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Sunday, June 23, 2019

Ministry of the Environment, Conservation and Parks College Park, 5th Floor 777 Bay Street Toronto, Ontario M7A 2J3

Re: EBR Registry number 019-0048 - Regulations for Recycling of Batteries under the Resource Recovery and Circular Economy Act, 2016

We are an Ontario owned company and a primary importer of Valve Regulated Lead-Acid (VRLA) Batteries. Our products are also known as Small Sized Lead-Acid (SSLA) or Sealed Lead-Acid (SLA) batteries; they fall under UN category 2800. Canada Customs identifies our product under the Harmonized System categories of (HS) 8507.20.90.10 (6 volt batteries) and (HS) 8507.20.90.20 (12 volt batteries).

We have been solely focused on the distribution of quality VRLA batteries in Canada since 1987. We have a particular focus in the Life Safety Industry; meaning we serve companies which design, install and service Fire detection and suppression systems, emergency lighting equipment and security systems that protect persons and property.

We are grievously distressed to once again undertake the review of draft legislation which proposes to interfere with an industry that distributes a product with high end-of-life value, and is one of the most sustainable and recycled products in the world. Lead-Acid batteries are primarily made from Lead and the whole product is 100% recyclable.

Is the Ministry not aware that a robust, efficient and effective recycling industry already exists for our product?

Ours must not to be confused with the majority of other battery chemistries which are either hard to recycle or no practical recycling facilities exist at all. It is vitally important the Ministry acknowledges a recycling industry already exists, for our battery chemistry, and that it is highly competitive. The high value and recyclability of lead easily caused the creation of a mature recycling infrastructure multiple decades ago. The whole industry comprised of manufacturers, distributors and recyclers constitute a circular economy.

We are asking you to reconsider proposed regulations regarding batteries in the Resource Recovery and Circular Economy Act, 2016 as tying them into consumer waste streams will be costly and ultimately counterproductive and Ontario businesses stand to loose to competitors from other provinces.

Ministry of the Environment, Conservation and Parks

-2-

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We are asking you to reconsider proposed regulations concerning batteries in the Resource Recovery and Circular Economy Act, 2016 for the following reasons:

1) The need for more consultation

Many issues with this proposed legislation have already been brought forward to the Ministry beginning ten years ago after the "Eco-Fees" legislation was proposed. There was a complete lack of consultation with the battery industry at the time and we provided the Ministry with information about recycling procedures within the industry and multiple other issues to consider when drafting replacement legislation.

The MoECC need to allocate more time to consult with Ontario businesses and develop policies and wording for these regulations that are good for consumers, responsible to the environment and do not negatively affect Ontario businesses.

2) Batteries need to be classified by chemistry, not weight

The proposed regulations make no reference to different battery technologies, but instead arbitrarily classify them according to size. Our business uses the same Valve Regulated Lead Acid (VRLA) technology in manufacturing batteries raging from 0.1 kg up to 24 kg. These are predominantly industrial batteries and the vast majorities are sold to service companies, and not to retail customers.

VRLA batteries are different than wet automotive batteries in that they cannot leak acid under normal conditions, due to the fact that all diluted acid (electrolyte) is immobilized in fiberglass separators. For this reason the United Nations classifies them under different categories (UN2800 for VRLA and UN2794 for Wet batteries) and the Federal Government's Transportation of Dangerous Goods Act uses these classifications to apply different regulations for transporting each type.

Other technologies such as Lithium batteries fall under different transportation rules. Your categorization of batteries risks mixing different technologies that fall under different transportation and safety regulations governed by Federal and International law. Categories must be based on technology, not weight.

The vast majority of VRLA batteries are used in Uninterrupted Power Supplies (UPSs), Telecommunications Equipment, Emergency Lighting Systems, Fire Alarms, Burglar Alarms and security systems, IV pumps, Defibrillators, Robots used in manufacturing, Patient Lifts, Elevators (including those used by the disabled), Patient monitors, Traffic monitoring boxes, Parking Gates and

Ministry of the Environment, Conservation and Parks

-3-

Sunday, June 23, 2019

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metering machines, Bus Ticket machines, Bomb Detection Robots and Drug Detection equipment used by Police Services, Livestock feeders, Radio and Radar Equipment in Ships and Aircraft and Seismographic equipment. These products all use VRLA batteries ranging between 0.1 and 40 kgs. For example the Mobility industry uses batteries over 5 kgs in Wheelchairs, while most of the ones used in Mobility Scooters are under 5 kg. Again categories must be based on technology, not weight.

3) There is already a Circular Economy in existence in the Lead-Acid Battery Industry

For over 30 years the battery industry in Canada has worked hard to ensure valve regulated lead-acid (VRLA) batteries and other lead batteries are recycled through willing compliance, not only because of the high value of lead, but as a result of strict regulations that came about in the US in the 1980s, and the anticipation by the industry that similar legislation would be implemented in Canada.

We are concerned that the Battery Regulations do not recognize that lead batteries have value at end of life. Waste batteries are legally traded as a commodity, not only between provinces, but internationally, in a regulated free market. Because of this there is already a circular economy for lead batteries and the regulation cannot interfere with legal free markets. All shipping of batteries is subject to Federal TDG regulations, whether these are between provinces or international, and are subject to the import/export regulations under the Canadian Environmental Protection Act. The proposed regulations would only duplicate these existing regulatory requirements.

Most of our batteries are sold directly to businesses such as the Life Safety industry. First, the battery is shipped by us to the service company, a fire alarm technician for example replaces the old battery with a new one, and brings the old one back to the office where they collect them and send them for recycling when enough are acquired.

Because of the fact that VRLA batteries are approximately 70% lead (Pb) by weight, they are already being recycled due to current environmental regulations, and the fact that lead is a valuable commodity. Most of our customers have recycling programs in place through existing recyclers. Some have nationwide recycling programs in place. Battery recycling companies take back VRLA batteries free of charge. An alarm company, for example, which returns a 2500kg pallet of batteries (or more) will actually be paid \$0.36 kg for VRLA batteries under 5kg. Even when the price of lead was low, it has not dipped below \$0.20 kg.

Further comments:

Ministry of the Environment, Conservation and Parks

-4-

Sunday, June 23, 2019

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The draft battery regulations are based on other regulations designed for products that do not have a value at end-of-life and require regulatory intervention to achieve a circular economy. They ignore the fact that businesses have created a competitive, international, free-market for lead batteries and the Ontario regulations cannot interfere in that free-market. The Ministry needs to recognize that the industry already has a circular economy for lead batteries and should exempt them from the proposed regulations.

We have consulted with the Canadian Battery Association and agree with them with respect to the draft wording of the regulation. We believe the draft regulation must be amended to:

- Reduce the bureaucratic registration and reporting burden of the Resource Productivity and Recovery Authority (RPRA) on Ontario businesses that are already regulated by the Transportation of Dangerous Goods, Hazardous Waste Regulations and industry reporting requirements.
- Reduce the bureaucratic registration and reporting burden of the Resource Productivity and Recovery Authority (RPRA) on Ontario businesses that are already regulated by the Transportation of Dangerous Goods, Hazardous Waste Regulations and industry reporting requirements;
- Prevent costs to consumers through an unnecessary Environmental Handling Fee; and
- Create a level playing field so that producers outside of Ontario do not have a competitive advantage over Ontario businesses.

We thank you for taking the time to consider our objections to this plan and hope that you will consider another approach to recycling small VRLA batteries. We would be happy to discuss further ideas with Ministry representatives in order to facilitate a recycling policy for Ontario that works for all of Ontario's VRLA manufacturers, industrial users and recyclers.

Best regards,

GS BATTERY — CANADA

Don Dransfield Product Specialist

Compliance Officer,

Environmental, Health and Safety