

Transportation of Dangerous Goods (TDG) Directorate



Means of Containment (MOC) Fee Modernization Update

Presentation to the General Policy Advisory Council (GPAC)

Date: May 27, 2021

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Regulatory Frameworks and International Engagement (RFIE) Branch

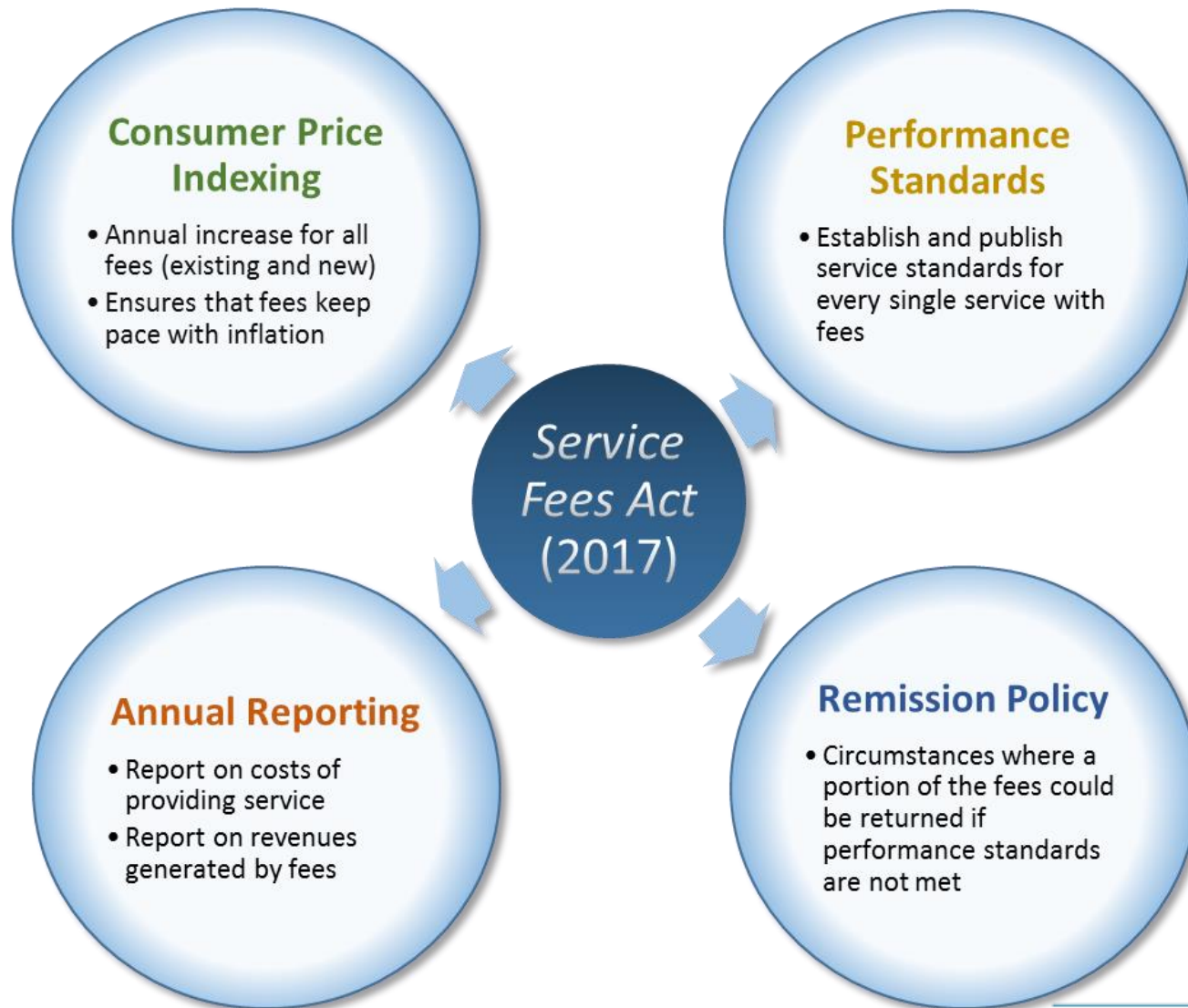


Outline

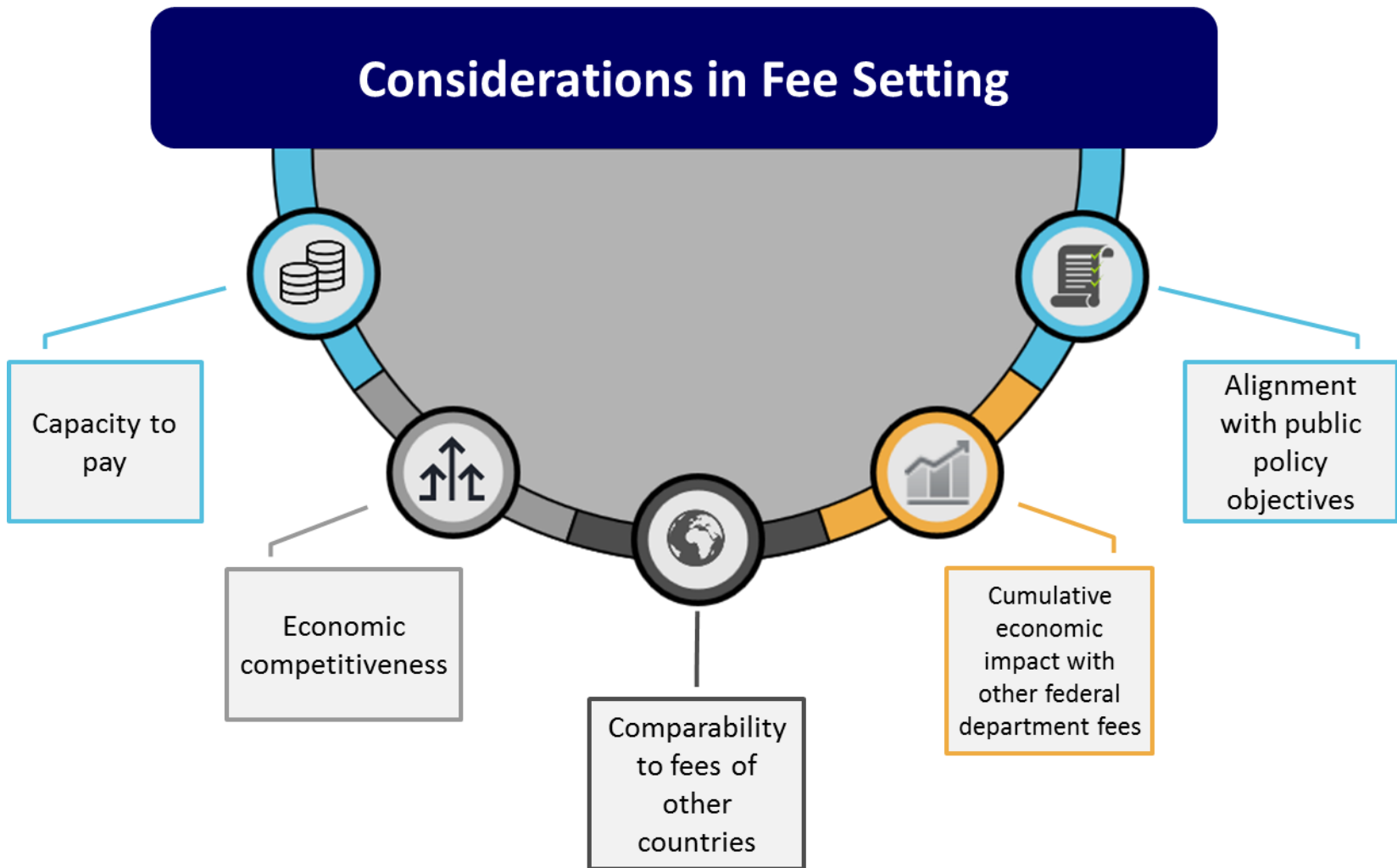
- Fee Modernization
- Initial Consultation
- New Proposal
 - Simplified fee structure
 - Program Cost
 - Proposed Fees
 - Consistent cost to maintain registration
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- Questions and Answers



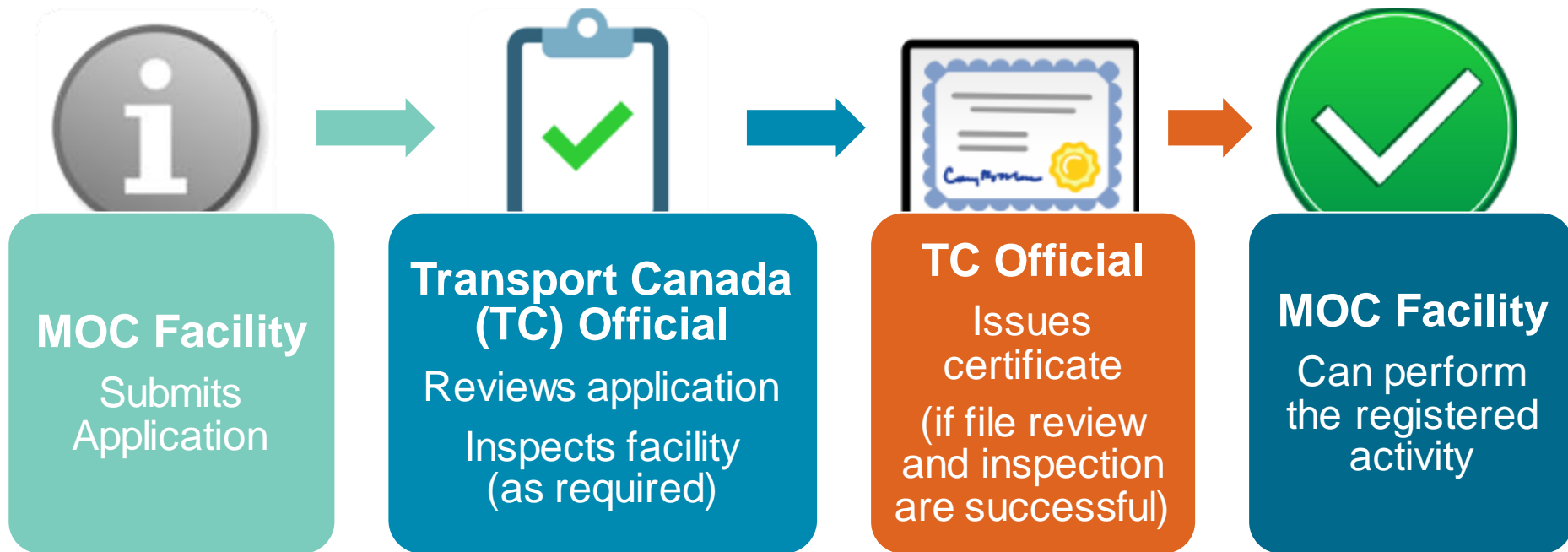
Fee Modernization



Fee Modernization (Cont'd)



Fee Modernization - MOC Registration Program



KEY PRINCIPAL of COST RECOVERY INITIATIVE:

Service recipients receiving a direct benefit above those enjoyed by the general public should pay a greater share of the costs.

DIRECT BENEFIT to MOC FACILITIES:

Ability to operate a business in the MOC World.

Initial Consultation

- Initial consultation was completed in November 2018.
- Four (4) ranges of fees based on complexity and effort applied to 211 services:
 - Category 1 (Low complexity services, \$750 to \$1,000);
 - Category 2 (Medium complexity services, \$1,870 to \$2,490);
 - Category 3 (High complexity services, \$3,360 to \$4,480); or
 - Category 4 (Very high complexity services, \$5,230 to \$6,970).
- Fees are applicable to any facility, agency or individual that requires a certificate of registration to conduct an activity under a safety standard
 - Initial registration
 - Renewals
 - Amendments (administrative, technical, scope changes)
- Two (2) service standard options are being proposed

New Proposal



Simplified fee structure

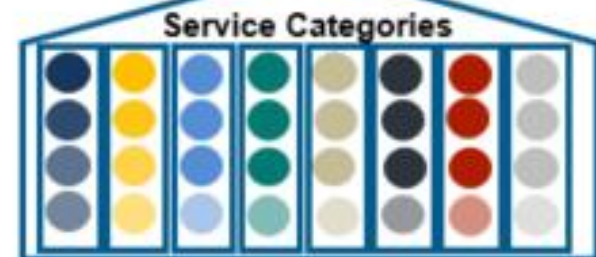
Original proposal defined every service by its:

- Standard
 - Type of facility/Design
 - Type of MOC
 - Type of activity
 - Type of application
- = 211 services to choose from**



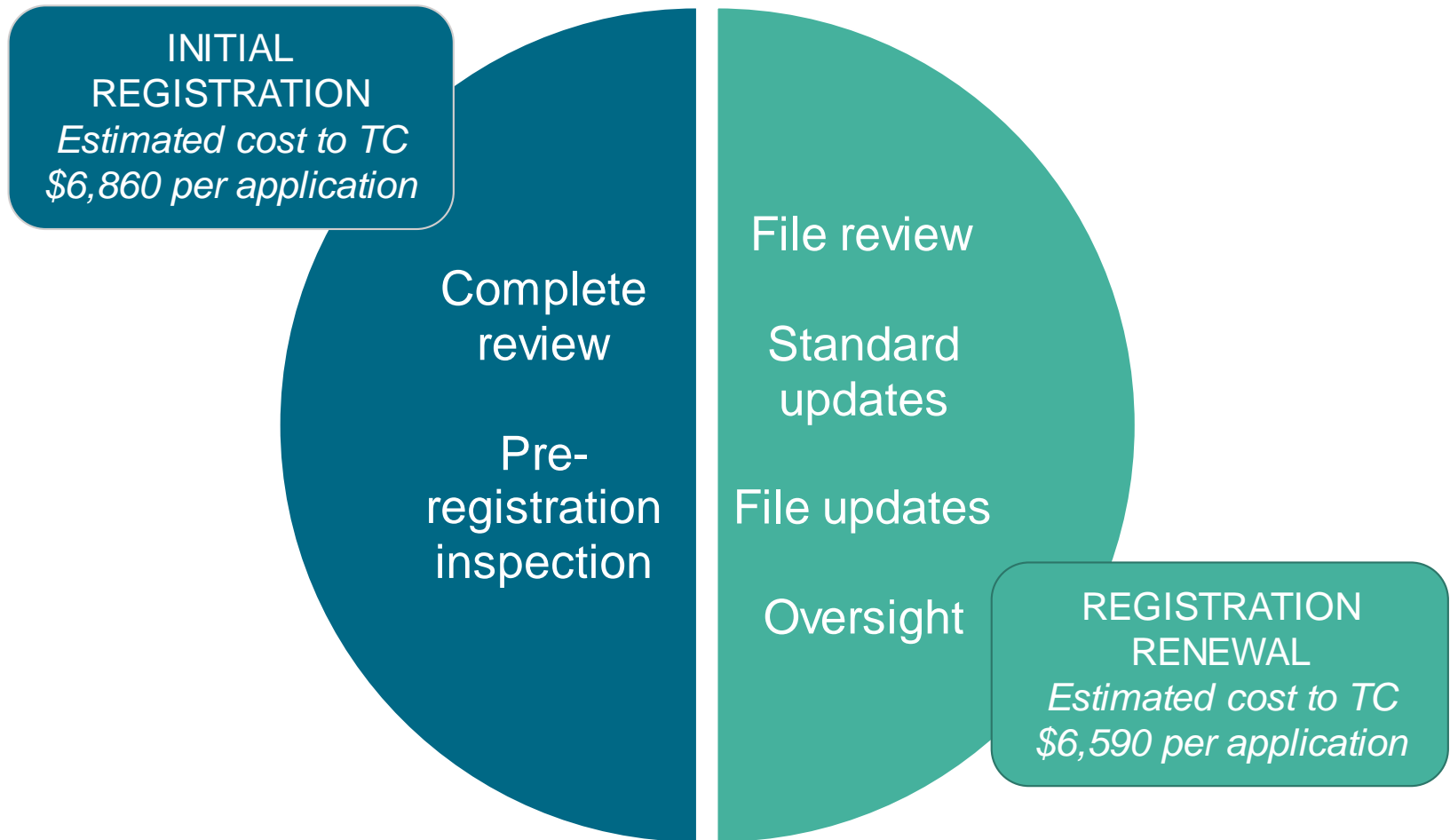
New Proposal groups every service into one of eight (8) service categories:

1. Container Facilities: Initial Registration
2. Container Facilities: Renewal Request
3. Third party agencies: Initial Registration
4. Third party agencies: Renewal Request
5. Design Engineer: Initial Registration
6. Design Engineer: Renewal Request
7. Fleet operators: Initial Registration
8. Fleet operators: Renewal Request



Bonus: No fees for amendment requests!

Program Cost



Estimated Cost to TC for registration program: **\$4M**
Estimated cost recovered: just under **\$1M (24% of total cost)**

Proposed Fees

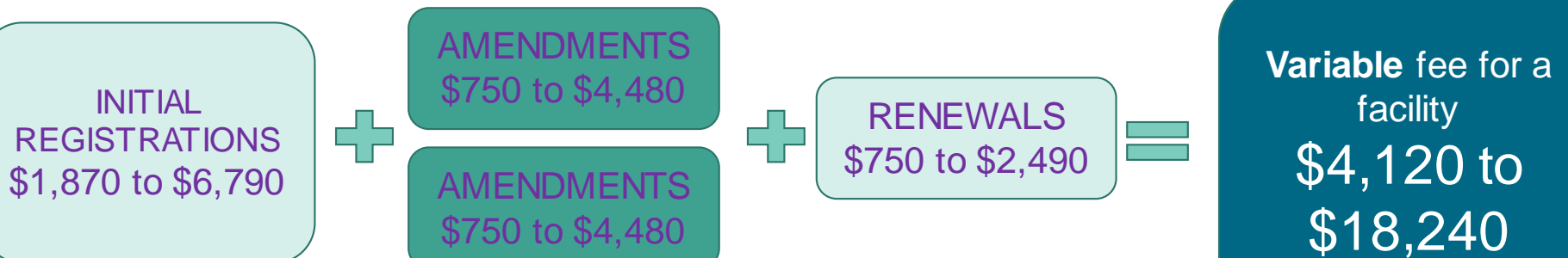
Service Categories (applicable to initial registrations and renewals)	Cost to TC		Fee**
	Initial registration	Renewal*	
Container facilities	\$6,500	\$6,640	\$ 2,000
Third party agencies and third party training organizations	\$11,200	\$5,570	\$ 2,000
Design Engineers (Highway Tank Program)	\$6,220	\$2,490	\$ 950
Fleet Operators (Small Packaging Program)	\$2,490	\$2,490	\$ 950

*Includes costs incurred by TC for certificate amendments and file updates that occur during the five (5) year period between certificate renewals

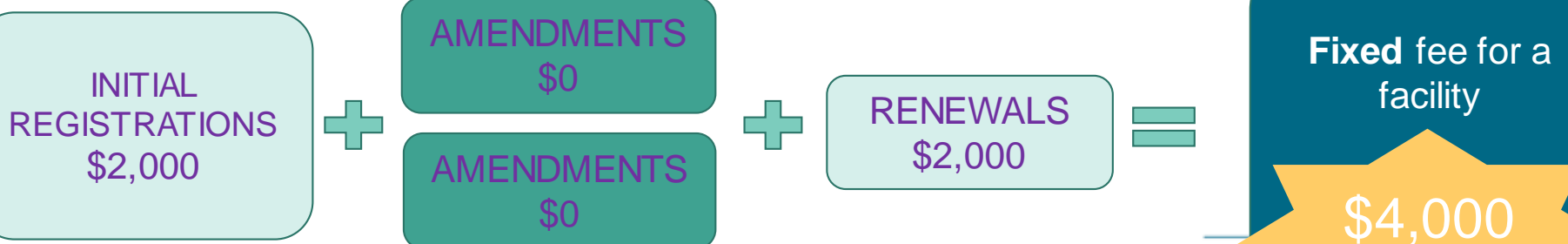
** Fees are based on recovering ~25% of TC's costs.

Consistent cost to maintain registration (Example of cost to a Highway Tank facility)

In the **original proposal**, fees are applied throughout the renewal cycle (every five (5) years)



In the **new proposal**, fees are applied only at initial registration and renewals (every five (5) years)



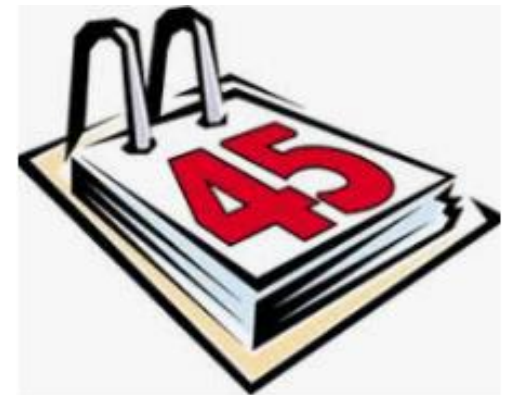
Updated service standard

The **original service standard proposal** included two (2) options for consideration

- 15 business days to assign a file to a TC Official; or
 - 90 business days* for TC official to complete a review.
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The new service standard proposes

- 45 business days* for a decision from a TC official to issue a certificate or require an inspection, once all documents are received.



* Time waiting on TC officials only

Next Steps

- Develop digital solutions for an online stakeholder platform to submit applications
- Develop guidance materials on the introduction of service fees
- Prepublication in *Canada Gazette*, Part I (CGI) in fall 2021



THANK YOU FOR YOUR TIME!

