

Introduction

This Fee Setting Methodology sets out the methodology the Resource Productivity and Recovery Authority (the Authority) uses in setting fees for those who are obligated to register with the Authority under the [Resource Recovery and Circular Economy Act, 2016 \(RRCEA\)](#).

This Fee Setting Methodology is based on the Authority's General Fee Setting Policy.

Fee Setting Methodology

To set fees for those who are obligated to register with the Authority under the RRCEA, the Authority will:

1. Allocate RRCEA expenses by
 - a. Type of designated material
 - b. Type of regulated party
2. Select a fee setting option (e.g. fixed vs. variable)

Step 1a recognizes that the government's Strategy for a Waste-Free Ontario anticipates the transition of all materials currently managed under the WDTA and designation of additional materials under the RRCEA. Step 1a also recognizes that costs may vary based on the material. Under Step 1a, RRCEA costs will be allocated to each designated material.

Step 1b recognizes that costs may vary based on whether the material is designated under a producer-based regulation or a generator-based regulation. Step 1b also recognizes that the Authority's costs will vary based on the number of compliance elements associated with a regulated party (e.g. under the draft Tires Regulation, producers have more compliance elements than other regulated parties).

Step 2 recognizes that the basis for fees (fixed vs. variable) may vary by type of regulated party to reflect information available, size and efficient management of the Authority's associated costs.

Review Timeline

The Authority seeks to find the right balance between the frequency of fee adjustments to ensure financial sustainability of the Authority while providing reasonable predictability for regulated parties. The Fee Setting Methodology was developed within the context of the wind up of the Used Tires Program and Ontario Tire Stewardship and the Tires Regulation, and in anticipation of other material groups being designated under the RRCEA in the future.

The Fee Setting Methodology has been developed based on the best available information but will be reviewed in 2019 to ensure that it reflects the information available at that time.