

October 15, 2019

Mr. Charles O'Hara, Director Resource Recovery Policy Branch
Ministry of the Environment, Conservation, and Parks
College Park, 777 Bay Street, 5th Floor
Toronto, Ontario. M7A 2J3

RE: Draft Regulations for Recycling of Electrical and Electronic Equipment (EEE) and Batteries under the Resource Recovery and Circular Economy Act, 2016

Dear Mr. O'Hara,

Energy Storage Canada (ESC) is the national industry association representing the broad range of companies engaged in the energy storage business across Canada. Our membership represents all players along the energy storage value chain -- technology providers, project developers, investors and operators, electricity distribution companies and NGOs. We represent the some of the largest energy companies in Canada as well as some of the smallest and most innovative clean-tech organizations.

ESC appreciates the opportunity to comment on the draft regulation as it relates to the Recycling of Electrical and Electronic Equipment and Batteries under the Resource Recovery and Circular Economy Act, 2016. Our concern is that the draft regulation is not appropriate to manage heavy energy storage batteries given their exceptional longevity and their wide range of uses and application. In particular, large stationary storage batteries are one of the key tools available to governments, utilities, industry and institutions to reduce the cost of electricity for ratepayers in Ontario. As currently proposed, the draft regulation would likely make it unviable for Ontario utilities, industries and homeowners to use batteries to reduce electricity costs and may lead to a reduction in jobs in the electrical sector by stifling innovation.

Heavy lithium-ion batteries have a much longer service life than what is assumed in the management requirement formula laid out in section 11 the draft regulation. The draft regulation would require manufacturers to take batteries back every three to five years. This would make the economics of installing batteries for utilities and institutions entirely impracticable and will undermine a growing sector of Ontario's economy while removing options to reduce electricity prices. The increased costs would ultimately affect end-users.

ESC believes a formula is not an appropriate tool to determine or estimate end of life of heavy batteries. Only battery owners and experts are positioned to determine when their batteries have reached the end of their usable life. It is therefore more appropriate to establish an extended producer responsibility framework that deals with heavy batteries – but only at the point when they have no more useful life in storing and delivering energy. Premature recycling is harmful for the environment and will drive up costs to consumers, utilities and electricity ratepayers.

We agree that lithium-ion batteries should never end up in a landfill at the end of their life. When batteries will reach the end of their life, they are still valuable assets, for the materials they contain. As such, battery owners should have the freedom to sell the batteries to a recycler of their choice or return them to the manufacturer. The proposed regulation does not take this into account. Moreover, it is extremely unlikely that these large batteries would ever go to landfill given the economics of the valuable resources they contain.

Given the distinct characteristics of stationary storage batteries, including their long lifespan and end-of-life resource value, ESC recommends that large batteries be exempted from the proposed battery recycling framework.

Considering the value of recycling such heavy batteries, a landfill ban should be sufficient to ensure that they are managed appropriately. Should Ontario decide to develop a framework for those batteries, we strongly encourage you to consult with ESC and battery end-users such as management and operational services providers, utilities, and with battery manufacturers.

We would be pleased to meet with you or your staff to provide more information on energy storage use in Ontario, and our recommendations for an adequate recycling framework.

Sincerely,

Justin Wahid Rangooni
Incoming Executive Director
Energy Storage Canada