Ministry of the Environment, Conservation and Parks

Office of the Minister

777 Bay Street, 5th Floor Toronto ON M7A 2J3 Tel.: 416-314-6790 Ministère de l'Environnement, de la Protection de la nature et des Parcs

Bureau du ministre



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357-2020-756

April 21, 2020

Mr. Bruce Bando Liquidator, Ontario Tire Stewardship % Grant Thornton Limited 200 King Street West 11th Floor, Box 11 Toronto ON M5H 3T4 Email: <u>bruce.bando@ca.gt.com</u>

Dear Mr. Bando:

I am writing regarding the wind up plan developed by Ontario Tire Stewardship (OTS) for the Used Tires Program under the Waste Diversion Transition Act, 2016 (WDTA).

In response to feedback I have received from stakeholders, pursuant to section 14 of the WDTA, I am directing OTS to amend its wind up plan so that any remaining surplus funds are returned to stewards in proportion to the stewards' contribution of the surplus in regard to tire classes that are in a surplus position. This return should be made as soon as reasonably possible after OTS' amendments to the wind up plans are approved by the Resource Productivity and Recovery Authority (the Authority).

It is my expectation that tire stewards will use the surplus funds returned to them from OTS to offset fees they are currently paying to collect and manage tires under the producer responsibility framework set out in the Tires Regulation (O. Reg. 225/18). Offsetting these costs is expected to benefit consumers when they purchase new tires.

This direction revises the requirements in the direction issued on April 2, 2019 in regard to how the surplus and residual funds from the Used Tires Program must be managed but does not change any other requirements in the previous direction letters issued to OTS.

The deadline for OTS to submit the amended plan to the Authority for approval is within 10 weeks of receiving a final ruling from the Canada Revenue Agency on the outstanding matter of OTS' tax rebate.

It is my expectation that the Authority will approve amendments to the plan resulting from this clarification within 6 weeks of the plan being submitted by OTS.

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Lastly, it is my expectation that OTS will post this direction on its website.

Sincerely,

Jeff Yurek Minister of the Environment, Conservation and Parks

c: Mr. Serge Imbrogno Deputy Minister, Ministry of the Environment, Conservation and Parks

Ms. Glenda Gies Chair, Resource Productivity and Recovery Authority