



Meeting with
The Honourable Jim Rondeau
Minister of Science, Technology, Energy & Mines

March 25, 2008

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Executive Summary

Departmental Issues

1. Recycling

- Municipalities will undoubtedly remain involved in facilitating recycling programs, and it is essential for municipal concerns to be addressed as regulations are developed.
- To effectively increase recycling rates, programs must remain easily accessible and convenient for end users.
- It will be beneficial to establish a mechanism to incorporate municipal input in the governance structure of Green Manitoba.
- The current commitment to fund MPSC at a ratio of 80:20 should be maintained for Green Manitoba.
- Clarification is required to ensure that municipalities are aware which political figure and department staff they should address with comments, questions and concerns.

Therefore, the AMM urges the Provincial Government to provide sufficient financial resources for Green Manitoba and to provide an opportunity for the AMM's continued participation in the governance structure of Manitoba's key recycling agencies.

2. Biodiesel and Ethanol Initiatives

- Biofuels represent an important opportunity for communities to participate in the growing alternative energy industry, while gaining significant economic development benefits.
- While the expansion of the Minnedosa plant is significant, it still cannot supply the ethanol needed to meet the ten per cent requirement mandated by *The Biofuels Act*.
- There are other areas of Manitoba with the potential to supply the raw materials required for ethanol production, however a coordinated effort is required for the expansion of ethanol including the support of Provincial investment.
- As biodiesel production is now underway in Manitoba, it is important to articulate a mandate and provide resources to further stimulate biodiesel production and consumption.

Therefore, the AMM urges the Provincial Government to support the development of ethanol and biodiesel production facilities in Manitoba communities.

3. Wind Power Initiatives

- The AMM is pleased with the Provincial Government's commitment to add 1000 megawatts of wind generation capacity by 2015 and municipalities are looking forward to learning which locations have been selected for the next wind farm developments.
- Wind energy stimulates regional economies throughout the construction process due to the increased jobs for local trades people as well as the associated purchase and rental of equipment and materials.
- The operation and maintenance of wind turbines is another important job creation outcome associated with wind energy expansion.
- Training to support these positions would augment local involvement in the industry.
- Investing in a locally trained, knowledgeable workforce would support future efforts to enter the component production market.

Therefore, the AMM urges the Provincial Government to provide incentives for increasing Manitoba's wind generation potential and spinoff industries.

General Issue

1. Water Issues

- Water management is one of the most important issues facing Manitoba today and we believe it is important that all Ministers understand the significance of the current direction to municipalities.
- Municipalities certainly agree with the Province on the high level goals and visions laid out so far. However it is how the Province is looking to move forward in arriving at these goals that has raised concerns for municipalities.
- Conservation districts (CDs) have become the delivery mechanism of choice for water initiatives in Manitoba, however the funding for CDs has never been equal to the expectations that have been placed upon them. The *Framework for the Future* document advocates for a scenario where the Province will provide little additional funding, while increasing the expectations for CDs.
- There is real concern that the proposed changes to the funding mechanisms will seriously erode the importance of local priorities, ultimately leading to the erosion of local authority.
- By being forced to use the vast majority of the CD budget on provincially directed initiatives, there will be nothing left to deal with local priorities.
- We are also very concerned with the approach taken by the department in trying to gain feedback on the document. The questionnaire is misleading in that it does not deal with these fundamental issues, and instead focuses on support for the very general goal statements.
- We are hopeful that although the Province has moved forward unilaterally on this initiative, there is still opportunity to find a workable solution that benefits everyone.

Departmental Issues

1. Recycling

Waste reduction is a growing priority for Manitobans, therefore municipalities are keenly interested in the activities of Green Manitoba. The extensive changes taking place in Manitoba's recycling sector are aimed at increasing recycling rates for a variety of products, which will significantly impact municipal recycling programs. The AMM anticipates that these efforts will be successful as long as recycling programs remain responsive to consumer demands. Since municipalities are key stakeholders in facilitating recycling services, they are aware of recycling needs at the community level and should have a role in shaping recycling programming. Therefore, there must be a consistent venue to engage the municipal perspective as regulations are implemented and new recycling structures defined. As well, it is critical that the Province allocate the financial resources necessary for Green Manitoba to operate effectively and successfully increase recycling.

The AMM has appreciated the opportunity to comment on the proposed regulations for each product category. Municipalities will undoubtedly remain involved in facilitating recycling programs, and it is essential for municipal concerns to be addressed as regulations are developed. Several categories of recyclables have been identified and there are common municipal concerns regarding each regulation and associated industry program plan. To date, the AMM has been pleased with the outcomes of the tire recycling process and anticipates that the other product categories will also effectively address the municipal concerns raised throughout the regulation consultations.

In particular, municipalities are supportive of the changing recycling processes since there is considerable potential to increase recycling activity and thereby reduce demand for municipal landfills. To achieve these goals, programs must remain easily accessible and convenient for end users. The division of responsibility among product categories including tires, household hazardous waste, electronic waste, and printed paper and packaging must not create onerous tasks for individuals seeking to recycle. Maintaining convenience is especially important in rural areas where curbside pickup is not feasible and individuals must haul recyclables to a central

location. Creating a system that requires multiple drop sites will not support the ultimate goal of increasing recycling in Manitoba.

As well, defining new structures for recycling programming requires a new governance structure. This structure must include municipal representation, in recognition of the continuing municipal involvement in recycling initiatives. The AMM has been a long-standing member of the Board of the Manitoba Product Stewardship Corporation (MPSC) and has found this to be a valuable arrangement. Similarly, it would be beneficial to establish a mechanism to incorporate municipal input in the ongoing decision making activities of Green Manitoba. Such a mechanism would contribute to the success of recycling programs throughout the province by ensuring that recycling programs are responsive to community requirements.

New and evolving programs also require sufficient Provincial support to ensure they will function effectively. Therefore, a consistent commitment of Provincial funding is required for the successful operation of Green Manitoba. The current commitment to fund MPSC at a ratio of 80:20 should be maintained for Green Manitoba. This funding commitment will provide the ongoing support necessary to preserve the integrity of existing municipal recycling operations and promote continuity of recycling services across Manitoba.

The Province must also provide clarification regarding the governance of the new recycling programs. Specifically, municipalities and other stakeholders require a clear understanding of how the Province will deal with any concerns that arise, in order to offer the most effective and efficient resolution mechanisms. However, since there are now two departments involved in recycling, there is some confusion regarding where to direct questions or concerns. Under the current system Green Manitoba reports to Manitoba Science, Technology, Energy and Mines, yet Manitoba Conservation maintains legislative responsibility for the regulations governing recycling. Clarification is required to ensure that municipalities are aware which political figure and department staff they should address with comments, questions and concerns.

In general, the AMM is pleased with the progress to date in each of the product categories. The following concerns remain as each regulation is developed and implemented:

Household Hazardous Waste and Electronic Waste

Municipalities have been advocating for permanent household hazardous waste and electronic waste programs for several years, based on the increasing usage of these products and their detrimental effects on the environment if discarded incorrectly. Recent temporary drop-off programs have demonstrated the tremendous demand for safe disposal options for household hazardous waste and electronic waste. Therefore, the AMM is pleased that the processes for each of these product categories has been moving forward effectively. The creation of permanent household hazardous waste and electronic waste programs will provide much-needed services while mitigating safety concerns at municipal landfills.

Printed Paper and Packaging

This product category is certainly the most complex, based on the wide range of products it encompasses. The AMM acknowledges that this complexity is contributing to the additional time required to finalize the regulation, yet there is a pressing need to move forward with this process. Further delays will increase the costs associated with the transition from MPSC to the industry funded organization. These costs can be avoided through timely implementation, thereby leaving more resources available to support recycling programming. As well, it is particularly important for this product category to remain user-friendly to ensure that recycling rates increase across the province. The AMM looks forward to the release of the printed paper and packaging regulation in the near future.

Tire Recycling

The AMM's primary concern with tire recycling is the need to preserve the province-wide application of the program. Rural, remote and northern communities face additional challenges for tire recycling and this program must remain accessible to all Manitoba communities. At the same time, the AMM appreciates the progress regarding tire recycling in Manitoba and looks forward to the April 1, 2008 implementation date for the new system. Municipal input was considered both during the regulation consultation and through the AMM's participation on the Tire Stewardship Interim Board. The AMM would welcome the opportunity to maintain this

participation and this may be achieved through involvement with the multi-stakeholder advisory committee, as identified in the Scrap Tire Program Plan.

The AMM expects the remaining regulations will follow a similar direction to the *Tire Stewardship Regulation*, since this process was particularly effective. Municipalities share the Province's interest in creating the best possible legislation and recycling programs for Manitoba and are anticipating the finalization of the new recycling regulations and structure.

Therefore, the AMM urges the Provincial Government to provide sufficient financial resources for Green Manitoba and to provide an opportunity for the AMM's continued participation in the governance structure of Manitoba's key recycling agencies.

2. Biodiesel and Ethanol Initiatives

Demand for alternative energy is increasing as a means of reducing the reliance on fossil fuels. Therefore, biofuels represent an important opportunity for communities to participate in the growing alternative energy industry, while gaining significant economic development benefits. The AMM appreciates the Provincial Government's commitment to the development of biodiesel and ethanol facilities, however a continued investment in these renewable energy resources is required to ensure that Manitoba is prepared to meet increasing local demand for biofuels.

In particular, the recent expansion of Husky's ethanol plant in Minnedosa will increase Manitoba's ethanol production from 10 million to 130 million litres per year. The investment in this facility has supported regional economic development and employment opportunities. While the expansion of the Minnedosa plant is significant, it still cannot supply the ethanol needed to meet the ten per cent requirement mandated by *The Biofuels Act*. As a result, there are outstanding opportunities available to generate additional ethanol production through the construction of new facilities.

Therefore, the Province must be prepared to invest in incentives and financial assistance for municipalities to pursue new ethanol production facilities. A substantial investment is required due to the large scale of ethanol production operations and it is not feasible for municipalities to initiate construction. As well, the Province should develop an education campaign targeted at agricultural producers in order to increase the supply of feed grains, corn, straw and other raw materials needed to produce more ethanol. There are other areas of Manitoba with the potential to supply these raw materials, however a coordinated effort is required for the expansion of ethanol including the support of Provincial investment.

In addition, the Province has recently made key advances in promoting biodiesel production and consumption. Such action is critical since biodiesel production can operate effectively on a small scale and there are considerable opportunities available to communities of all sizes. The Province has already eliminated the fuel tax on biodiesel which provides an incentive to purchase this alternative fuel. As well, the Provincial and Federal Governments have established a \$1.5 million

request for proposals (RFP) support package to help producers start or increase biodiesel production. Since biodiesel represents a valuable economic development opportunity, the AMM is pleased to have the opportunity to participate on the RFP Selection Committee as a representative of municipalities. Many communities are eager to pursue biodiesel production facilities and additional incentives heighten the appeal of this economic development endeavour.

The AMM also expects increasing interest in the biodiesel industry stemming from *The Biofuels Amendment Act* which aimed to advance biodiesel market development and ensure biodiesel fuel quality. As well, alternative energy production will benefit from the fulfillment of the Provincial Government's Throne Speech commitment to expanding biodiesel production in Manitoba by developing a new biodiesel mandate in 2008. As biodiesel production is now underway in Manitoba, it is important to articulate a mandate and provide resources to further stimulate biodiesel production and consumption.

Manitoba municipalities are well-positioned to participate in the growing biofuels market. The environmental importance of renewable energies such as ethanol and biodiesel requires expansion of these markets at the local level. The Province has an important role in stimulating ethanol and biodiesel production through incentives for producers and consumers.

Therefore, the AMM urges the Provincial Government to support the development of ethanol and biodiesel production facilities in Manitoba communities.

3. Wind Power Initiatives

There is growing support among municipalities for implementing environmentally friendly practices, which has led to a demand for additional wind energy production in Manitoba. The St. Leon wind farm has generated considerable local benefits and many communities across the province are interested in pursuing opportunities associated with the generation of wind energy. For this reason, the AMM is pleased with the Provincial Government's commitment to add 1000 megawatts of wind generation capacity by 2015 and municipalities are looking forward to learning which locations have been selected for the next wind farm developments.

Wind energy stimulates regional economies throughout the construction process due to the increased jobs for local trades people as well as the associated purchase and rental of equipment and materials. Landowners also gain a lucrative source of annual revenue, as demonstrated by the St. Leon project which will provide \$9 million to approximately 50 landowners over a 25 year period. Municipal and Provincial tax revenues also rise substantially due to the increased assessment value. The Province should continue to support the expansion of wind power across Manitoba due to the economic development opportunities it creates.

The operation and maintenance of wind turbines is another important job creation outcome associated with wind energy expansion. The electrical components of wind turbines require ongoing maintenance which creates opportunities to employ local residents. Training to support these positions would augment local involvement in the industry. In addition, as more Manitobans gain knowledge related to turbine components, additional opportunities to manufacture components locally will develop. Currently, turbine components must be shipped to Canada from Europe. Investing in a locally trained, knowledgeable workforce would support future efforts to enter the component production market. Since Manitoba Hydro is exploring the feasibility of additional wind farms there will soon be further opportunities to support complementary industries and services. Manitoba's ability to participate in these additional opportunities will be stimulated through the development of adequate technical training courses.

Therefore, the AMM urges the Provincial Government to provide incentives for increasing Manitoba's wind generation potential and spinoff industries.

General Issue

1. Water Issues

Each year the AMM includes a top issue as a general agenda item for its meetings with all individual Cabinet Ministers. This year the AMM Board is taking municipal concerns with the current Provincial direction on water-related issues. The reason we are taking this issue to all Ministers is to let each Cabinet Minister know the importance of this issue to municipalities and our primary concerns. We believe this is one of the most important issues facing Manitoba today and we believe it is important that all Ministers understand the significance of the current direction to municipalities.

The AMM has always been a willing partner on water initiatives whenever asked. The AMM was one of the most vocal advocates for the creation of a single department to deal with water initiatives. The AMM has also participated on a number of provincial direction-setting initiatives, including the Manitoba Water Strategy. Municipalities know firsthand the importance of properly managing water and have always been willing to do what is needed. Clean drinking water, safely managed wastewater, and proper drainage and water management are all priorities for municipalities, just as they are for the Province.

Municipalities certainly agree with the Province on the high level goals and visions laid out so far. However it is how the Province is looking to move forward in arriving at these goals that has raised concerns for municipalities.

Throughout the last number of years municipalities have been raising concerns with how all of the new directions announced by the Province will be funded. Most recently the Province released *Framework for the Future*, a discussion document on the future of conservation districts in the province, which is most alarming. Conservation districts (CDs) have become the delivery mechanism of choice for water initiatives in Manitoba, however the funding for CDs has never been equal to the expectations that have been placed upon them. This document advocates for a scenario where the Province will provide little additional funding, while increasing the expectations for CDs.

One of the greatest strengths of CDs is that they are locally driven, with boards comprised of local residents making decisions based on local priorities. However there is real concern that the proposed changes to the funding mechanisms will seriously erode the importance of local priorities, ultimately leading to the erosion of local authority. This new proposal is to link limited provincial funding with provincial priorities, taking away a local CD's ability to use provincial funding for locally decided priorities. By being forced to use the vast majority of their budget on provincially directed initiatives, there will be nothing left to deal with local priorities. While we certainly expect there to be similarities between provincial and CD priorities, any flexibility in addressing local priorities will be lost.

These are very fundamental issues that need to be discussed and dealt with in order for the CD program to work in Manitoba. However we are very concerned with the approach taken by the department in trying to gain feedback on the document. The questionnaire is misleading in that it does not deal with these fundamental issues, and instead focuses on support for the very general goal statements. We feel the information gained from the questionnaires will only provide part of the picture, while many of the more fundamental issues are not addressed.

The AMM has a long history of working together with the Province, and over the last few years we have worked closely on numerous issues. While often we have differing opinions about what is best, we have been able to work together to find solutions to challenges and with the end result being what is best for all Manitobans. We are hopeful that although the Province has moved forward unilaterally on this initiative, there is still opportunity to find a workable solution that benefits everyone.

Appendix A – Active Resolutions

AMM Resolution Number 32 - 2007

Topic: Recycling of Air Hoses

Sponsor: RM of Glenwood (Western District)

Departments: Manitoba Science, Technology, Energy & Mines, Manitoba Conservation, Manitoba Agriculture, Food & Rural Initiatives

WHEREAS air hoses for seeder and fertilizer applicators wear out and must be disposed of;

AND WHEREAS currently there is not an environmentally friendly disposal option;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to allow this type of air hose to be accepted at chemical container depots and be recycled accordingly.

AMM Resolution Number 72 - 2005

Topic: Improved Cell Phone Coverage

Sponsor: City of Thompson (Northern District), RM of Mountain (Parkland)

Departments: Manitoba Science, Technology, Energy & Mines, Manitoba Telecom Services

WHEREAS communities in Manitoba do not have adequate cell phone coverage;

AND WHEREAS the distances without such coverage are huge and include long stretches of highway;

AND WHEREAS there is a question of safety and security that must be addressed;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government and Manitoba Telecom Services, or other communication providers, to provide for improved cell phone coverage in Manitoba.

AMM Resolution Number 53 - 2002

Topic: Ethanol Program

Sponsor: RM of Brokenhead (Eastern District)

Departments: Manitoba Science, Technology, Energy & Mines, Manitoba Agriculture, Food & Rural Initiatives

WHEREAS the burning of fossil fuels is a major pollutant of our atmosphere;

AND WHEREAS our agricultural community is in need of a value-added diversified alternative to grain production;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province to promote, encourage and support a program for the production of ethanol to be blended with fossil fuels.

AMM Resolution Number 13 - 2007

Topic: Material Stewardship Program

Sponsor: City of Thompson (Northern District)

Departments: Manitoba Conservation

WHEREAS the benefits of having a comprehensive recycling program has proven to be valuable in ensuring the amount of waste products being taken to landfill sites is minimized;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba for a more comprehensive material stewardship program that maximizes the amount of materials and number of products to be recycled.

AMM Resolution Number 07 - 2006

Topic: Electronic Waste Disposal Program

Sponsor: City of Dauphin (Parkland District)

Departments: Manitoba Conservation, Manitoba Science, Technology, Energy and Mines, Environment Canada

WHEREAS the AMM lobbied the Provincial Government in 2004 to initiate a program for the disposal of electronic waste;

AND WHEREAS the Minister of Conservation responded that the Province is aware of the issues associated with electronic waste; is examining options for management of these types of toxic waste; and will seek partners to support the collection of waste electronics in the future;

AND WHEREAS disposal of electronic waste is increasing at landfill sites;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government for an update on the collection of electronic waste;

AND BE IT FURTHER RESOLVED that the program for the disposal of electronic waste be expanded to include costs borne by municipalities to transport the collected electronic waste.

AMM Resolution Number 33 - 2006

Topic: Drink Container Deposit

Sponsor: City of Brandon (Western District)

Department: Manitoba Conservation

WHEREAS the number of beverage containers being inappropriately discarded in Manitoba is on the increase;

AND WHEREAS in the best interest of the environment it would be beneficial to decrease the number of containers being inappropriately discarded;

AND WHEREAS several provinces already have models in place with respect to the processing of such containers, inclusive of charging environmental levies and payment of deposits to individuals who bring in said containers;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Province of Manitoba to establish a 10 cent deposit on all drink containers in this province and create the infrastructure required to ensure the processing of containers on which deposits are paid and the payment of deposits to individuals who bring in the containers.

AMM Resolution Number 38 - 2006

Topic: Review of Environmental Levy Rates

Sponsor: City of Dauphin (Parkland District)

Departments: Manitoba Conservation

WHEREAS the cost of recycling has increased significantly since the levies were first introduced;

AND WHEREAS currently there are no levies on glass, newspapers, magazines and commercial cardboard;

AND WHEREAS such levies are used in other Canadian provinces;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to review the Environmental Levies charged to corporations and consumers in order to make recycling viable.

AMM Resolution Number 69 - 2005

Topic: Permanent Household Hazardous Waste Program

Sponsor: RM of Taché (Eastern District)

Departments: Manitoba Conservation

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to establish an effective program to recycle paint products, glycols as well as electronic waste material so as to remove these products from local landfill sites.

AMM Resolution Number 59 - 2004

Topic: Electronic Waste Collection Program

Sponsor: RM of Taché (Eastern District)

Departments: Manitoba Conservation

WHEREAS municipalities currently have no practice regarding the disposal of hazardous waste such as electronic equipment, paint, etc. expecting at landfill sites;

AND WHEREAS a stewardship program should be in place for the purpose of disposing of this material;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to initiate a program for the disposal of this material.

AMM Resolution Number 26 - 2003

Topic: Recycling for Plastic Bags

Sponsor: Town of Altona (Central District)

Departments: Manitoba Conservation

WHEREAS there are many businesses, especially grocery stores, that use plastic bags for customer purchases;

AND WHEREAS many of these plastic bags end up in the local landfill sites because there is no system to recycle them;

AND WHEREAS these plastic bags create a nuisance at the landfill sites because they tend to be blown around by the wind;

AND WHEREAS these plastic bags take many years to decompose;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to insist that retailers use biodegradable bags or re-usable bags instead of the current plastic bags;

AND BE IT FURTHER RESOLVED that the AMM work with the Provincial Government to begin an educational campaign to inform the general public about the benefits of recycling/re-using these types of nuisance items.

AMM Resolution Number 34 - 2000

Topic: Recycling Funding for Corrugated Cardboard

Sponsor: Town of Boissevain, RM of Glenwood (Western District)

Departments: Manitoba Conservation

WHEREAS municipalities contribute substantial amounts of money to run recycling programs;

AND WHEREAS a large portion of the material gathered by recycling depots is corrugated cardboard which requires a large storage space;

THEREFORE BE IT RESOLVED THAT the AMM lobby the Provincial Government to increase its funding of corrugated cardboard from 25 per cent to 100 per cent under the Product Stewardship Program.