

**REPORT TO INTEGRATED RESOURCE MANAGEMENT ADVISORY COMMITTEE
MEETING OF WEDNESDAY, SEPTEMBER 6, 2017**

SUBJECT **Waste Flow Management Policy Backgrounder**

ISSUE

To present policy and financial considerations regarding flow control of waste feedstocks.

BACKGROUND

Proposed next steps for Advanced Integrated Resource Management (IRM) were presented to the IRM Advisory Committee in June 2017 and the next steps were approved at the Capital Regional District (CRD) Board meeting on July 12, 2017. As a result, staff have prepared a backgrounder summarizing potential policy/project implications resulting from the CRD's lack of flow control over much of the waste feedstock. The term "flow control" refers to the CRD's authority to control the movement and disposal of solid waste within the region.

On May 12, 2017, the CRD Board approved the proposed IRM Work Plan for submission to the Province of British Columbia by May 31, 2017, as requested by the Minister of Environment in her conditional approval of Amendment No. 11 of the Core Area Liquid Waste Management Plan. The letter of submission reiterated the CRD Board's commitment to pursuing IRM as a strategic priority, as confirmed in the Core Area Wastewater Treatment Program Business Case. One of the main challenges identified in the Business Case was the lack of flow control over solid waste streams in the region. Lack of flow control was also identified as a significant project risk by respondents to the Request for Expressions of Interest for the Advanced IRM Project.

Waste flow management refers to a regional district's ability to regulate the flow of solid waste and recyclable materials, as provided for in the Environmental Management Act (EMA). It is an important regulatory tool to support the implementation of solid waste management plans and to help ensure the long-term financial sustainability of the system. It can also provide a means to guarantee feedstock for the establishment of new facilities, such as the proposed IRM facility. There have been several attempts by regional districts to implement waste flow management. In 2013, Metro Vancouver considered hauler licensing as an option for waste flow management, but removed it from consideration, as a result of significant opposition by the hauling industry. Staff subsequently developed Bylaw 280, meant to regulate waste flow to designated facilities in their region. In February 2014, Metro Vancouver wrote to the CRD Board to ask for support of Bylaw 280. At its meeting of June 11, 2014, the CRD Board voted to send a letter to the Minister of Environment supporting local government authority to implement a bylaw enabling waste flow management.

On June 24, 2014, the issue of waste flow management was further discussed by the Environmental Services Committee and CRD Board members at a workshop on the Solid Waste Management Plan (SWMP). Workshop participants did not endorse the assumption that waste flow management should be considered as part of the new SWMP and requested more information.

The Minister of Environment rejected Metro Vancouver's proposed flow management bylaw in October 2014. In 2015, as an alternative to the failed bylaw, Metro Vancouver reduced tipping fees for large commercial loads, sending a positive price signal to private waste hauling customers. This approach, along with the decreased strength of the Canadian dollar, resulted in a significant decrease of waste exports to Washington State and ensured continued flow of materials to Metro Vancouver transfer stations.

In 2015, the Regional District of Nanaimo (RDN) solid waste disposal facilities experienced a 25% decrease in commercially-hauled solid waste disposal. RDN staff proposed a large load tipping fee reduction, similar to Metro Vancouver's approach. The RDN Board rejected the proposed tipping fee change and decided to monitor the situation. With the reduced value of the Canadian dollar, waste exports seem to have stabilized for the time being and materials are being delivered to RDN facilities.

Metro Vancouver has recently taken a new approach to waste flow management. At its July 28, 2017 meeting, Metro Vancouver's Board initiated consultation on the introduction of a mixed municipal solid waste generator levy and of licensing commercial waste haulers. These initiatives propose to collect a levy starting at \$40 per tonne, to pay for fixed solid waste management planning costs and to license haulers as a means of collecting the levy. The generator levy is already authorized as a component of the *Greater Vancouver Sewerage and Drainage District Act* in Metro Vancouver's SWMP and does not require approval by the Minister of Environment; however, implementing a hauler licensing program would be subject to Ministry approval.

Based on the experiences in other regional districts, it appears that price signals can influence waste flow. CRD staff have started conversations through the Province's CRD Project liaison about flow control, and there may also be opportunities for discussion at the upcoming Union of British Columbia Municipalities conference. The implementation of a flow control bylaw in the Capital Region would have to be included in the CRD's SWMP and requires extensive consultation. It is possible to conduct this consultation in parallel to the consultation process for the SWMP.

CONCLUSION

The CRD Board has identified Integrated Resource Management as a strategic priority, and confirmed this in the Core Area Wastewater Treatment Program Business Case. One of the main challenges identified in the Core Area Business Case was the CRD's lack of flow control over solid waste streams in the region. This was also seen as a significant risk by respondents to the Request for Expression of Interest for the Advanced IRM Project. Regional districts in the province have identified waste flow management as a critical issue and are trying different approaches to secure feedstock availability and funding for solid waste programs.

RECOMMENDATION

That the Integrated Resource Management Advisory Committee recommend to the Environmental Services Committee:

That this report be received for information.

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