

June 2, 2009

Hello:

**RE: Late Submission of Municipal Hazardous or Special Waste Reports**

Under the approved Phase 1 Municipal Hazardous or Special Waste (MHSW) Program, Stewardship Ontario is required to track MHSW from collection through to final destination.

As municipalities provide collection of these materials, Stewardship Ontario has entered into service agreements with willing municipalities that offer collection services for reimbursement of Phase 1 MHSW post collection costs. Under these agreements, municipalities must complete and submit an online MHSW Report four times per year, based on calendar quarters. This Report includes information on the quantity of MHSW collected, post-collection costs for Phase 1 materials and value added services for which the municipality would be eligible for an incentive payment.

When a municipality completes and submits the MHSW Report, a summary document is generated that provides information on quantities of Phase 1 materials managed and total (all Phases) costs incurred. Following an initial review by Stewardship Ontario, municipalities will be advised of the reimbursable amount that may be invoiced to Stewardship Ontario for Phase 1 post-collection costs and any applicable value added costs for the quarter. Stewardship Ontario will then complete the verification process and provide notice to the municipality of any further corrections and adjustments prior to the next quarter. When the MHSW Report was established, it was assumed that municipalities would complete and submit the report in a timely fashion in order to be reimbursed for their Phase 1 MHSW post-collection costs. On this assumption, a submission deadline was not established for the Municipal MHSW Report.

As of the middle of April 2009, of the 103 municipal programs registered with WDO to complete the MHSW Report, 31 programs had not yet submitted a Q3 2008 MHSW Report and 48 programs had not yet submitted a Q4 2008 MHSW Report. Incomplete municipal reports have led to:

- a qualified auditor's statement for Stewardship Ontario's 2008 financial audit as the auditor was unable to establish the organization's liability related to municipal reimbursement
- incomplete reports from Stewardship Ontario to WDO on program performance;
- limited ability for Stewardship Ontario to plan, forecast and manage cash flow effectively.

As a result, the Municipal Industry Program Committee (MIPC) for the MHSW Program Plan recommended the implementation of a late submission policy for the MHSW Report. The following late submission policy was approved by the WDO Board on May 27, 2009 and will take effect as of July 1, 2009 to the Q3 2009 MHSW Report.

1. Each municipal program will be notified by Waste Diversion Ontario by email when the quarterly MHSW Report is available online. It is the responsibility of each municipality/municipal program administrator to notify Waste Diversion Ontario of a change in contact information regarding MHSW Report notifications.
2. Municipalities shall file their MHSW Reports and submit invoices to Stewardship Ontario for all reimbursable amounts pertaining to any quarter as early as is feasible, but not later than 6 weeks (42 calendar days) following the last day of that quarter.
3. Where the quarter end date falls on a weekend, municipalities shall file their MHSW Reports and submit their invoices no later than the first business day following the day on which 6 weeks past the quarter end date falls.
4. For the quarter ending on December 31, municipalities will, if possible, submit their MHSW Report by the end of the month immediately following i.e. by January 31.
5. Municipalities with no reimbursable activity in a quarter will file a nil report within the same deadline.
6. If a municipal program is unable to submit the online MHSW Report by the submission deadline due to extenuating circumstances, a request for an extension should be made, in writing to Stewardship Ontario by email to [customerservice@stewardshipontario.ca](mailto:customerservice@stewardshipontario.ca) PRIOR TO THE SUBMISSION DEADLINE. Extensions are granted on a case-by-case basis, in writing.
7. Late MHSW Report submissions will be handled in the following manner:
  - All MHSW Reports submitted within five (5) business days following the original or an extended deadline will be assessed a 10% penalty on the cost reimbursement amount for that quarter.
  - Any MHSW Reports submitted after this five (5) day period following the original or an extended deadline will be assessed a 25% penalty on the cost reimbursement amount for that quarter.
8. Within two (2) business days following the submission deadline, Stewardship Ontario will forward a letter, by fax and registered mail, to the clerk or chief administrative officer of each municipal program from which no MHSW Report has been received:
  - informing them of the missed submission deadline,
  - indicating that if their MHSW Report is submitted within five (5) business days of the date of the letter, the program will be eligible for cost reimbursement for the quarter, less a 10% late penalty, and

- informing them if their MHSW Report is received after five (5) business days, the program will be eligible for cost reimbursement for the quarter, less a 25% late penalty.

Should you have any questions on the MHSW Report late submission policy, please contact Stewardship Ontario at [customerservice@stewardshipontario.ca](mailto:customerservice@stewardshipontario.ca).

Sincerely,  
Waste Diversion Ontario



Glenda Gies  
Executive Director

c: Gemma Zecchini  
CEO, Stewardship Ontario