

Waste Management Roadmap

Pay As You Throw Initiative

Priorities Committee
June 21, 2022

Strategic & business plan connections



Responsible Development

Strathcona County is an innovative community that encourages sustainability and respects the environment.

Environmental stewardship that addresses climate change and demonstrates responsible use of land and natural resources.

2013 Strategic Plan, Goal 4 → County uses best practice approach to waste management.

As part of the 2020 budget process, Council approved a business plan initiative:

- **INIT 155 – Green Routine Pay As You Throw** – Exploring a new model for Strathcona County's waste program is a key step in achieving higher diversion targets. Utilities proposed to do specific engagement on this topic with Green Routine users, as well as conduct an environmental scan and research best practices.

Connection to Roadmap

- The Roadmap identifies the importance of shared responsibility and the need for equity and accountability in the system. 'Pay As You Throw' (PAYT) is a next step in our waste management program.
- PAYT within the Roadmap:



Equitable waste management system that maximizes efficiencies and promotes waste prevention, while improving environmental behaviours and flexibility for users.



Rewards, recognition, positive reinforcement and incentive-based tools provide inspiration for turning intent into action.



Current system

- The current Green Routine program is a 'one size fits all' service for households; it does not provide differing service levels based on waste generation.
- All households regardless of size and amount of waste they are placing out for collection are paying the same amount.
- Unlike other utilities that charge based on what the household uses, like power, gas, water and internet.
- Utility fee - \$25.45 per month (since 2015).



Pay As You Throw (PAYT)

- A PAYT system is a user pay policy approach that charges households based on the amount of waste they throw out.
 - **Pay more to throw out more and pay less to throw out less.**
- Variable rate pricing that charges based on weight, volume or set out rates.
- Effective tool for reducing waste, controlling waste disposal costs, creating equity in a system and giving residents an incentive to participate in recycling and composting programs.



Benefits

Economic

- Establishes a recurring economic signal to modify behaviour.
- Allows small disposers to save money compared to those who use more service and impose more costs on the system.
- Creates the right price signal to incentivize and improve diversion.

Environmental

- Rewards all behaviours — recycling, composting and source reduction.
- Reduction is the cheapest waste management strategy and thus of the highest priority.
- Leads to further conservation of materials and resources, as well as reduced energy use.

Social

- Costs are distributed more fairly among residents, and in proportion to the amount of waste each user generates.
- Households have more control as they can choose the level of service they need and pay accordingly.
- Customers are not prohibited from putting out additional garbage.

What we heard

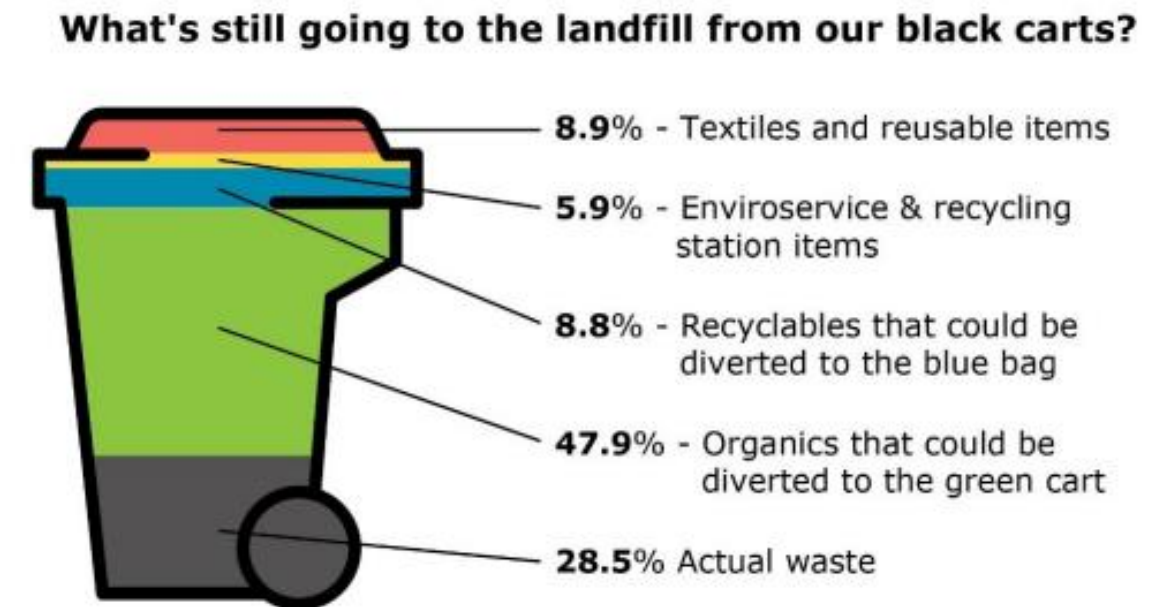
- Engaged on the topic of PAYT through the original Roadmap engagement process in 2020.
 - Collected some initial feedback on willingness to change behaviours in connection to savings.
- In March 2022, Utilities explored this concept more in depth through a specific PAYT survey.
 - Received feedback from over 1,700 respondents.
 - Explore the concept, what it could entail and what an acceptable and effective program could look like in our community.



What we heard

Black cart usage

- Just under half of respondents indicated that their black waste carts are not usually full, with the other half filling or exceeding the cart's capacity.
- 65% of material currently being thrown out in the black cart and sent to the landfill could be reused, recycled or composted.
- Confirms there is room for improvement.



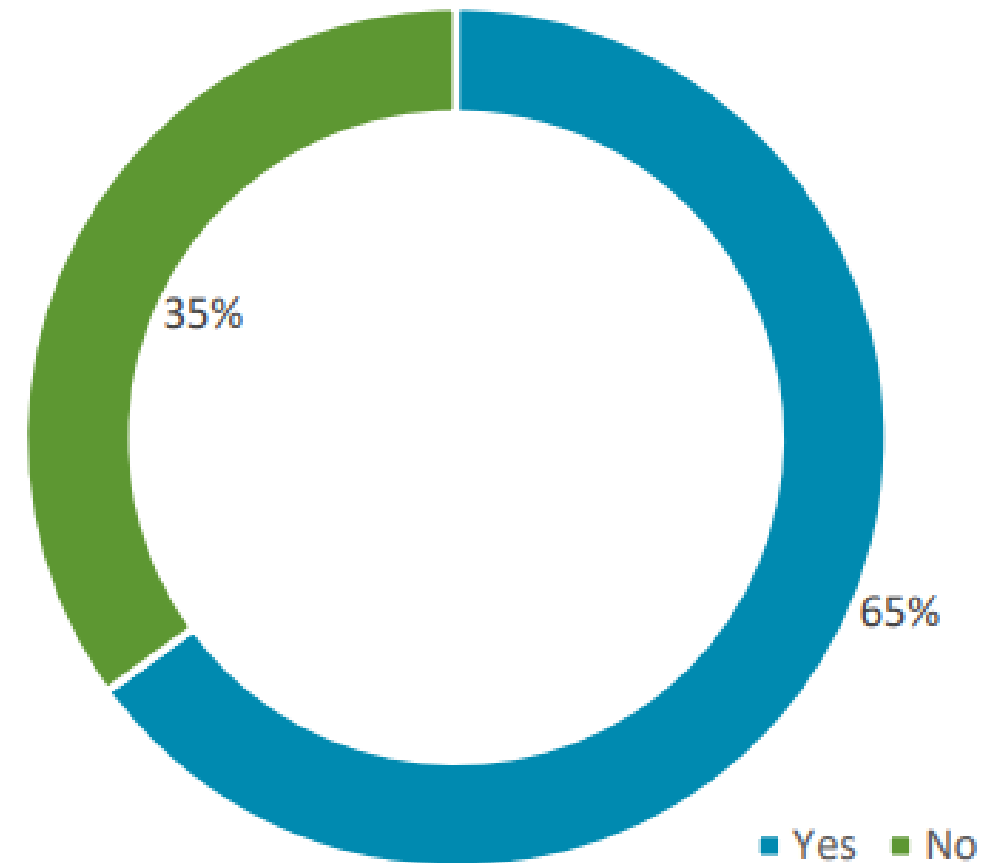
What we heard

Fairness & equity

Do you think paying for waste based on how much you throw away is fair?

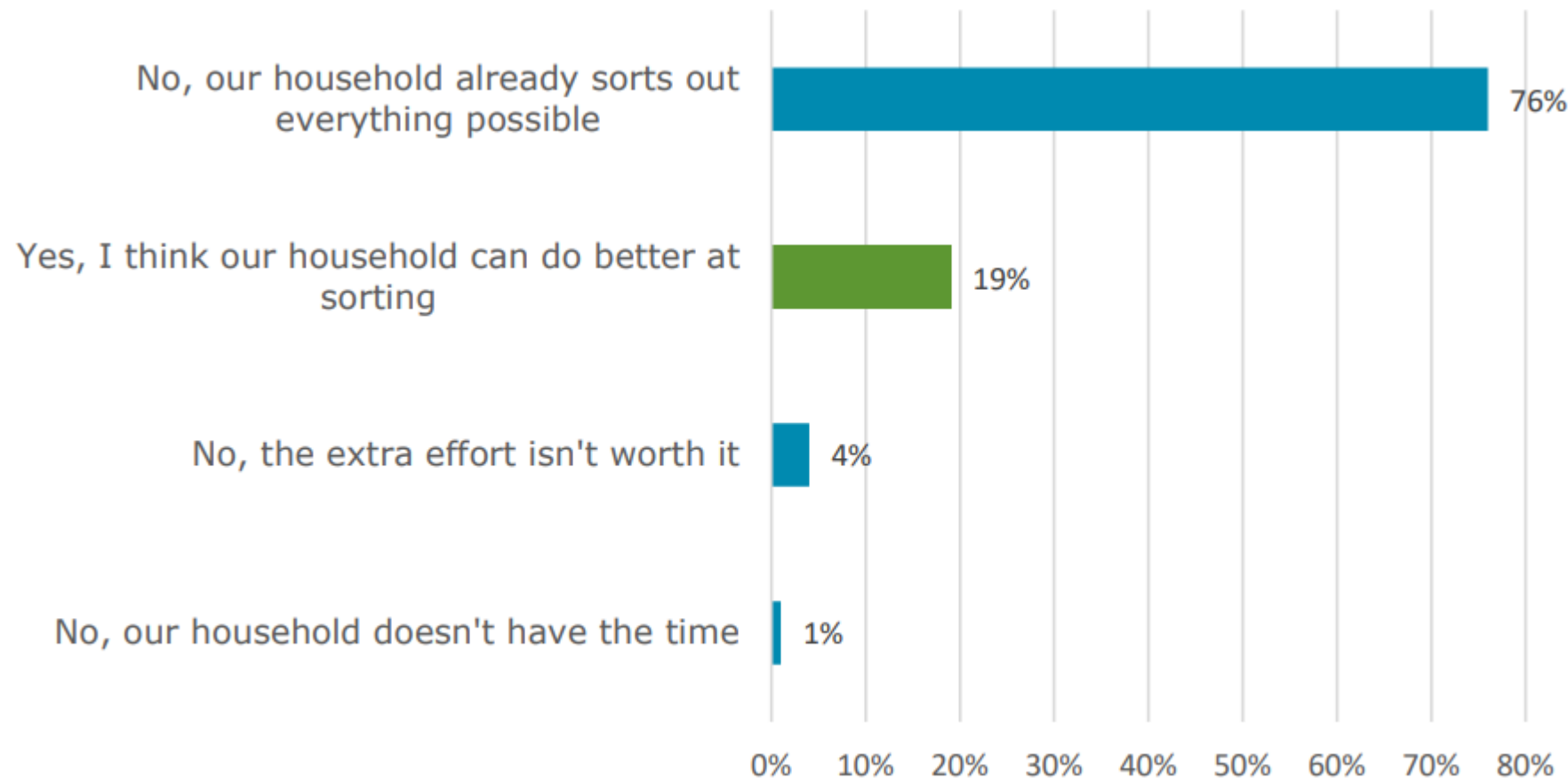
65% - YES

- Increase of 14% since asking a similar question in 2019.



What we heard

Willingness to sort



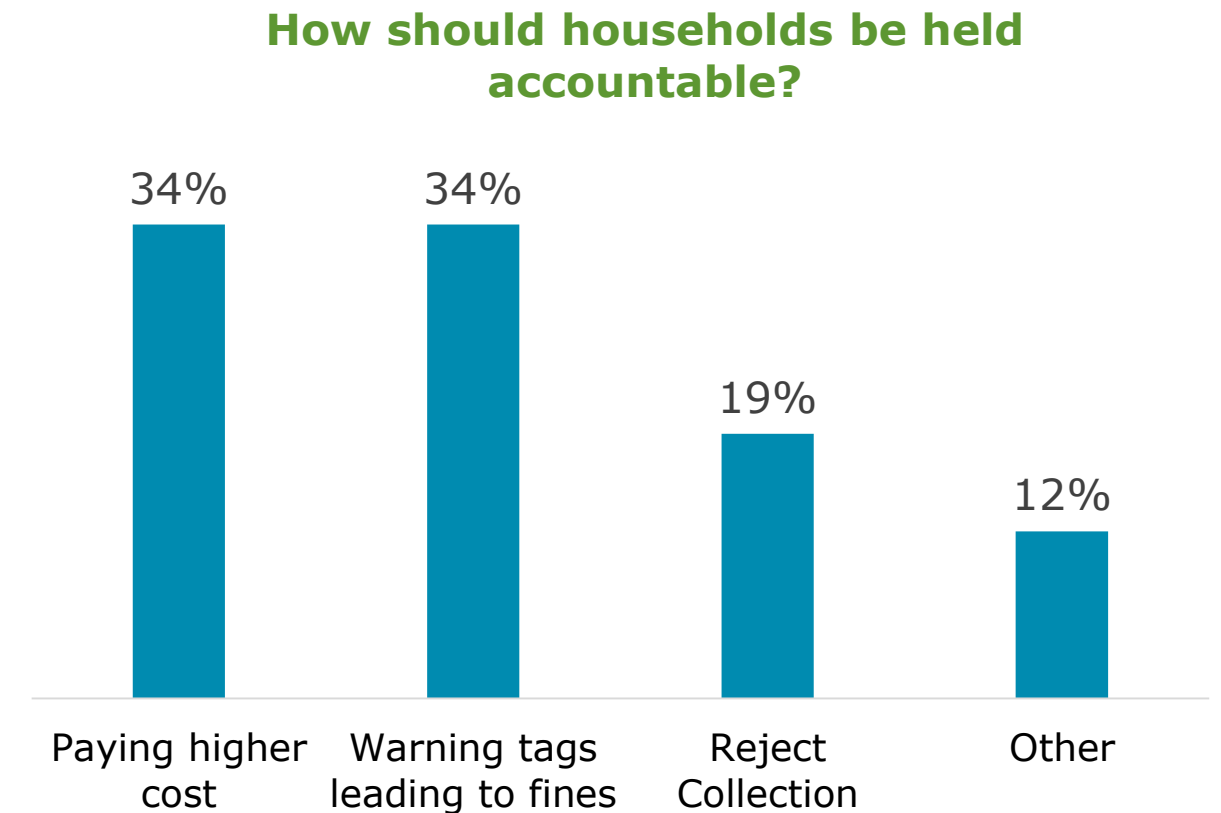
Initial Roadmap engagement:

- 35% expressed willingness to increase their waste diversion.
- 63% indicated that if they could save money on their utility bill that they would be willing to improve their diversion practices.

What we heard

Accountability

- A best practice for high-performing waste programs also holds users accountable for the waste they generate and enforces compliance for program expectations.
- These rules need to be equitably and consistently enforced to ensure buy in from participants.
- Almost 60% of respondents indicated that there should be accountability for those who do not properly sort through paying higher costs.



What we heard

Additional / larger waste carts

- Utilities has seen an increase in the requests for second waste carts since 2019.
 - Fees for additional waste carts are not prohibiting uptake (\$7 / month + \$50 fee)
- Asked respondents what reasons would be acceptable for an additional / larger waste cart at an extra cost?
 - **75%** → Large household size (6+)
 - **64%** → Secondary suites
 - **63%** → Home based business
 - **55%** → Medical wastes
 - **22%** → Other (no reason required – pay if they want)

Should additional carts
require a reason to hold
households accountable?

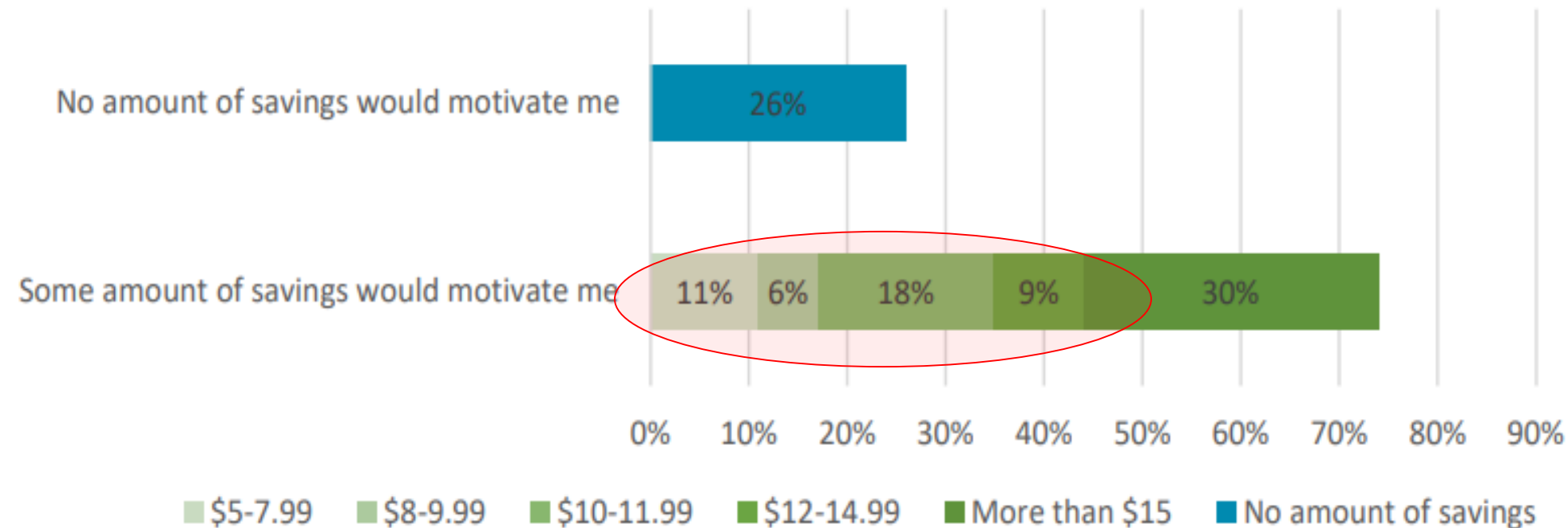
OR

Households willing to pay the
extra costs to throw more
away should be able to?

What we heard

Savings to motivate

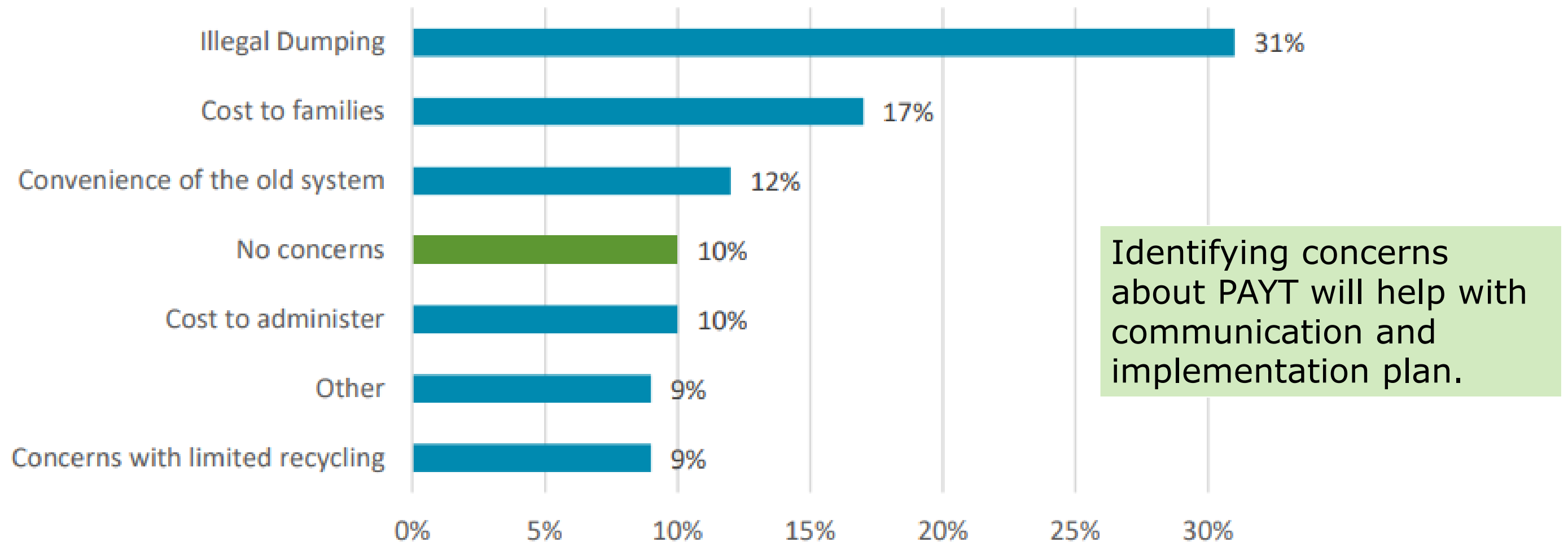
- Savings to incentivize residents to choose a smaller cart will likely need to be in the range of \$10 to \$15 per month.
- ~ 45% might be motivated with this incentive.



Research indicates that strong diversion outcomes are achieved with a 50% - 80% pricing differential.

What we heard

Concerns & challenges



What's happening in the region

St. Albert

- Three (80, 120 or 240 litres) different sized carts (\$3.80 to \$5.10 price differential).
- 10-15% uptake on smaller sizes.
- One free exchange per year; \$50 fee applies to any additional changes.
- Extra garbage tags for curbside collection (city collection).

Edmonton

- Two (120 or 240 litres) different sized carts (\$5 price differential).
- <5% uptake on smaller size.
- Larger cart (360 litres) only available for families of + seven (<1% uptake).
- First exchange free; \$18.50 fee applies to any additional changes.
- Extra waste to Ecostations.

Opportunities & challenges

Positive tactics, incentivizes

- The concept of 'pay as you throw' may unintentionally have a negative, punitive implication.
- Utilities intends to reframe this concept into a more positive approach that looks at rewarding households that are properly participating and diverting their wastes.
- Campaign would focus on **"SORT & SAVE"**.

S  **RT &**
\$AVE

Opportunities & challenges

User perceptions about program requirements

- Rules for sorting and acceptable items are not changing.
- However, increased compliance for existing regulations will be a piece of the implementation plan.
- Utilities will focus its communication and education outreach on the 'reward' opportunity and frame the campaign, so it's not perceived as a change or a new complexity.

Accountability, compliance & enforcement

- Increase desire to hold households more accountable to existing program expectations.
- Utilities continues to increase awareness and education around requirements of the program; where corrections are not being made, Utilities will explore more assertive tactics for compliance, including warnings, rejection of materials and possibly fines.
- Provision in the Waste Management Bylaw allows for this, and Utilities is having strategic discussions with Enforcement Services on the approach.

Opportunities & challenges

Illegal dumping

- Concern for ditch dumping and/or use of residential carts or commercial bins.
- Case study research and learnings from other municipalities indicate that this typically doesn't come to fruition.
- Strathcona County's program is already well established.
- There is no requirement to downsize cart nor moving to a weight-based model; many households will not be looking to shift behaviours or finding ways to cheat the system.
- Enforcement Services is aware of the initiative and Utilities will continue to monitor and strategically discuss through roll out.



Opportunities & challenges

Products outside of control / Concerns with limited recycling

- Expressed concern for penalizing users for waste materials that are outside of their control (i.e. plastics and single use items that have no recycling markets).
- Utilities expects that a new provincial regulation for Extended Producer Responsibility (EPR) will come in to effect mid-2024.
 - This will allow Utilities to slowly roll out a Sort & Save program in 2023 that will initially reward and right size the system.
 - As EPR comes online, several new materials (i.e. film and flexible plastics) should be added to the recycle list, allowing residents an opportunity to consider participating in the Sort & Save program once they see if their waste generation shifts.
 - Optimize the model in a second wave.

Opportunities & challenges

Large volume users / second black cart

- Utilities has seen a dramatic increase in the number of households requesting second black carts.
 - Over 2,000 homes, doubled since 2020.
- Current fees for a second black cart allow for convenient access, increased complacency and less diversion.
- Utilities will be proposing a higher fee for a second cart → ~ \$15 to \$20 per month plus \$50 admin fee.



Alternate options explored

Other user pay options

- By weight → scales are not yet accurate enough for billing.
- By set out rates → reliability and accuracy of RFID readers is uncertain for billing.
- These options see more cheating of system.

Larger carts & second cart access

- Utilities will **not** be proposing a larger cart as part of a variable fee structure as it poses inventory and storage problems.
 - Space required to house and place multiple carts may be a further deterrent.
- Utilities is **not** recommending to restrict access to second carts but will propose a fee structure that will discourage.

Organics carts

- Utilities intends to focus initially on the waste stream by only offering a larger differential on the black carts, as this stream has the most potential for improvement.

Initiative proposal

Proposal

- Shift towards a user pay system based on 'volume'.
- Positive, incentive-based approach that is branded under 'Sort & Save'.
- Offer smaller waste cart at an incentivized rate of \$10 to \$15 per month.
 - Conservative estimations for initial uptake of program (5% to 10%).
- As program is full cost recovery, fees for standard cart size will likely need to increase slightly to accommodate incentive program.
- Multiple carts will see a substantial increase to cover costs and discourage use, but not requiring specific reason to access.

Initiative objectives

Objectives

- Increased awareness of full costs of managing waste.
- Increased sense of responsibility and stewardship for waste.
- Reward waste reduction and diversion.
- Increase sorting practices and improve diversion from landfill.
- Ability to create a sustainable funding model for waste management to ensure safe, responsible and efficient management.

Next steps

- Utilities will develop a new rate structure for a Sort & Save initiative and present to Council for their consideration concurrently with the 2023 budget.
- Implementation plan, including communications and outreach, to be developed for initial roll out in mid-2023.
- Amendment will be required to Waste Management Bylaw 39-2014.
- Pending support for initiative through budget process, supporting plans and bylaw amendment will come forward for Council feedback / approval in Q1 2023.



Questions

