

Options for Management of Non-Eligible Blue Box Material at Depots

Purpose

Circular Materials (CM) is partnering with eligible communities to continue accepting Blue Box Materials from residences and facilities (Eligible Sources) at designated depots and transporting these materials to a CM receiving facility.

Many municipal recycling depots across Ontario accept Blue Box Material from both Eligible and Non-Eligible Sources. As the Administrator of the Common Collection System, CM will be incurring costs to receive the Blue Box Material from the Non-Eligible Sources and, as producer responsibility organizations, CM and Ryse will be incurring costs to transfer and process the Blue Box Material from the Non-Eligible Sources. As a result, a deduction will be applied to each EC's monthly depot compensation to account for these costs. As described in the [Pricing Explanatory Note](#), a deduction of 25% is included in the Depot Statement of Work.

For those eligible communities that do not accept Blue Box Material from Non-Eligible Sources, manage it separately or can substantiate that they manage less than 25%, CM has developed this document to provide guidance in determining the actual proportion of non-eligible source material at each depot.

Please review the five options for managing and/or determining Non-Eligible Sources below, select the option that best applies to your community and follow the guidance provided. This rate will be used throughout transition unless a change in depot operations occurs and a change order is issued.

Questions and documentation can be sent to operations@circularmaterials.ca.

Please note: Unstaffed depots and staffed depots that are accessible to the public when closed will be subject to a 25% deduction. The five options below are not applicable to these depots.

Definitions

"Depot" means a location to which Blue Box Material can be delivered by a resident in an eligible community where some or all residents do not receive household collection of Blue Box Material.

"Convenience Depot" means a location to which Blue Box Material can be delivered by a resident in an eligible community where all residents in the eligible community receive household collection.

"Eligible Source" means any residence or facility in an eligible community. These include:

- Single-unit residential dwellings, including seasonal residential dwellings (cottages or permanent mobile homes).
- Multi-unit dwellings (condominiums, apartments).
- Retirement homes (operated by a municipality or entity, not for profit).
- Long-term care homes (not for profit).
- Schools (public and private; elementary and secondary).

Refer to Sections 1 and 4 of [O.Reg 391/21 for definitions of Eligible Sources](#).

"Non-Eligible Sources" are any entities that are not Eligible Sources as defined in the Regulation.

Options for Managing and Determining Non-Eligible Source Material

Option 1 – Accept material only from Eligible Sources at the depot

It is the responsibility of the eligible community to provide proof through documentation such as municipal by-law, written confirmation from senior staff, or an excerpt from the Waste Planning Document along with site photos to demonstrate that the depot location only accepts material from Eligible Sources.

In this option, CM will not apply a deduction.

Option 2 – Accept material from Non-Eligible Sources and handle it separately from material from Eligible Sources

It is the responsibility of the eligible community to collect material from Non-Eligible Sources in separate, clearly marked containers. Site attendants must direct all Non-Eligible Source visitors to the containers set up for this purpose. Materials from Non-Eligible Sources are the responsibility of the eligible community.

It is the responsibility of the eligible community to provide proof through documentation such as depot training documents, municipal by-law or written confirmation from senior staff along with site photos to demonstrate that material from Eligible Sources is handled separately from material from Non-Eligible Sources. Further, this option assumes that the eligible community will arrange for the transportation and processing of the non-eligible materials directly.

Materials from Eligible Sources will be delivered to a designated Common Collection System Receiving Facility. In this option, CM will not apply a deduction.

Option 3 – Determine the proportion of Non-Eligible Sources based on MPAC property types

It is the responsibility of the eligible community to calculate the number of residential properties as a percentage of total properties in the eligible community using MPAC data for the latest property tax year. A list of property codes can be found here: [MPAC Property Codes](#).

CM requires the following to review and approve your calculated submission:

- An excel spreadsheet with your calculation using the totals for each of the applicable MPAC Series codes.
- A copy of the MPAC Summary Report or download as back-up to your calculation.

For this calculation, please consider the following:

Eligible Sources: 300 Series Residential.

Non-Eligible Sources: 400 Series Commercial, 500 Series Industrial, 600 Series Institutional, 700 Series Special and Exempt and 800 Series Government.

Exempt from calculation: 100 Series Vacant because the properties do not include an activity that would result in Blue Box Material and 200 Series Farm because this series includes a mix of vacant, residential, and commercial.

Table 1: Non-Eligible Source Usage Rate Calculation Based on MPAC Property Types

Formula	$\frac{\text{(Number of Commercial + Number of Industrial + Number of Institutional + Number of Special and Number of Government)}}{\text{((Number of Commercial + Number of Industrial + Number of Institutional + Number of Special and Number of Government) + (Number of Residential))}} = \text{Non-Eligible Source Usage Rate}$
Example	$\frac{\text{(56 Commercial + 18 Industrial + 10 Institutional + 2 Special + 4 Government)}}{\text{((56 Commercial + 28 Industrial + 10 Institutional + 2 Special + 4 Government) + (4,436 Residential))}} = 2\% \text{ Non-Eligible Source Usage Rate}$

The compensation deduction will be calculated based on Table 4.

Option 4 – Determine the number of visits from Non-Eligible Sources as a percentage of total number of visits delivering Blue Box Material

At each depot, the eligible community will record whether each visitor delivering Blue Box Material is an Eligible Source or a Non-Eligible Source for a period of no less than 25% of the monthly operating hours at each depot location.

For each Eligible Source visitor dropping off recycling, please document the date of the visit and if they are an Eligible or Non-Eligible Source. You will be required to submit the log sheet from each of the days making up the 25% of monthly operating hours, as well as an Excel spreadsheet showing the calculation used to determine your modified Non-Eligible Source rate being submitted.

Table 2: Non-Eligible Source Usage Rate Calculation Based on Depot Visits

Formula (1 Depot example)	Number of Non-Eligible Source visitors divided by (the number of Non-Eligible visitors + the number of Eligible Source visitors) = Non-Eligible Usage Rate.
Example	10 Non-Eligible Source Visitors / (10 Non-Eligible Source Visitors + 90 Eligible Source Visitors) = 10% Non-Eligible Source Usage Rate.

For those with multiple depots, calculate the percentage using total Non-Eligible Source visitor counts and Eligible Source visitor counts from all depots to yield the Non-Eligible Source Usage Rate. The compensation deduction will be calculated based on Table 4.

Table 3: Non-Eligible Source Usage Rate for Multiple Depot Locations Based on Depot Visits

Formula (3 Depot example)	Depot # 1 Number of Non-Eligible Source visitors + Depot # 2 Number of Non-Eligible Source visitors + Depot # 3 Number of Non-Eligible Source visitors divided by the number of Depot # 1, Depot # 2, and Depot # 3 Non-Eligible visitors + Depot # 1, Depot # 2, and Depot # 3 Eligible Source visitors = Non-Eligible Usage Rate
Example	(10+6+18 Non-Eligible Visitors) / ((10+6+18 Non-Eligible Visitors) +(90+50+70 Eligible Visitors)) = 15% Non-Eligible Source Usage Rate

Option 5 – A deduction of 25% will be applied to the weight of Blue Box Material collected

No action is required for this option. The compensation deduction will be calculated based on Table 4.

Table 4: Compensation Deduction Calculation for Options 3, 4 and 5

Step 1	Total Kg collected X applicable % from option 3, 4 or 5 = Total Kg from Non-Eligible Sources
Step 2	Total Kg from Non-Eligible Sources X \$200/tonne* = Charge to receive, consolidate, transport and process material from Non-Eligible Sources
Step 3	Deduct the charge to receive, consolidate, transport and process material from Non-Eligible Sources from the payment due to the Eligible community to operate the depot

*Non-Eligible Source Blue Box Material Tonne Price

PROs (Producer Responsibility Organizations) have calculated the cost to receive, consolidate, transport, process and market Blue Box Material from Non-Eligible Sources commingled with Blue Box Material from Eligible Sources. Net of revenue the average cost has been calculated at \$200/tonne.