privacy of confidential, personal, and commercially sensitive information	Compliance with RRCEA and WDTA provisions on confidentiality of information and Authority's Access and Privacy Code

07 Performance Measures

Strategic Priority Two: Responsible Management of Data (continued)

Objective	Measure	2022 Target
Public Reporting	Report publicly on program performance and progress on advancing Ontario's circular economy and waste diversion goals and provide public information to assist Ontarians in understanding and supporting Ontario's waste management strategy	Engage stakeholders on the design and timing of public reporting under the RRCEA and report on the performance of the Tires Program, Batteries Program, and the ITT/AV portion of the EEE Program, consistent with performance reporting requirements in the respective regulations Enhance the Authority's website to make information about Ontario's circular economy more accessible to the public

Strategic Priority Three: Trusted Authority

Objective	Measure	2022 Target
RPRA viewed as a responsive, unbiased, cost-effective organization focused on enabling compliance	Third-party stakeholder perception and awareness survey	Conduct surveys of newly obligated RRCEA and EPA registrants and broader stakeholders to establish a baseline against which future perception and awareness surveys can be measured, including a gap analysis in the initial survey to develop a preliminary understanding of the Authority's reputation and performance Tracking survey results of Tires Program registrants and stakeholders at or higher than 2021 results
Foster a level playing field for parties obligated under RRCEA	Response time to take compliance and enforcement actions against non-compliant parties	Respond within 7 days to complaints High priority free-rider cases closed within 9 months Respond within 30 days to substantiated non-compliance

07 Performance Measures

Strategic Priority Four: Accountability

Objective	Measure	2022 Target
Comply with reporting requirements in the RRCEA, WDTA and the Operating Agreement	Compliance with reporting requirements outlined in the RRCEA, WDTA and Operating Agreement	2021 Annual report submitted by June 1, 2022 Annual Public Meeting held in June 2022 2023 Business Plan submitted by October 2, 2022
Engage and consult broadly and openly with stakeholders	Completed consultations and stakeholder feedback	Completion of consultations and approval of 2022 Registry fees with level of participant satisfaction at or above consultation survey results for consultation on 2021 Registry fees Completion of all other formal consultations with level of participant satisfaction at or above aggregate survey result for formal consultations in 2021

Strategic Priority Five: Organizational Efficiency and Sustainability

Objective	Measure	2022 Target
Set fees, costs and other charges that sustain the organization	Total Revenue Total Reserve Contribution	Recovery of costs without significant deficit or surplus consistent with approved budget Contribution to Reserve consistent with Reserve Fund Policy
Establish an inclusive organizational culture based on professionalism, continuous improvement, integrity, accountability, respect and collaboration	Employee engagement survey results	Level of engagement at or above baseline established in the 2019 employee engagement survey
Operate based on principles and practices that will ensure efficient and effective management and value-for-money	Develop relevant cost-efficiency indicators	Undertake an organizational review to support cost-efficient delivery of operations Undertake a review of performance measures to strengthen Key Performance Indicators



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