

**Board of Directors Meeting Highlights  
Held on November 17, 2017 at 9:00 AM  
at the MRF Board Room**



## 2018 Budget

2017 has been a great year for the Association in terms of commodity prices. The pricing has been very good until recently when China announced it was stepping back from imports. The commodity improvements will lead to a surplus at the end of the year.

There will be no increase in 2018 for the recycling component of the budget. The per share cost will remain at \$54.94. Co-collection and automated rates are based on the Statistics Canada posted CPI rate as of September 2017 for Ontario of 1.7%. Commodity revenue for 2018 is based on current tonnages and the mid point between current prices and the 5 year average. Prices have been great this year until the recent crash. Grants are based on this what we have been told by RPRA.

Expenses in most categories are projected to be in line with the projected cost of living of 1.7% supplemented by higher energy prices boosted by the new carbon tax and some added spending in processing to meet the new quality standards being demanded and the projected increase in minimum wage when Bill 148 is adopted.

	2017 Budget	2017 Projection	2018 Budget	\$ Diff.	%
<b>Sales</b>					
Commodity Revenue	1,618,000	2,282,000	1,650,000	-632,000	-27.7%
Grants	1,805,000	2,019,000	2,217,000	198,000	9.8%
Municipal Levy	3,626,000	3,727,000	3,778,000	51,000	1.4%
Co-Collection Revenue	3,094,000	3,089,000	3,137,000	48,000	1.6%
Containerized Services	1,075,000	1,152,000	1,170,000	18,000	1.6%
Other	412,000	366,000	443,000	77,000	21.0%
<b>Total Sales</b>	<b>11,630,000</b>	<b>12,635,000</b>	<b>12,395,000</b>	<b>-240,000</b>	<b>-1.9%</b>
<b>Total Cost of Goods Sold</b>	<b>1,321,000</b>	<b>1,371,000</b>	<b>1,372,000</b>	<b>1,000</b>	<b>0.1%</b>
<b>Gross Profit</b>	<b>10,309,000</b>	<b>11,264,000</b>	<b>11,023,000</b>	<b>-454,000</b>	<b>-2.1%</b>
<b>Operating Expenses</b>					
<i>Total Administration Expenses</i>	789,850	740,000	765,250	25,250	3.4%
<i>Total Collection Expenses</i>	4,844,000	4,919,500	5,017,000	97,500	2.0%
<i>Total Processing Expenses</i>	1,682,500	2,007,000	2,187,700	180,700	9.0%
<b>Total Operating Expenses</b>	<b>7,316,350</b>	<b>7,666,500</b>	<b>7,970,060</b>	<b>303,560</b>	<b>4.0%</b>
<b>Operating Income</b>	<b>2,992,650</b>	<b>3,597,500</b>	<b>3,052,940</b>	<b>-544,560</b>	<b>-15.1%</b>
<b>Total Nonoperating Expense</b>	<b>2,632,000</b>	<b>2,763,000</b>	<b>2,632,000</b>	<b>-131,000</b>	<b>-4.7%</b>
<b>Net Change in Cash Position</b>	<b>360,650</b>	<b>834,500</b>	<b>420,940</b>	<b>-413,560</b>	<b>-49.6%</b>
Share Charge	\$54.94	\$54.94	\$54.94	\$0.00	0.0%

## **Bluewater Recycling Association Wins Green Leader Award**

The Bluewater Recycling Association was recently recognized by the Huron Manufacturing Association by winning their Green Leader Award. It was an honour to simply be nominated. The win came as a surprise and our staff was on hand to receive the award at the South Huron Recreation Centre. The Huron Manufacturing Association is an inclusive partnership of industry and related businesses that drives economic growth and promotes manufacturing excellence in Huron County.

## **EBR Registry Number 013-1460, Ontario Offset Credits regulation under the Climate Change Mitigation and Low-carbon Economy Act, 2016**

The proposed Offset Regulation and the draft Landfill Gas Offset Protocol are now posted on the EBR registry for comments. It tries to understand the realities and impacts of climate change and recognize the need to adapt to a low carbon economy.

The Offset Regulation and corresponding Landfill Gas Offset Protocol represent a convergence of interests and initiatives to reduce waste and greenhouse gas emissions, while driving innovation and investment to support a circular economy in Ontario.

We look forward to ongoing consultation and dialogue with the MOECC and other stakeholders in the implementation of the Cap and Trade program.

## **2020 Landfill Valuation Work Plan**

The Minister of Finance accepted the recommendation of the provincial Landfill Assessment Methodology Review to use an income approach, such as the royalty method, for the valuation of landfilling sites for the 2020 Assessment Update (effective for the 2021 taxation year).

Currently, landfills in Ontario are assessed using the cost approach. As such, for the 2020 reassessment, MPAC will need to collect data to support the development of an income approach for valuing landfills.

As a next step, MPAC will be posting a Request for Proposal (“RfP”) to engage a consultant to provide expert assistance in the development and application of an income approach for landfills. The expert retained by MPAC will provide guidance on data requirements and will assist in developing the parameters for information requests to landfill owners.

MPAC and the Ministry of Finance are committed to taking a consultative approach during the development of the new valuation methodology for landfilling sites. We look forward to working with you to ensure a successful implementation for the 2021 tax year.



## Ministry of the Environment Re-organizes

The Ministry of the Environment and Climate Change is re-organizing, effective December 5, 2017. The new organizational changes include re-alignment of some existing and creation of new divisions which includes:

- Environmental Economics and Analytics Division (new): Responsible for economic analysis and advanced analytics to support evidence-based decision making for environmental protection and climate change from a cross-ministerial perspective and with a forward-thinking approach.
- Policy and Program Division (new): Responsible for developing policy, regulations and legislation to support the ministry's mandate of environmental protection. Also, responsible for designing programs to protect the environment, and ensure resources are used efficiently and are recaptured and reused to achieve the prosperous circular economy. Responsible for leading intergovernmental and indigenous relations.
- Climate Change Directorate (new): Responsible for leading the long-term strategy and action plan to reduce Ontario's greenhouse gas emissions and drive the transition to a resilient, low carbon economy, including the Climate Change Action Plan. Consolidate all climate change-related activities under one management umbrella and streamline like activities e.g. Climate Change Action Plan, Cap & Trade, Climate Change Adaptation.
- Environmental Sciences and Standards Division: Responsible for providing research as well as scientific, technical and laboratory expertise to support policy and operational decision-making and also for monitoring and reporting on the state of Ontario's environment.
- Environmental Assessment and Permissions Division (new): Responsible for providing the single point of access for, and leading, the transformation of ministry permissions using risk-based approaches and customer service standards. Consolidate the issuance of all approvals, licenses, permissions, certificates, etc., under one management umbrella to drive accountability, create efficiencies, increase focus and better align service delivery.
- § Drinking Water and Environmental Compliance Division (new): Responsible for developing and integrating innovative, risk-informed approaches to improve compliance and the environmental performance of the regulated community. Also responsible for protecting and supporting clean air, water and land, and for improving the natural environment and human health. Fulfills the ministry's commitment under Justice O'Connor's recommendations to have a Chief Drinking Water Inspector who will continue to have oversight of safe drinking water for the province of Ontario.
- § Corporate Management Division: Serves as a one window to the ministry and provides strategic administrative support services to ensure compliance with government legislation, policies and procedures. CMD is the primary liaison to central agencies (Ministry of Finance/Treasury Board Office and Ministry of Infrastructure) in the fulfillment of central agency requirements and planning across government, including the development of the provincial budget and long term strategic plans.

The reorganization creates a structure to enhance the services and helps deliver on the commitments to the people of Ontario that protect our environment, public health and fight climate change.

This ministry-wide transformation will make them more effective in the delivery of innovative and risk-based compliance and enforcement services. They remain committed to developing modern, outcome-focused and evidence-based programs that support healthy ecosystems and prosperous communities.

## **Mid-Huron Landfill Closing Next June**

The Mid-Huron landfill site in Holmesville is nearing the end of its life as a landfill site.

Goderich CAO Larry McCabe is the Secretary of the landfill board and confirms the site will be closed on June 30 of next year.

Goderich, Huron East and Central Huron are in negotiations to continue using the site as a hazardous waste and recycling depot. But McCabe says the other three original partners, Huron-Kinloss, Bluewater, and Ashfield-Colborne-Wawanosh are still responsible for their share of costs involved in closing the site, monitoring of the site, and looking after leachate removal, which will go on for the next 50 years at the site.

McCabe says the six municipalities have close to \$6-million in reserve to cover those costs but consultants have suggested that may not be enough. McCabe says if the interest rates for the investments of that money go up, that would reduce their liability.

“We’re discussing with Huron East, Central Huron and the town of Goderich a hazardous waste and recycling depot for such goods as white good, tires, shingles, separated loads, but there would be no refuse to speak of coming into that site,” he says.

## **The Us Waste Industry Reaches \$70 Billion**

For many people, their knowledge of the waste industry extends about as far as seeing their garbage and recycling bins emptied every week or so and most would be very surprised to learn that activity is part of a \$70 billion industry in the United States. The industry is comprised of three major components: collection, which represents 62% or \$44 billion in revenues; processing, which includes materials recovery and transfer station operations and is 12% or \$8 billion in revenues; and disposal, which comprises landfilling, a nearly \$18 billion by itself, and waste-to-energy, a nearly \$3 billion enterprise, which together represent 26% of the waste business.

## **China’s Material Ban Impacting Ontario Recycling**

The impacts of the recent Chinese government efforts to clamp down on the quality of recovered material imports into the country are being felt in Ontario and around the world. China is the world’s largest importer of recycled materials. Last year, Chinese manufacturers and recyclers imported 7.3 million metric tons of waste plastics (valued at \$3.7 billion), accounting for 56 percent of world imports in that category. It also took in more than half of the world’s exports of waste paper.

The ‘National Sword’ campaign in China has resulted in expired import permits not being renewed and the resultant loss of access to the Chinese market is resulting in significant and escalating challenges for material processors and their customers (municipalities).

While some alternate markets for Ontario materials will be secured, they will be restricted in volume and will likely pay less. North American manufacturers are seeing value in these newly low priced recyclables as a new feedstock. We will likely see more North American paper mills with stock preparation systems designed to take mixed paper as a normal feedstock. But they won’t open overnight.

The new requirement from China of 0.3 percent contamination is an impossible standard and is lower than the existing 1.5 percent standard which is challenging to meet. This raises the obvious question: given the need of Chinese mills for inexpensive fiber, the skyrocketing price of domestic recyclables in China and the cost to Chinese mills of importing virgin linerboard pulp from North America, what level of contamination will the government actually enforce?

As access to the China market constricts, Ontario processors are seeking to improve material quality by adding human sorters, new equipment and reducing contamination – all of which adds cost. The next few months will be challenging and more serious measures to manage a surplus of materials for the market will likely need to be considered by municipalities and their material processors.



## Exporters Catch 'Pneumonia' Over China Import Ban

The plastics recycling industry had become 'insanely dependent' on China and so its recently announced import ban has left suppliers in other parts of the world not so much with a cold but rather with 'pneumonia', argued Surendra Borad Patawari of Gemini Corporation at the latest BIR Convention in New Delhi.



China and Hong Kong together imported 10.2 million tons of plastics scrap in 2016 - but this figure is likely to nosedive next year, he warned.

According to a report submitted by Dr Steve Wong, executive president of the China Scrap Plastics Association, officials in China have confirmed that plastic scrap import licenses will be issued for 2018.

However, these are likely to be handed only to those consuming factories boasting clean records and full compliance with environmental regulations.

As a result, imports into China could fall to 30-40% of normal levels next year, leaving overseas suppliers to find alternative outlets for perhaps 6 or 7 million tons of plastics scrap, Borad Patawari indicated.

The value of certain materials shipped in containers have crashed to zero - and beyond - in some instances; conversely, plastic scrap prices within China have soared as much as 20-30% on the back of shortages, it was reported.

The import ban has also led to the transfer of scrap processing capacities to other countries in the region such as Taiwan, Indonesia, Malaysia and Vietnam.

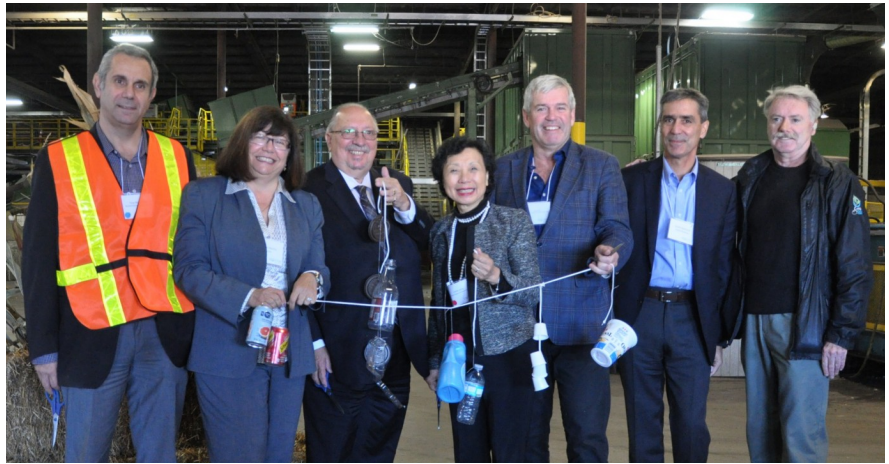
According to Rajesh Gauba, vice president of Recycling and Sustainability at major Indian business Reliance Industries, China's new import policy will help boost its domestic recycling rate from the current low level of around 22%.

Indeed, he anticipated that China's PET collection volumes will climb from 3.1 million tonnes in 2015 to nearer 4.1 million tonnes next year.

## Revital Polymers Opens Canada's First Facility To Recover Containers And Plastics In One Location

New facility is one of the most advanced plastics recycling and recovery plants in North America

At the ribbon cutting ceremony at ReVital Polymers grand opening, left to right: Tony Moucachen, President, ReVital Polymers; Carol Hochu, President and CEO, Canadian Plastics Industry Association; Bob Bailey, MPP (Lambton-Sarnia); Emmie Leung, CEO, ReVital Polymers; Arthur Potts, MPP (Beaches-East York), Parliamentary Assistant to the Minister of the Environment and Climate Change; Keith Bechard, Chief Commercial Officer, ReVital Polymers; and Michael Bradley, Mayor, City of Sarnia.



ReVital Polymers Inc., Canada's first recycling facility that combines a Container Recovery Facility (CRF) and a Plastics Recovery Facility (PRF) in one location, held its official opening on Friday, October 20. The Sarnia facility is now one of the newest and most advanced plastics recycling and recovery plants in North America.

According to Leung, ReVital stands out from other plastic recyclers in the industry, and is now part of Ontario's clean technology industry, contributing to Sarnia's and the province's green economy.

"ReVital's proprietary process incorporates state-of-the-art technology that sorts and converts waste plastics into discrete resin types that are then tailored to specific customer end-use applications," she said. "The difference between us and other plastic recyclers is that our resins can be used in high-end, high-value applications, like new plastic bottles and containers, household consumer products and automotive parts, as compared to drain pipes and plastic lumber, which are typical end-uses of recycled plastic."

President Tony Moucachen added that ReVital "contributes to the provincial goal of creating a circular economy as well as reducing greenhouse gas emissions by meeting demand for post-consumer and post-industrial engineered recycled resin." He said that through its customized approach, ReVital "improves recovery rates for end-of-life products and packaging, extends material value and utility through better end-of-life management and allows manufacturers and retailers to offer new products that incorporate recycled content."

"The value proposition of this innovation is that it enhances the value of materials that are currently landfilled and we are upcycling versus down cycling these materials...and that is a ground breaker achieved through research and development by the ReVital team," said Moucachen. "Because of our team's experience in delivering an integrated suite of efficient and effective services from the curb to resin feedstock...we have created a closed loop system that gives brand owners and manufacturers outstanding sustainable materials management."

In operation for under a year, the ReVital facility is already a commercial success. It has the capacity to meet the plastics recycling needs of central Canada as well as the mid-west of the US, bringing recovered resources back to Canada to add value to Canada's recycling industry and local economy. Leung and Moucachen, well-known veterans in the paper products and packaging recycling industry, formed a partnership last year to acquire the 180,000-square foot recycling facility located on Lougar Avenue. They made considerable investments, adding state-of-the-art processing equipment, including optical sorters that use an infrared technology to "read" material types and sort them into discrete resin categories for further washing, grinding, formulation and extrusion.



## Ontario Private Member's Bill Proposes Ban On Non-Compostable Coffee Pods

An MPP's call for a province-wide ban on all non-compostable coffee pods could give a jolt to the industry behind the ubiquitous single-use plastic cups, with one manufacturer saying recycling is the better way to tackle the waste.

If passed, the private member's bill introduced by Progressive Conservative Norm Miller on Wednesday would prohibit the sale of all non-compostable coffee pods by punishment of a fine of up to \$5,000. The law would kick in four years after it receives royal assent.



While the cups — made by brew machine manufacturers Keurig and Tassimo as well as other companies — rose to prominence years ago for their convenience, the plastic waste associated with them is notorious and has become a major headache for municipalities. Miller said 1.5 billion pods end up in landfills each year in Canada.

Keurig has promised to make all of its pods recyclable in Canada by the end of next year and elsewhere by 2020.

The company has conducted testing at recycling facilities in Canada, including in Ontario, that showed an average of 90 per cent of empty K-Cup pods put through the systems are being captured.

Miller said that recycling the pods requires multiple steps — separating the grounds and cleaning out the pods — which many people aren't willing to take.

“By requiring all of the pods to be compostable it really makes things simpler for industry and for municipalities,” Miller said.

Club Coffee, a Toronto company that roasts for major brands, has developed a certified compostable coffee pod along with researchers from University of Guelph. The product is said to degrade within five weeks.

Compostable pods are not currently accepted in Toronto's green bin organics program, but will be tested early next year. The city's Public Works and Infrastructure Committee is expected to hear back in February and report on potential financial impacts.

Shanks, the representative for Keurig, said that the company has yet to find a biodegradable material that meets its standards, but the company is monitoring developments in bioplastics and issues surrounding access to municipal composting in Canada and could offer compostable pods in the future.

She noted that as of right now, far more municipalities accept the type of plastic in question (#5) than have access to facilities capable of breaking down the organic matter.

“Most compostable products currently in the marketplace require sophisticated municipal or industrial facilities which are not common across Canada and don't degrade in home settings,” Shanks said.

In Toronto, a company called GoJava offers coffee pod delivery and pickup for private recycling, addressing the gap in the municipal system.

Eugene Ace, GoJava's president, said even though it would change aspects of the business, he would support a push from government to tackle the waste associated with coffee pods.

“I think it made sense to put the onus on the manufacturer,” to find a solution, he told AM640. However, he said, he would favour a bill that says the pods must be recyclable or compostable.

The bill is scheduled for debate on Nov. 23.

## Cities Raise Concerns Over Processing Compostable Coffee Pods

The pods and their environmental impact went under the spotlight this week as a Progressive Conservative politician in Ontario introduced a private member's bill that would, if passed, make it illegal to sell the products unless they are fully compostable. Retailers would get four years to take non-compostable pods off the market.

But despite the push for compostable versions of the product, some large municipal waste programs in Ontario say they have yet to approve eco-friendly coffee pods for their curbside composting programs.

"There is a difference between (being) laboratory-certified compostable and what municipal composting systems can achieve," said Jim McKay, general manager of solid waste management services for the City of Toronto.

City staff are testing the compatibility of coffee pods with their composting program and will report their findings in February next year, he said, but concerns about the ability of the system to handle the products remain.

Ottawa and Hamilton also do not accept compostable coffee pods in their curbside compost bin programs. The compostable coffee pods do not get completely decomposed during the duration of processing. Hamilton's (compost) facility is designed to process material for approximately 42 days. The pods do not decompose within this time frame and may present as contamination in the final product.

The Association of Municipalities of Ontario has also raised concerns about processing compostable pods, saying the products may not consistently and adequately decompose in every municipal system.

Those who use the pods, however, do think about what happens to the products when they're thrown out, said one industry analyst.

Canadians drink over five billion cups of coffee per year and the pods have become the most popular way to consume coffee at home, said Robert Carter, executive food service industry expert at the business analyst firm NPD Group.

"There's a huge volume of these single-serve pods going through the system, and the number one concern that consumers have in using these pods is their environmental impact," Carter said. "From an industry standpoint, (making them compostable) is the right thing to do."

The biggest challenge, however, is getting city waste services to be able to adequately deal with the products, Carter said.

"With passing this type of legislation, hopefully that will force the municipalities to start to accept these items when they are made of compostable material within their (compost) programs."

A Toronto company that produces biodegradable coffee pods for President's Choice, McDonald's and other major retailers said it has been testing its pods in the composting systems of various smaller Ontario municipalities.

Club Coffee said its pods, developed in partnership with researchers at Guelph University, are compatible with Keurig coffee machines and feature a lid made of paper and cornstarch, a "bio-resin" filter made mainly from cornstarch, and a resin ring made from plant products, like coffee bean husks left over from Club Coffee's roasting operation.

"Everything here is compostable, it's certified, we've trialed it in real world compost facilities and it breaks down," said the company's senior vice president of innovation, Claudio Gemmiti. "It is consistently good at breaking down wherever good compost is being made."

Club Coffee said it has "successfully tested" its pods in the composting systems for Muskoka, Orillia, Peel, Guelph and Niagara.

The company's pods have been approved for composting by the U.S.-based non-profit Biodegradable Products Institute, and are also accepted in household compost by the private waste management company that serves Seattle.



## **Driver Shortage Could Hit All Time High This Year**

The trucking industry could be short 50,000 drivers by the end of 2017, warned American Trucking Associations Chief Economist Bob Costello Sunday at the American Trucking Associations Management Conference & Exhibition.

The driver shortage was a key part of a wide-ranging presentation called “How Do Your Numbers Stack up?”

According to the report, ATA’s first in-depth examination of the driver shortage since 2015, the driver shortage eased in 2016 to roughly 36,500 – down from 2015’s shortfall of 45,000.

“We experienced a ‘freight recession,’ last year, which eased the pressure on the driver market,” Costello said. “Now that freight volumes accelerating again, we should expect to see a significant tightening of the driver market.”

In the report, ATA projects the shortage to reach 50,000 by the end of 2017 and if current trends hold the shortage could grow to more than 174,000 by 2026.

Driver turnover at large truckload fleets, which hit an all time high of 130% in 2005, averaged 81% last year with the freight slowdown. But by the second half of this year, it was back up to 90%, Costello noted.

While 50,000 is an all time high for the industry, he said, it feels even worse. “There’s quality vs. quantity. This is where the shortage feels much worse.

Derek Leathers, president and CEO of Werner Enterprises, explained, “The real issue I think we’re all faced with is the quality driver shortage. The ability to find drivers who meet the quality expectations we all have. This summer we crested 100,000 applications for the year. The problem was the hire rate in terms of meeting quality criteria was 2.7%.”

Costello detailed the causes of the shortage in the report, including the demographics of the aging driver population, lifestyle issues, regulatory challenges and others; as well as possible solutions.

Over the next 10 years, he said, we need to attract almost 900,000 new people to the industry.

Demographics is a big part of the problem. ATA’s research arm, the American Transportation Research Institute, recently updated its demographic data on drivers and found some 57% of drivers are 45 or older. Only 4.4% are 20-24 years old, noted Rebecca Brewster, president and COO of ATRI.

## **One Year Service Standard for MOECC Approvals**

The Ministry of the Environment and Climate Change (MOECC) is continuing to modernize the regulatory system for environmental approvals with an objective to reduce administrative burden and lower the cost of doing business. Currently, Ontario businesses can apply for the Environmental Compliance Approval (ECA) online and track the progress of their applications.

Starting in January 2018, the MOECC is implementing a one-year service standard for higher risk ECA applications received in 2018 and beyond. The MOECC will be able to put the review process on hold to give clients more time to provide additional information, if needed. Clients will be notified of the date and reason the review was put on hold, and what they need to submit to resume the review. The date of the one-year service standard will be adjusted accordingly. Clients and the public will also be able to view and track the progress of ECA applications online.

The MOECC is committed to working with applicants to make it easier to complete high quality ECA applications. This will allow the MOECC to review and approve applications in a timely manner.

More details, including guidance material, will be posted on Ontario.ca prior to January 1, 2018. We will keep you updated on further developments and resource material availability.

## US Sees Robust Sales But Lower Recycling Rate For PET Containers

The US recycling rate for polyethylene containers dropped to 28.4% in 2016 from 30.1% in 2015, reckons the Association of Plastic Recyclers and the National Association for PET Container Resources (NAPCOR). This is the third consecutive year in which the rate has declined as well as the second successive year of decrease in the overall tonnage of PET bottles collected.



US recyclers collected around 1.75 billion pounds of PET bottles last year - down from 1.79 billion in 2015 and the 'all-time high' of 1.81 billion in 2014.

Once again, sales of PET bottles were described as 'robust' throughout 2016, with 6.172 billion pounds of containers being put on the market from 5.971 billion in the previous year.

'This was a strong year for PET bottle growth - but another difficult year for the PET recycling industry,' comments NAPCOR's chairman Tom Busard. He cites low virgin resin pricing and uncertain demand in both recycled scrap and recycled PET end markets as challenges yet to be overcome.

'Despite these obstacles,' he adds, 'the volume of PET collected in the United States and utilised by domestic reclaimers stayed consistent with that of 2015, and rPET used in domestic end market applications was up.'

Despite the similarity between the 28% recycling rate of 2009 and the 28.4% of 2016, last year's PET bottle recycling weight total was around 300 million pounds more than what was collected seven years earlier.

## Controversial London Composter Hit With \$1M Fine Is Under Other Orders From Province

Is \$1.1 million the price of a stink-free neighbourhood?

Neighbours of a controversial compost giant in south London hope it is after the massive fine was slapped on Orgaworld for foul odours over four years.

It's the latest setback for the company, which was already ordered to cut back on processing two months ago to address its odour problem.

Orgaworld, which operates a facility on Wellington Road south of Highway 401, pleaded guilty Thursday to nine counts of discharging a contaminant — specifically odour — into the environment between 2014 and 2017. The company was hit with a \$100,000 fine for each of the nine charges, plus a 25 per cent victim surcharge for a total of \$1,125,000.

"The ministry has issued an order to Orgaworld that is currently requiring them to operate at 30 per cent capacity in an effort to reduce odours," Gary Wheeler, a spokesperson for Ontario's Ministry of Environment and Climate Change, wrote in a statement.

Orgaworld general manager Michael Leopold said the restrictions are set to be lifted Nov. 14.

He told The Free Press that odour complaints are hard to measure.

"This is very subjective because it's odour. What you might like as an odour, I don't like," he said.

South London residents aren't buying it. The ministry has received 1,339 complaints from the community since 2012. This year, the ministry added odour investigations on evenings and weekends.

Allan Tipping, who's led the neighbours' fight, said the fine should be much higher — the maximum is \$10 million per count.

He wants a total halt on processing. "They need a shutdown that says to them, 'Wake up. Fix this problem,'" he said.

But neighbour John Pieterston, also part of the fight, thinks the fines could signal progress. "The gun has been cocked. The bottom line to a company like this: it's not much, but it signals such a negative thing. It doesn't look good."

Both Tipping and Pieterston hope powerful corporate neighbours — an Ikea and expanded Costco are set open to nearby — may have more sway. "If you think the neighbours can get disgruntled, I would think a nice southerly breeze wafting over Costco and Ikea will raise their ire," Pieterston said.

Next summer, the city will test a mechanical odour detection device in the area, home to garbage, compost and biogas facilities. Right now, Londoners must report odour complaints to the province. If the sniffer works well, the city could enforce an odour nuisance bylaw.

Orgaworld opened its \$25-million plant in 2007. In 2010, it agreed to a temporary shutdown and spent \$5 million upgrading the facility to ease odour concerns.

The plant takes in green-bin refuse from Toronto, Vaughan and St. Thomas.





## Automated Garbage: 'What we Heard'

The City of St. John's conducted extensive public engagement from April to June 2017 on the implementation of automated garbage collection, seeking feedback on bin size, funding models, implementation concerns and recycling habits.

"Council is very pleased with the level of engagement on this topic and is grateful for the public's participation in the process," said Mayor Danny Breen, former Chair of the Public Works Standing Committee. "The majority of residents seem to favour the medium bin size, which we will take into account as we make our decisions about bin size moving forward."



City staff conducted three focus groups with a cross section of residents prior to the launch of the public engagement process and then held 14 pop-up engagement sessions throughout the city with sample bins; participated in the home show; held meetings with a variety of committees and groups; held a technical briefing for media; and offered opportunities to provide input through [engagestjohns.ca](http://engagestjohns.ca).

Over 500 people voted on bin size at the pop-up events and there were more than 4,700 visits to the online engagement page. Overall, 63 per cent of survey respondents and 58 per cent of attendees at the pop-up events preferred the medium-sized bin.

"It was reassuring to hear that many residents are looking forward to the program and expect it will have a significant impact on reducing litter," said Mayor Danny Breen.

The automated garbage program was announced in the 2017 budget, with anticipated implementation of phase 1 in 2018.

## NEB Says Fossil Fuel Demand Will Peak In Two Years

The report is the first time the National Energy Board has suggested fossil fuel use will stop growing. The National Energy Board says Canada's addiction to fossil fuels will peak in two years, but this will not affect economic growth.

The board's annual energy futures report for the first time says with climate change policies and growth in clean energy, Canada's consumption of fossil fuels to run cars and heat homes will max out before 2020, start to decline slightly and then flatline over the next two decades.

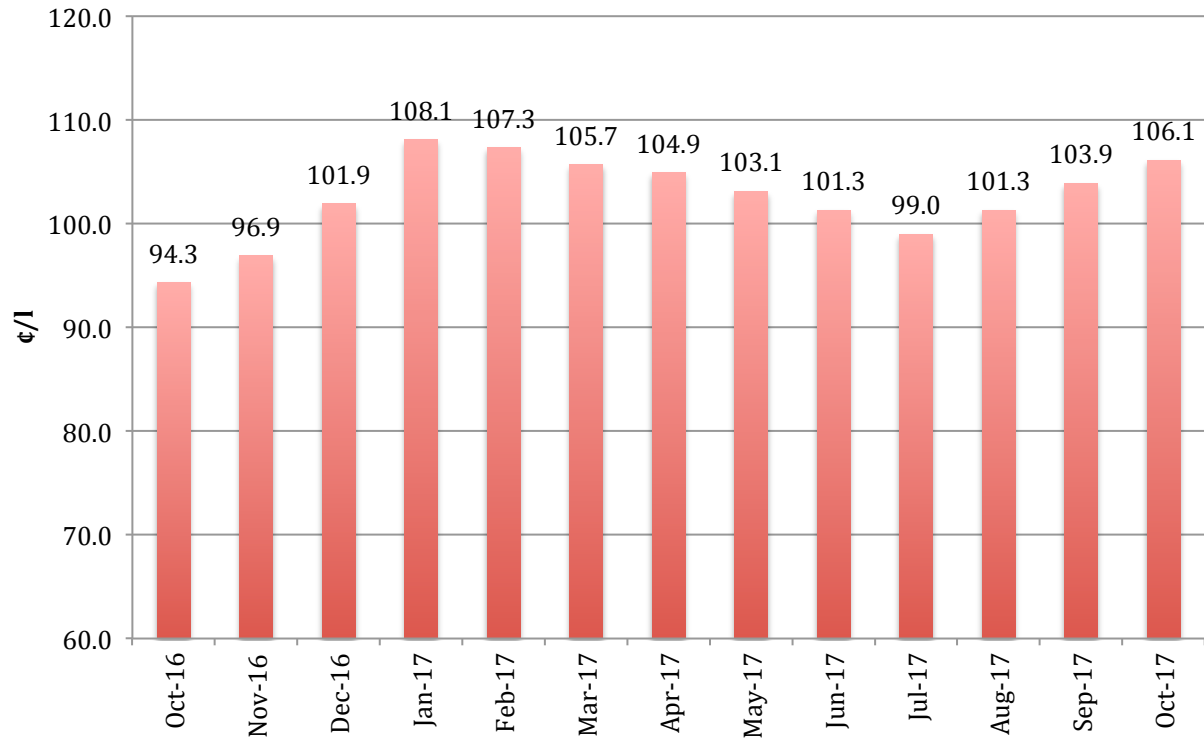
It is the first time the board has suggested fossil fuel use will stop growing after just a year ago forecasting slower, but continued, growth all the way to 2040.

If Canada's price on carbon grows past the current plan of \$50 a tonne by 2022, or adoption of electric cars and solar power is faster than expected, fossil fuel consumption will plummet further.

The NEB believes wind energy production will double and solar energy production more than triple over the next quarter century.

The report says economic growth remains similar regardless of whether a higher carbon price or faster technology growth pushes fossil fuel use down even more.

## Diesel Price (Retail incl. Tax)



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