

Ask the Registrar

Understanding Ontario's New Batteries Regulation

April 1, 2020

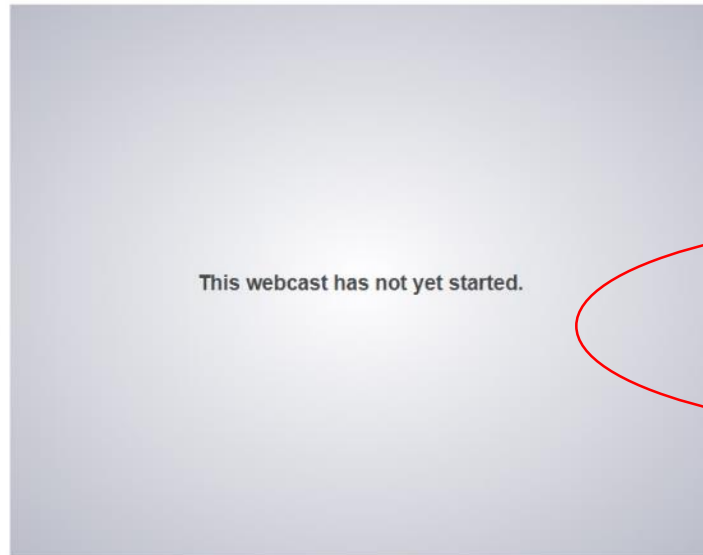
Presenter: Pat Moran



How to ask a question

Understanding Ontario's New Batteries Regulation

Tuesday, March 10, 2020 1:00 PM EDT



Q&A Tech Support

Type a question and press 'Enter'.

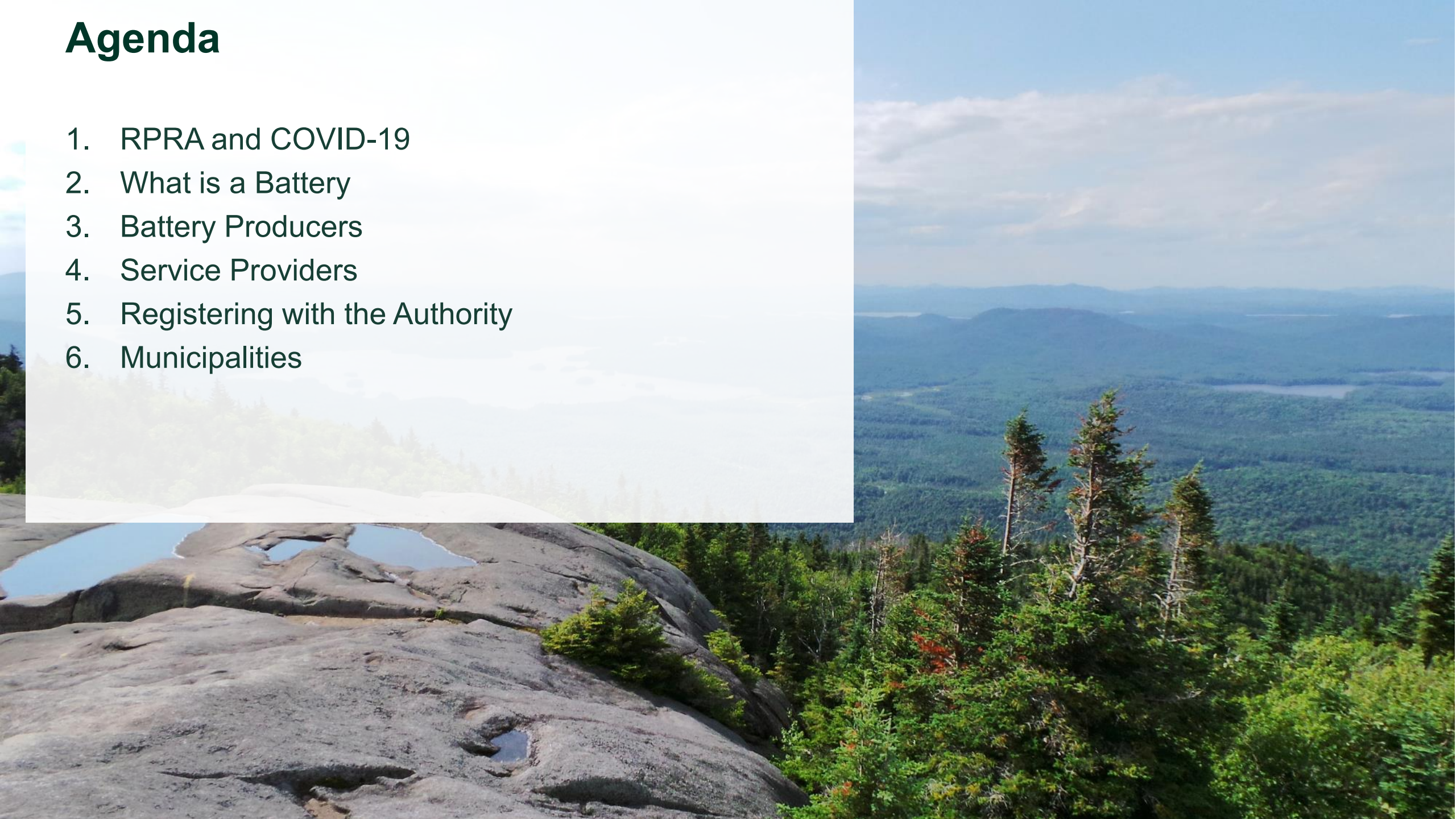
To ask a question at any time during the presentation or for technical assistance, type your question in the text box and press 'Enter.'

During this webinar, we will walk through Ontario's new Batteries Regulation and help those affected by it meet their obligations and participate in the new market for recycling, reusing and refurbishing batteries.

For more information, visit our website: <https://rpra.ca/learn/>.

Agenda

1. RPRA and COVID-19
2. What is a Battery
3. Battery Producers
4. Service Providers
5. Registering with the Authority
6. Municipalities



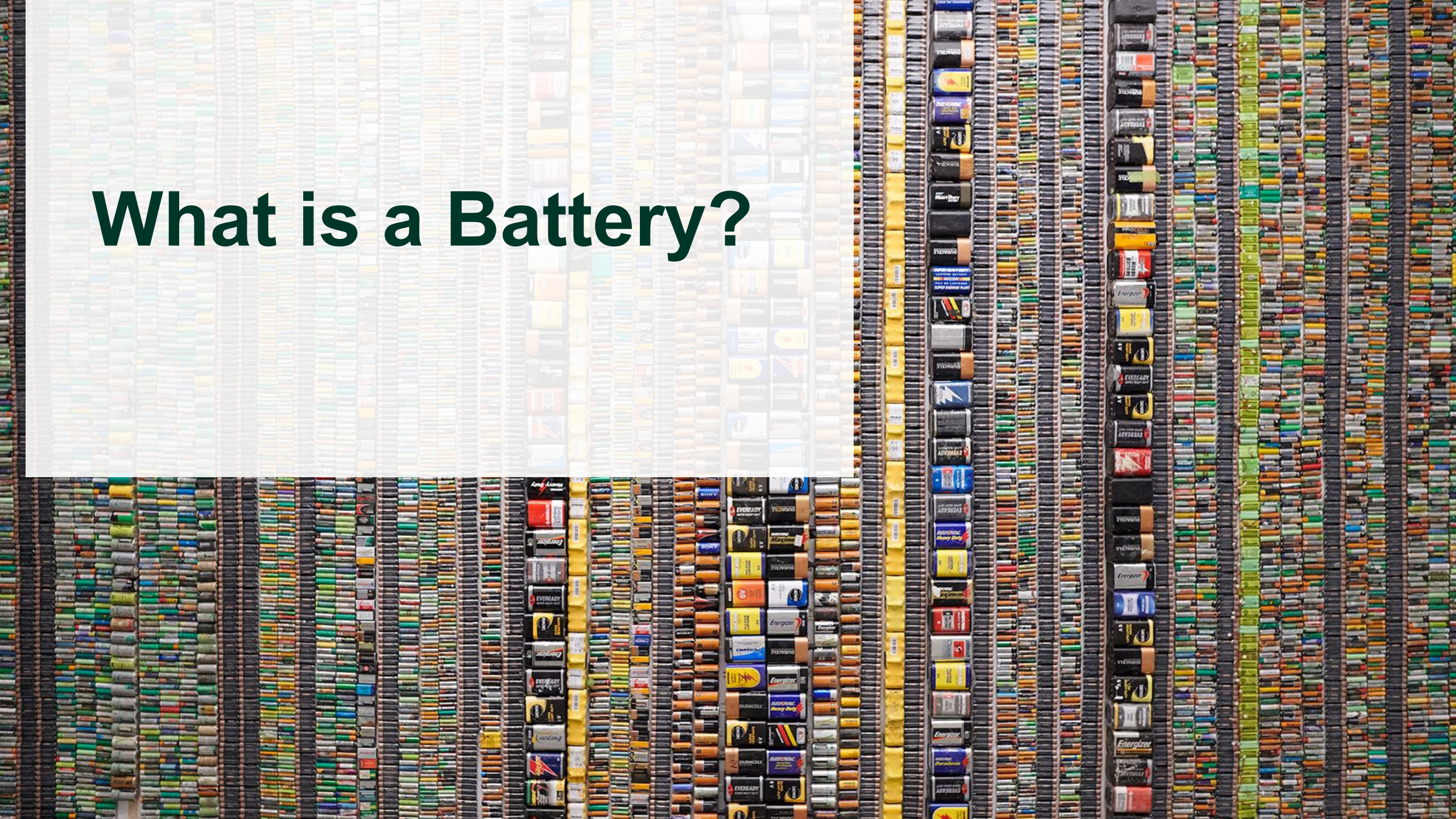
RPRA and COVID-19



RPRA and COVID-19

- All RPRA staff are now working from home in response to the COVID-19 pandemic
- All of our services remain fully available:
 - Our Compliance Team remains available for anyone needing assistance
 - By email: registry@rpra.ca
 - By phone: (647) 496-0530 or toll-free at 1-833-600-0530
 - We will continue with planned webinars
 - “Ask the Registrar” series will continue on April 8, 15 and 22. Sign up at <https://rpra.ca/learn/>
 - Our website continues to be available with information on the Batteries transition: <https://rpra.ca/programs/batteries/>

What is a Battery?



What is a battery?

- Rechargeable and single-use batteries 5 kg or less (< or = to 5 kg), and sold separately from products
- Supplied into Ontario, regardless of end user (i.e., includes Industrial, Commercial and Institutional)



- For example, button cells, AA, AAA, C, D, 9V, lantern batteries, Small Sealed Lead Acid batteries, replacement batteries for products (e.g., drill, cell phone, laptop)
- Does not include batteries
 - sold with or in products (e.g., battery sold with or in cordless power tools, cell phones, laptops, toys, vapes, fire alarms)
 - over 5 kg (e.g., car batteries, forklift batteries, stationary batteries)



FAQs: What is a battery

What if the end-user of the batteries I sell to is another business?

- A battery producer is required to report all of the batteries it supplies to consumers in Ontario for which it is a producer, regardless of who the end-user is in Ontario.
- Consumer includes all end-users, including other businesses and IC&I entities.

What does “marketed to consumers separately from a product” mean?

- Meant to exclude embedded batteries, the battery must be sold inside the product or in the same packaging as the product.
- Batteries sold at the same time but separately from the product are not excluded.

FAQs: What is a battery (continued)

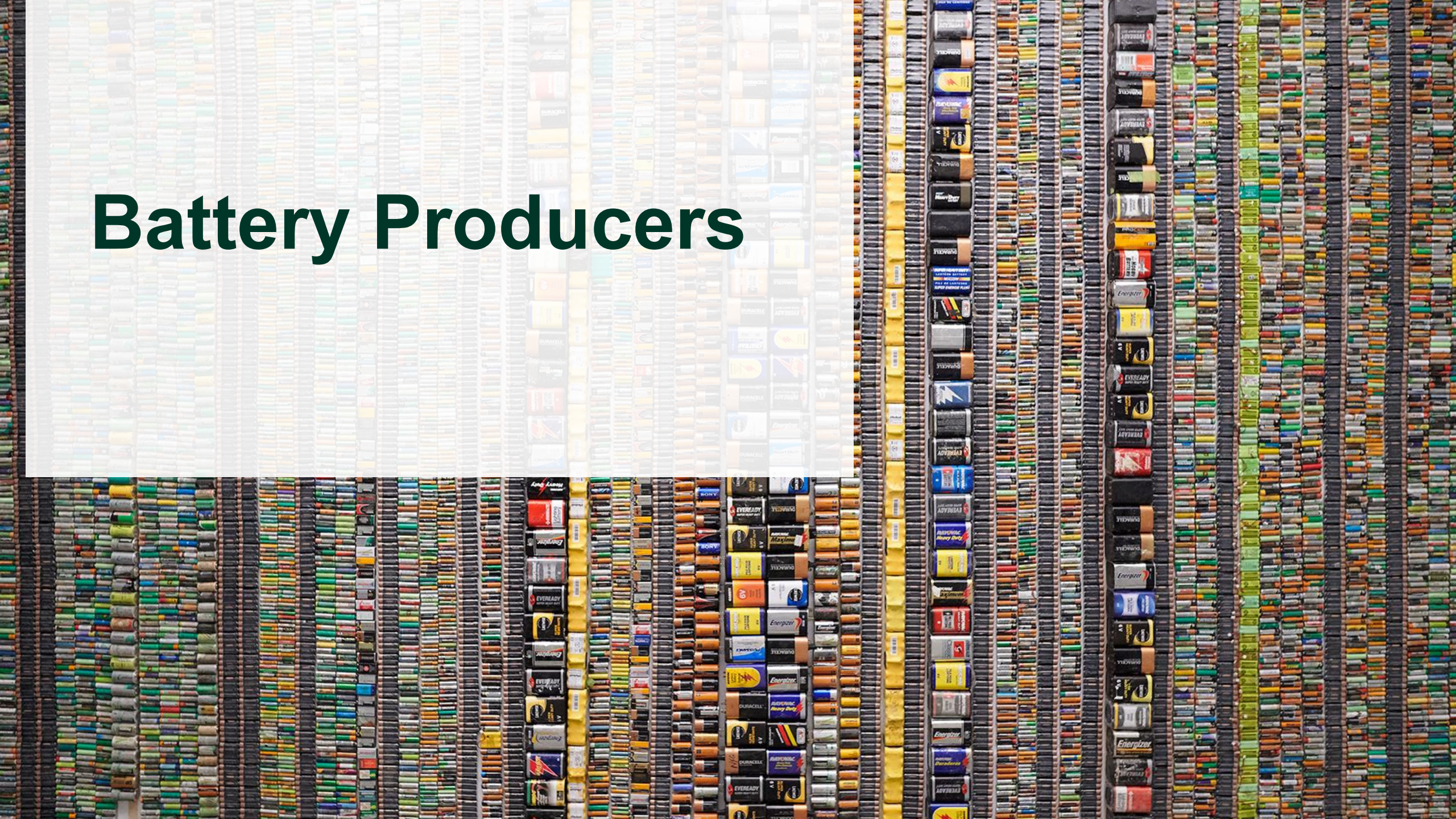
What if the batteries I sell are embedded into a product by my customer?

- If you sell a battery to a manufacturer who then embeds that battery into a product, those batteries don't need to be reported by you.
- If that same manufacturer also sells your batteries as replacement batteries to consumers, you will need to develop a process with that manufacturer to track which batteries are being embedded and which are not.
 - Batteries that are sold as replacements must be reported by you.

What if I replace a battery for the consumer and embed the new battery into a product for the consumer?

Replacement batteries must be reported under the Batteries Regulation by the producer of those replacement batteries regardless of whether they are being used to replace embedded batteries

Battery Producers



Who is a producer?

- A person is considered a battery producer if that person supplies batteries into Ontario and is:
 - a brand holder resident in Canada (not just Ontario)
 - the importer resident in Ontario, if there is no resident brand holder
 - the person resident in Ontario marketing the batteries to Ontario consumers, if there is no resident importer
 - the non-resident marketer, if there is no resident marketer
- Resident in Ontario or Canada means having a permanent establishment as defined in the *Income Tax Regulations*
- **Producers cannot pass off their obligations under the Batteries Regulation through voluntary remitter agreements or any other commercial agreements**

How do I determine my supply data?

- To determine how many batteries (units) producers supplied into Ontario, producers can:
 1. Use actual units, or
 2. A formula based on Ontario population as set out in the Authority's Registry Procedure
- To determine the weight of the battery units supplied, producers can:
 1. Use actual weight
 2. Use the weight conversion calculator as set out in the Registry Procedure (single-use batteries calculator is provided in the procedure; rechargeable battery weight conversion calculator to be developed in 2020)
- Producers may also bring forward their own methodology for the Authority to review
- Producers reducing their supply data based on recycled content in battery must do so in accordance with the Registry Procedure, which requires a third-party verification report (starting in 2022)

Why do I have to report my supply data to the Authority?

- The Authority requires accurate supply data to determine the following aspect of a producer's obligation:
 - the management requirements for each producer
 - the accessibility requirements of the collection system that a producer must establish
 - the audit and verification requirements the producer must meet for their supply data reporting
 - the RRCEA fees payable to the Authority by the producer
- Providing supply data directly to the Authority ensures the security of your commercially sensitive supply data.
- The supply data reporting is done on an annual basis, and producers with obligated materials under other regulations can report for all programs, through one portal, once a year.

How do I determine if I meet the producer exemption?

Single-Use Battery Producers					
Performance Period	Management Requirement	Calculation of Management Requirement	Supply Data Reported	Report Due	Exempt if average annual supply is not more than (kg)
July 1, 2020 to Dec 31, 2021	Best efforts - 40%	$[(2018+2019)/2 \times 0.4] \times 1.5$	2018 and 2019	November 30, 2020	6250
2022	Best efforts - 40%	$[(2018+2019+2020)/3 \times 0.4]$	2020	April 30, 2021	6250
2023	40%	$[2019+2020+2021]/3 \times 0.4]$	2021	April 30, 2022	6250
2024	45%	$[(2020+2021+2022)/3 \times 0.45]$	2022	April 30, 2023	5560
2025	50%	$[2021+2022+2023]/3 \times 0.5]$	2023	April 30, 2024	5000

Rechargeable Battery Producers					
Performance Period	Management Requirement	Calculation of Management Requirement	Supply Data Reported	Report Due	Exempt if average annual supply is not more than (kg)
July 1, 2020 to Dec 31, 2021	Best efforts - 40%	$[(2018) \times 0.4] \times 1.5$	2018	November 30, 2020	3125
2022	Best efforts - 40%	$[(2018+2019)/2 \times 0.4]$	2019	April 30, 2021	3125
2023	40%	$[(2018+2019+2020)/3 \times 0.4]$	2020	April 30, 2022	3125
2024	45%	$[(2019+2020+2021)/3 \times 0.45]$	2021	April 30, 2023	2770
2025	50%	$[(2020+2021+2022)/3 \times 0.5]$	2022	April 30, 2024	2500

If I meet the weight based exemption, what am I exempt from?

- My company has less than five full time employees
 - Exempt from everything – no requirement to register, report or meet collection and management requirements
- My company has five or more full time employees
 - Exempt from battery management requirements
 - Must still register
 - Must still report supply data

What is a Volunteer Organization?

- A volunteer organization is a person who,
 - (a) is a brand holder who owns a brand that is used in respect of batteries;
 - (b) is not resident in Canada;
 - (c) has registered in the Registry in accordance with subsection 19 (5); and
 - (d) has entered into a written agreement with a producer for the purpose of carrying out one or more producer responsibilities relating to batteries under section 19, 22, 23 or 24
- A volunteer organization is **not** a producer
- Producers remain responsible for battery management
- A volunteer organization can take on the registration and reporting responsibilities for producers in relation to its brand of batteries
- We will work with producers and potential volunteer organizations that want to pursue this arrangement



Questions?

Service Providers



Who are battery service providers?

- A **battery hauler** is a person that arranges for transport of batteries (i.e., not necessarily the person who transports)
- A **battery processor** is a person that processes batteries. They must meet a prescribed recycling efficiency rate, verified in accordance with a registry procedure
- A **battery refurbisher** is a person who prepares or refurbishes used batteries for reuse (rare, usually lead acid)
- There is no battery collector concept in the Batteries Regulation; however, collection sites must be established for a producer to meet their collection and management system requirements

What is a Producer Responsibility Organization (PRO)?

- A PRO is a service provider established to contract with producers to provide collection, management and administrative services to help producers meet their regulatory obligations under the Batteries Regulation, including:
 - Arranging the establishment or operation of battery collection and management systems (hauling, recycling, reuse or refurbishment services).
 - Establishing or operating a collection or management system
 - Preparing and submitting performance reports

Registering with the Authority



Registration for service providers is under way

- Two PROs are currently registered with the Authority. Continue to check rpra.ca/programs/batteries/ for updates to the list of registered PROs.

Ryse Solutions Inc.

905-330-9206

info@ryseinc.ca

<https://ryseinc.ca/>

Call2Recycle

1-888-224-9764

mmacdonald@call2recycle.ca

<https://call2recycle.ca>

- Over 20 battery haulers and processors are now registered. You can find a list of registrants on our Batteries web page under the “Find a Registrant” box.
- Contact our Compliance Team to register:
 - call (647) 496-0530 or toll-free at 1-833-600-0530, or
 - email registry@rpra.ca



When do producers have to register and report?

- All producers must register on or before **November 30, 2020**
 - The Authority will email potential producers when registration opens and continue to update our website.
- Collection and management requirements begin **July 1, 2020**
 - Unless you plan to meet these requirements on your own, you should contact a PRO about contracting their services to meet your producer obligations.

Municipalities



Municipalities collecting batteries

- Municipalities that collect batteries at a depot or through collection events **do not** have registration or reporting requirements under the Batteries Regulation
- If municipalities want to collect discarded batteries as a service to residents, they need to ensure their sites are included in a collection network set up by a battery producer or PRO
- Most producers will be working through PROs, so municipalities should contact a PRO registered with the Authority for information about the services they can provide – a list of PROs can be found on our website at <https://rpra.ca/programs/batteries/>

Battery collection from Ontario Crown sites, municipal sites with population less than 1000 and sites located on reserves

- Once the site has one tonne of batteries (either rechargeable or single-use), they may notify a PRO or a producer
- The batteries must be collected within one year from notification
- Does not apply to the Far North
- RPRA will work with PROs to operationalize this requirement

I am a municipality with a population of less than 1000. There are no scales at my battery collection site. How will I know when I've reach 1 tonne?

The Authority will provide some guidance for municipalities by the end of the year.

FAQs: Municipalities

Can primary and rechargeable batteries be collected in the same container?

Separating battery types may be a requirement that is negotiated in the commercial arrangement with the hauler, processor or PRO.

Can municipalities continue to collect batteries and have them processed outside the scope of the Regulation? If so, can a municipality charge customers for drop-off?

- If a municipality is not part of a collection network under a contract with a battery producer, hauler, processor or PRO, collecting batteries may become an added cost for that municipality. Municipalities cannot charge customers for drop-off.
- If a municipality wants to ensure that batteries it collects are picked up, it should enter into a contract and be part of a battery collection system operated by a battery producer, hauler, processor or PRO. Producers are required to have one more battery collection sites in every municipality based on population. That requirement can be met through a municipal site that is serviced under a contract with a battery hauler, processor or PRO

FAQs: Municipalities (continued)

Batteries at municipal sites are bulked together, regardless of size, type or weight. Can producers only collect batteries weighing 5 kgs or less for meeting their management requirement from sites?

- Separating batteries weighing 5 kgs or less from other batteries may be a requirement that is negotiated in the commercial arrangement with the hauler, processor or PRO.
- Only batteries weighing 5 kgs or less are obligated under the Regulation. Batteries weighing more than 5 kgs cannot count towards a producer's management requirement.
- However, if a municipality already has a contract in place for batteries weighing more than 5 kgs, that arrangement is not affected by the new Batteries Regulation and it can continue to collect those batteries.

If a municipality is registered with a PRO for tire collection, will this same PRO be involved in battery collection?

Currently, Ryse Solutions is the only PRO in the market who manages multiple materials. Regardless of whether a municipality has an agreement with a PRO for tire collection, the municipality will still need to enter into an agreement for battery collection if it wants to be part of a PRO's battery collection system



FAQs: Municipalities (continued)

Is a curbside collection contractor taking batteries to a temporary storage location considered a “battery hauler” under the Regulation? If so, are they required to fulfill the obligations identified in the Regulation?

If the batteries were used in Ontario and are destined for processing, reuse, refurbishing or disposal, the contractor is a battery hauler regardless of whether the batteries are initially taken to a temporary storage location. The contractor is required to register and meet the reporting obligations under the Regulation.

Will collection events hosted by municipalities that accept more than 15 kgs of batteries from a single person have to record and report data to the Authority?

As the operator of the event under contract with a battery producer, hauler, processor or PRO, the municipality will have to record the person’s name and contact information and the weight received from that person. Since municipalities are not required to register as collectors, they will not be required to report that information. The records must be kept and produced as required to an Authority inspector. These records will likely be required to be produced to the person on whose behalf you have agreed to host the collection event.



Questions?

Have more questions?

- Send questions to our Compliance Team at registry@rpra.ca or call us at:
 - (647) 496-0530 or
 - toll free at (833) 600-0530
- Sign up for another webinar in the “Ask the Registrar” series – April 8, 15 and 22
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