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July 3, 2021

Ms. Shannon Boland
Project Manager
Ministry of the Environment, Conservation and Parks
Divisional Compliance Branch
135 St. Clair Avenue West, Floor 8
Toronto, ON M4V 1P5
shannon.boland@ontario.ca

RE: Ontario Environment Industry Association (ONEIA) Comments on ERO Posting 0192972: Modernizing Environmental Compliance Practices of the Ministry of The
Environment, Conservation and Parks

Dear Ms. Boland,

On behalf of Ontario's more than 3,000 environment and cleantech firms, the Ontario Environment Industry Association (ONEIA) is pleased to provide our comments to the above-noted posting whereby the Ontario Ministry of the Environment, Conservation, and Parks (MECP) proposes to update compliance policy to focus more resources on incidents and complaints from the public that pose a higher risk to the environment and/or human health and on holding polluters accountable.

About ONEIA

Ontario is home to Canada's largest group of environment and cleantech companies. The most recent statistics from Statistics Canada show that Ontario's environment sector employs more than 226,000 people across a range of sub-sectors. This includes firms working in such diverse areas as materials collection and transfer, resource recovery, composting and recycling solutions, alternative energy systems, environmental consulting, brownfield remediation, and water treatment – to name just a few. These companies contribute more than \$25-billion to the provincial economy, with approximately \$5.8-billion of this amount coming from export earnings.

Members of ONEIA are committed to engaging with governments as they develop policies and regulations that are consistent with our principles of sound science, sound environment and a sound economy. To that end, we convened a working group of members drawn from across various sectors to review the proposed modernization to the MECP compliance practices.

General comments

ONEIA appreciates the opportunity to comment on the proposed changes and commends the MECP's efforts to modernize regulations. ONEIA has been consistent in our support of the modernization of all policy and regulations related to the Ontario environment/cleantech sector. We also support changes that reduce red-tape and streamline regulations to create a context that supports the use of new and/or improved technologies and methods to recover more of the value within our waste stream for the benefit of Ontarians.

With this said, ONEIA believes that the proposed changes to this policy could have a dramatic impact on other industries that work/operate in the Province, and would have indirect impacts on a range of ONEIA member companies beyond the waste, recycling and organics stream.

Key areas that will be impacted by the compliance modernization policy being considered are proposed odour and land use guidelines. Our members have spent considerable time reviewing these proposals (specified in EROs #019-2768 and 019-2785, respectively) and have provided comments through two separate letters. The concerns expressed in those responses extend to this proposal as well.

We feel strongly that all three proposals will collectively discourage investment in innovative technologies being developed in, or attracted to Ontario and will act as an overall disincentive for foreign direct investment in our growing environment and cleantech sector, making Ontario a less competitive jurisdiction in this regard. In addition to the obvious economic impact, discouraging investment and fostering uncertain business conditions will put Ontario at risk- of not being able to achieve its waste diversion and circular economy objectives.

ONEIA's concerns can be summarized under three key points:

1) Process Ambiguity

Additional measures introduced in the policy and the associated guidelines, including modelling and planning, create ambiguity for proponents of environmental technologies as the project requirements will change based on the variable application of this policy and linked guidelines by MECP regional and district offices;

2) Project Uncertainty

Expansion of existing facilities or the development of new facilities will be challenged by policy and guidelines that introduce uncertainty to the projects. This contradicts the Provincial government's economic development and environmental protection policies; and

3) Investment Risk

Costs associated with required additional environmental studies and resultant mitigation measures or solutions will create investment risks without a commensurate environmental benefit. While some measures may lead to fewer citizen complaints, this is a highly subjective metric that is often unrelated to whether a facility is complying with the regulations themselves.

ONEIA recognizes and supports science-based policy and regulation to achieve environmental, social and economic benefit. ONEIA recommends further MECP consultation with industry to enable this objective and we strongly encourage the Ministry to commit to further engagement with industry before finalizing this policy.

We believe further consultation will ensure that opportunities for environmental benefit, innovation and investment are the likely outcomes from the Compliance policy modernization. We also believe both the Land Use and Odour Guideline proposals must also include further consultation, given the obvious interdependencies between all three.

Specific comments and questions

ONEIA members share the Ministry's focus on protecting the environment, delivering the needed resource recovery solutions of the 21st century, and working together and in harmony with all stakeholders. ONEIA members have provided significant input in the development of this submission and their detailed comments and questions in the following paragraphs mirror the structure presented in the draft policy.

Section 4

- Is it possible for MECP to develop a report card on inspections by region, by sector?
- We recommend that MECP inspect all types of businesses rather than targeting specific businesses
- Does the Spill Action Line now take complaints or notice of potential violations?
- While the Informed Judgement Matrix is a good tool, we are concerned about its use
 in a practical context. As an example, a "bad actor" operating a transfer station
 without a permit has "No to Low" environmental impact and could continue to
 operate while the MECP applies the Matrix to determine any penalties.

Section 5

• There does not appear to be a process to challenge or defend against an administrative penalty.

We would welcome the opportunity to provide additional comments and feedback should the Ministry extend its comment period and hold direct consultations with affected industries, as requested in our June 25 letter to Deputy Minister Imbrogno.

Summary

ONEIA looks forward to working with the Province to modernize all waste related regulations and implement the needed changes to this proposal by participating in further consultations. We welcome the opportunity to discuss our position and comments further. Please contact Alex Gill, ONEIA Executive Director, at agill@oneia.ca or at (416) 531-7884 should you have any questions.

Yours truly,

Alex Gill

Executive Director, ONEIA

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cc. Hon. Doug Ford Premier of Ontario

Hon. David Piccini Minister, Environment, Conservation and Parks

Hon. Vic Fedeli Minister, Economic Development, Job Creation and Trade

Hon. Steve Clark Minister, Municipal Affairs and Housing

Giles Gherson Deputy Minister, Economic Development, Job Creation and

Trade