

Outdoor Power Equipment Institute of Canada (OPEIC)

Annual Report to the Director 2014

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**OUTDOOR POWER EQUIPMENT
INSTITUTE OF CANADA**

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1. Executive Summary

The product stewardship program for electric outdoor power equipment (“Program”) is managed by the Outdoor Power Equipment Institute of Canada (OPEIC). The Program launched on July 1, 2012 and this report covers the period of January 1 to December 31, 2014.

Products within Plan	The Program includes electric outdoor power equipment broken into four categories: hand-held, walk-behind, free-standing and lawn tractors.
Program Website	OPEIC’s website is www.opec.ca .

Recycling Regulation Reference	Topic	Summary
Part 2, section 8(2)(a)	Public Education Materials and Strategies	<ul style="list-style-type: none"> • Developed branded event materials for consumer engagement at community events. • Maintained easy-to-use website www.opec.ca with an up-to-date Depot Finder. • Renewed contract with Recycling Council of BC (RCBC) for hotline, website and Recyclepedia services. • Co-developed new information resource (www.bcrecycles.ca) for consumers in cooperation with the Stewardship Association of BC. Includes collection site locator tool, recycling handbook, and new website. • Distributed OPEIC promotional materials (rack cards and posters) on request. • Advertised in municipal media calendars across five regional districts. • Annual program of search ads through Google AdWords campaign to help raise awareness about the program. • Partnered with Northern Environmental Action Team (NEAT) on joint education and awareness initiatives to introduce Peace River residents to their local OPEIC collection facility.
Part 2, section 8(2)(b)	Collection System and Facilities	<ul style="list-style-type: none"> • OPEIC partnered with the Canadian Association of Recycling Industries (CARI) to provide recommendations for the network of collection and processing facilities.

Recycling Regulation Reference	Topic	Summary
		<ul style="list-style-type: none"> ● OPEIC collection depots are located at metal recycling facilities, depots, local government sites and retailers of electric outdoor power equipment. ● 5 new collection sites were established from January to December 2014, for a total of 121 collection sites. ● Consumers can drop-off their broken or old outdoor power equipment at OPEIC sites at no charge.
Part 2, section 8(2)(c)	Product Environmental Impact Reduction, Reusability and Recyclability	<ul style="list-style-type: none"> ● Producers maximize the use of materials that can be recycled and reused. ● Producers optimize product designs to reduce the materials used, reducing product weight, material content and product volume. ● Product designs eliminate, wherever possible, the use of hazardous substances, replacing with non-hazardous materials that can be reprocessed and reused. ● Supply chain initiatives include the use of returnable-reusable packaging for components from suppliers.
Part 2, section 8(2)(d)	Pollution Prevention Hierarchy and Product / Component Management	<ul style="list-style-type: none"> ● At OPEIC collection sites, electric OPE is combined with other metal accumulated on-site, which is then eventually sold to a larger metal recycler. ● Metals and plastics are the primary commodities recovered from electric outdoor power equipment. ● The shredders successfully pull out approximately 99% of the metal; this material is then shipped to smelters and formed into ingots. ● The metals in electric outdoor power equipment are primarily steel, aluminum and copper and it is possible to recover and sell over 90% of the metals for their commodity value.
Part 2, section 8(2)(e)	Product Sold and Collected and Recovery Rate	<ul style="list-style-type: none"> ● 168,477 units of outdoor power equipment were sold between January 1 and December 31, 2014 based on program participant reports. ● In 2014, 10 metal recycling facilities were sampled for electric outdoor power equipment. These sampling studies were conducted to estimate the quantity of electric outdoor power equipment that is managed through the scrap metal system as part of the program's collection system, as per the approved program plan.

Recycling Regulation Reference	Topic	Summary
		<ul style="list-style-type: none"> • 2014 sampling studies showed that approximately 0.17 % of the sampled material was electric outdoor power equipment. • No commitment was made for recovery rate reporting in the approved stewardship plan; therefore recovery rate is not applicable. • Absolute collection rate targets will be re-evaluated over the next two to three years.
Part 2, section 8(2) (e.1)		<ul style="list-style-type: none"> • The approved program plan committed to providing collection volumes province-wide, not by regional district.
Part 2, section 8(2)(f)	Summary of Deposits, Refunds, Revenues and Expenses	<ul style="list-style-type: none"> • The program is funded by environmental handling fees applied to electric outdoor power equipment. • Retailers may choose to build the environmental handling fee into the product's price or display it as a separate charge to consumers at check out. • See Appendix D for the independent financial audit for the reporting year.

Comparison of Key Performance Targets

Part 2 section 8(2)(g)

Priority Stewardship Plan Targets	2014 Performance	Strategies for Improvement
Collection		
1. Contract with over 100 return collection facilities across BC by the end of 2014.	Target Exceeded: 121 contracted collection sites.	Even though the program is ahead of target, OPEIC continues to expand the network and fill collection site gaps.
2. Absolute collection rate targets will be developed after a baseline of 18 months of program operation have occurred (December 2013).	In progress: OPEIC continues to compile and evaluate the data and believes that the data is not at the point where it can be used to set meaningful and relevant targets.	OPEIC will continue to collect data, through sampling, over the next two to three years to establish meaningful targets.
Consumer Awareness		
3. Distribute 5,000 information materials (e.g. rack cards) annually to consumers as point of sale material (POS), collection locations, local governments and RCBC, as well as any additional opportunities that arise.	Target met: Over 5,000 rack cards and FAQ sheets were distributed amongst stakeholders.	n/a
Fuel-Powered Outdoor Power Equipment		
4. Undertake a two year study for mapping of the existing recycling network of fuel-powered outdoor power equipment, evaluation of the product life cycles, and provide data assessing the effectiveness of the existing recycling process for these products.	Target met: The Fuel-Powered Study report was submitted in April, 2015.	n/a

2. Program Outline

The Outdoor Power Equipment Institute of Canada (OPEIC) has developed and implemented a stewardship program for electric outdoor power equipment (OPE) in BC to ensure compliance with the requirements of the British Columbia Ministry of Environment's *Recycling Regulation* (B.C. Reg. 449/2004) ("Regulation"). Electric outdoor power equipment is included in Schedule 3 of the Regulation, Electronic and Electrical Product Category, Article 2(1) and includes items such as electric snow blowers, electric lawn mowers and other electric gardening tools. These products have been broken down into four categories of electric OPE: hand-held, walk-behind, free-standing and lawn tractors.

OPEIC is a Canadian federal non-profit organization under Part 2 of the *Canada Corporations Act* that was formed as the legal entity to govern the OPE stewardship program. As of December, 2014, the Program had 61 participants who represented the majority of the electric outdoor power equipment market in British Columbia. Participants included manufacturers, distributors and dealers. Product Care Association (PCA) continues to be engaged as Program Manager by OPEIC.

The Program was designed to be implemented in three phases. The first phase of the stewardship program focused on a recycling program for electrical-powered OPE and was implemented on July 1, 2012. The second phase researched the ongoing recycling of fuel-powered OPE and was completed in early 2015. The second phase consisted of a two-year study to quantify the existing recycling network of fuel-powered OPE in British Columbia. A final report on the study was submitted to the Ministry of Environment in April 2015. The third phase will be a review and evaluation of the stewardship programs for the two product types.

OPEIC's collection network spans the province, providing convenient drop-off locations, including: retailers, local governments, metal recycling facilities and depots. Consumers can drop-off their electric outdoor power equipment at any of the 121 contracted collection sites without charge. OPEIC has taken an environmentally-conscious non-conventional approach by utilizing the existing collection and transportation network operated by the metal recycling industry, unlike traditional stewardship programs where a separate collection system is developed to divert products from the waste stream.

OPEIC's website (www.opecic.ca) offers an up-to-date depot finder listing the current collection network, OPEIC's policies for participants and program information for consumers and retailers.

3. Public Education Strategies

OPEIC is committed to engaging with stakeholders such as consumers, collection locations, municipalities and retailers to maintain a level of consumer awareness about the program. The following is a summary of the public education strategies used in 2014.

Event Presence

OPEIC developed an inventory of compelling event materials for display at various community and collection events. These materials included a 10' X 10' branded tent, pop-up banners, table dressings, event staff uniforms and branded, fully recyclable promotional materials. An event calendar was developed for implementation in the spring and summer of 2015 and included high profile third party events (Cloverdale Rodeo, Pacific National Exhibition, BC Home & Garden Show) as well as OPEIC-authored community collection events for program materials. Events are to be supported by radio, digital advertising and social media. Examples of event materials can be found in Appendix A.

Consumer Communications

New collection locations and depot changes were regularly updated on OPEIC's easy-to-use website (www.opec.ca). Through this portal, consumers were able to ask questions or submit comments to the program. The OPEIC website included a general information email address, info@opec.ca, and a consumer inquiry toll-free phone number, 1-888-772-9772 ext. 219. Product Care staff responded to consumer phone calls and email inquiries. All consumer concerns and questions were dealt with in a timely manner.

OPEIC.ca saw 6,053 unique visitors and 10,635 page views in 2014, a nominal traffic increase of 1% over 2013. The largest category of OPEIC website users were aged 25-44 and our demographic skewed slightly male at 54%.

In addition, OPEIC continued to contract with RCBC to provide Hotline and Recyclepedia services. RCBC is a trusted public information resource used by consumers to learn about the recycling options available in their community. RCBC hotline staff were trained on program key messaging and provided with an OPEIC-specific script. The Recyclepedia is a user-friendly online/web feature and mobile app established by RCBC to help consumers find recycling information 24/7.

Between January 1, 2014 and December 31, 2014, Product Care and RCBC collectively answered over 700 phone and email consumer inquiries on products included in the OPEIC program, representing a 75% increase over 2013.

OPEIC also continued its membership in the Stewardship Association of British Columbia (SABC), a not-for-profit consortium of stewardship groups in the province connected by a mandate to simplify the consumer experience of recycling. To that end, SABC launched the consumer-oriented information platform "BCRecycles.ca" in 2014, a one-stop resource for detailed information on all materials available

for recycling in British Columbia. BCRecycles.ca includes a comprehensive collection facility locator tool, a downloadable recycling handbook and contact information for representatives of the OPEIC program.

Marketing Materials

OPEIC promotional materials were distributed, on request, to program stakeholders. Any stakeholder was able to re-order promotional materials free of charge, simply by filling out a supplied re-order form, emailing reorder@opeic.ca or by phoning in an order. Digital files of the program rack cards, shelf-talkers and FAQ sheets were made available online. Examples of public education materials can be found in Appendix A.

Advertising

OPEIC employed an annual program of search ads through Google AdWords targeting individuals in BC at the regional level who were searching for electric outdoor power equipment, garden and lawn maintenance tools and snow blowers. Information about the program was also shared on Product Care's LinkedIn, Twitter and Facebook channels.

Media Relations

In January, OPEIC partnered with the Northern Environmental Action Team (NEAT) on a joint education and awareness initiative to introduce Peace River residents (residential and commercial) to their local collection facility accepting OPEIC materials. Communication was centred in Dawson Creek and Fort St. John. Local media outlets, including Alaska Highway News, Northeast News, Dawson Creek Daily News, Chetwynd Echo, Hudson's Hope Bulletin, Tumbler Ridge News, Fort Nelson News, Bell Media Moose FM/Energetic City and Peace FM, were engaged to spread the message.

4. Collection System and Facilities

OPEIC contracted with existing collection facilities to create a network that provides year-round recycling options for consumers wishing to return their broken or unwanted electric outdoor power equipment (OPE) at no charge. OPEIC has taken a market-driven approach in establishing the network by partnering with the association for metal recyclers, Canadian Association of Recycling Industries (CARI) and contracting directly with CARI's members that comprise the existing metal collection and transportation network. In addition, OPEIC contracted with other return facilities including other metal recycling facilities, local government facilities, recycling depots and return-to-retail locations.

CARI members are ideal return collection facilities for electric OPE equipment because they have an established system in BC, have long collected and processed these types of materials, apply environmentally-appropriate processes for managing these materials, and are regulated by the Ministry of Environment.

OPEIC committed in its approved program plan to contract with 100 collection facilities across BC by the end of 2014. By December 31, 2014, the OPEIC collection network consisted of 121 contracted collection sites, exceeding the 2014 collection rate target by 21 sites (see Appendix B for a list of all of the OPEIC collection sites contracted in 2014 and Appendix C for a breakdown of collection sites by regional district.) OPEIC continues to work towards establishing collection sites in underserved areas. Table 1 provides a breakdown of the different types of collection sites across the province.

Table 1: OPEIC Collection Sites by Type 2013 & 2014

Type of Collection Site	# in 2013	# in 2014
Metal Recycling Facility	57	57
Local Government Facility	31	31
Recycling Depot	18	24
Retailer	10	9
Total	116	121

5. Product Environmental Impact Reduction, Reusability and Recyclability

The following is a summary of the efforts by producers to reduce the environmental impact associated with the production, use and end-of-life processing of electric outdoor power equipment. Recycling efforts save energy, as materials recovered can be used to create new useful products, ultimately reducing the energy demands associated with the extraction and processing of new raw material.

Product Design

Product designs increase durability and reliability of products. This extends the length of life and reduces annual end-of-life disposal of products.

Producers optimize product designs to reduce the materials used, reducing product weight, material content and product volume.

Producers maximize the use of materials that can be recycled and reused. Producers conduct analyses on the use of plastics and other materials in the design and manufacture of electric outdoor power equipment. This leads to a shift towards the use of recyclable metals and other materials. This also leads to the use of generic plastics and a reduction in the overall weight of products to reduce the environmental impact associated with these materials.

Product designs eliminate wherever possible the use of hazardous substances, replacing them with non-hazardous materials that can be reprocessed and reused.

Producers actively work to reduce the environmental impact associated with product packaging waste. Trends include the reduction in packaging weight and volume, more efficient use of packaging materials, the use of recycled content and recyclable materials.

Manufacturing Processes

In the manufacturing processes, producers have ongoing initiatives to reduce waste associated with the manufacture of products.

These efforts include the collection, recycling and reuse of remnant ferrous and non-ferrous metals that result from the manufacture of components. Other materials that can be recovered and recycled for productive uses, including plastic, corrugated and paper materials are collected for processing and alternate uses.

Supply chain initiatives include the use of returnable-reusable packaging for components from suppliers. Suppliers are encouraged to locate support operations in close proximity to manufacturing operations. This reduces transportation related energy use in the delivery of components supporting the manufacture of products.

Manufacturing processes that depend on the use of water include initiatives to reduce water use through improved process efficiencies. Projects also include the treatment and reuse of process water to reduce total needs.

Greenhouse Gas Emissions

The estimated greenhouse gas (GHG) impact of the recycling of outdoor power equipment was calculated using a GHG emission inventory tool developed specifically for OPEIC by a third party based on national and internationally recognized reference protocols and standards. Based on the limited available information from downstream processors and the numerous assumptions that had to be made to determine the GHG impact, the final GHG emission numbers are accurate to only one significant digit. The GHG emissions for 2014 were estimated based on these calculations, to be 1000 tonnes of equivalent carbon dioxide (CO₂e). This value is estimated based on 2 tonnes of CO₂e generated per tonne of material managed.

6. Pollution Prevention Hierarchy and Product / Component Management

The following information is based on the understanding of the free market system obtained from conversations with industry representatives. No further due diligence was performed on the information in terms of site visits or other investigations and therefore there is some degree of uncertainty surrounding the end fate of the products.

Recycling Processes

Electric-powered outdoor power equipment includes, amongst others, electric lawn mowers, electric snow blowers and electric garden equipment. They can be battery powered (primarily lithium ion and

perhaps some lead-acid) or electric-powered (primarily 110V that are plugged into a regular electrical socket). Metals and plastics are the primary commodities recovered from electric-powered OPE. Metals are divided into two primary classifications: ferrous metals (constituting about 90% of the metal waste stream) that can be sorted through electromagnetic separation, and non-ferrous metals (representing approximately 10% of total metals). Ferrous metals include mainly steel and cast iron; non-ferrous metals include aluminum, lead, copper, nickel and zinc. The metals in electric OPE are primarily steel, aluminum and copper and it is possible to recover and sell over 90% of the metals for their commodity value.

A description of the recycling stream of these OPEIC products provided by a Canadian Association of Recycling Industries (CARI) spokesman explains that individuals and commercial entities typically deliver electric OPE to a contracted collection site either loose or in a bin. The collected OPE is combined with other metal accumulated on-site, which is then sold to a larger metal recycler, usually a member of CARI, who processes the majority of metal-bearing products collected in BC for recycling. In addition to being subject to regulation by the BC Ministry of Environment, all CARI facilities have established environmental management systems for hazardous wastes to ensure proper recycling methods are employed.

Once sold to a larger metal recycler, the OPE products are sorted by commodity and loaded into bins or baled on-site. All electric OPE material is sent to a shredder due to the high cost of dismantling by hand or with other tools. Most whole OPE is categorized as tin, a low grade ferrous metal commodity which is usually shredded here in BC, but can also be barged or trucked to a nearby facility in Alberta or Washington State. After shredding, the resulting material is sorted into ferrous metal, non-ferrous metal and waste material (plastics, fabrics, etc.). According to information provided by CARI representatives, the shredders successfully pull out approximately 99% of the metal; this material is then shipped to smelters and formed into ingots. Ingots are then sold to manufacturers to make consumer and/or industrial goods such as cellphones and vehicles. Plastic shredder residue left over from the shredding operation contains plastic mixed with other non-metallic materials. This left over shredder material has traditionally been landfilled, as it is deemed contaminated and not recyclable.

7. Products Sold

Table 2 displays the number of units of electric OPE sold in BC in 2014, as reported by OPEIC participants.

Table 2: Total Sales of Electric Outdoor Power Equipment in BC in 2014

OPE Category	Total Amount of Sales in Units
Hand-Held OPE	101,772
Walk-Behind OPE	34,968
Free-Standing OPE	30,304
Lawn Tractors	1,433
Total	168,477

8. Collection Volumes

The Program has established 121 contracted collection sites across British Columbia. The collection network consists of metal recycling facilities, local government facilities, recycling depots and return-to-retail locations. A complete list of collection sites can be found in Appendix B, and a breakdown of the number of collection sites by regional district can be found in Appendix C.

As electric OPE is recycled through the CARI network, which manages various types of scrap metal, it is not possible to segregate all OPE from the mixed-stream of recycled metal products and provide discrete collection volumes.

OPEIC committed in its approved program plan to conduct sampling studies to estimate the quantity of OPE that is managed through the scrap metal system as part of the program's collection system. In 2014, OPEIC conducted sampling studies to estimate the quantity of OPE that is managed through the scrap metal system as part of the program's collection system.

It is OPEIC's understanding that the vast majority of scrap metal recycled in BC moves through seven (7) CARI member companies. These seven companies represent nineteen (19) collection sites, of which ten (10) were selected as sampling sites for four sampling events in 2014 (April, July, September, and November). Initial selection of these locations was based on the facilities of each site, the ability to safely complete a sampling program and geographic location. Subsequent sampling continues at the previously selected sites. Table 3 lists the metal recycling facilities where the four sampling events were conducted in 2014.

Table 3: 2014 Sampling Locations

OPEIC Sampling Site	Site Address	City
ABC Metals Recycling	8081 Meadow Ave	Burnaby
ABC Metals Recycling	4318 Terminal Place	Campbell River
Schnitzer Steel Pacific Recycling	12301 Musqueam Dr.	Surrey
Davis Trading & Supply Ltd.	1100 Grant Street	Vancouver
Richmond Steel Recycling	11760 Mitchell Road	Richmond
Rypac Aluminum Recycling Ltd.	11849 Tannery Road	Surrey
Schnitzer Steel Pacific Recycling	5551 Duncan Bay Road	Campbell River
Schnitzer Steel Pacific Recycling	13271 Trans Canada Hwy	Cassidy
Schnitzer Steel Pacific Recycling	3015 Boys Road	Duncan
Schnitzer Steel Pacific Recycling	307 David Street	Victoria

While all of the sampling locations are within the Lower Mainland and Vancouver Island, these locations also receive materials from smaller scrap metal collectors located in other jurisdictions. Sampling focused on recycling streams identified by CARI to most likely contain electric OPE products: tin, electric motors, aluminum and breakage recycling streams. The results of the sampling events found approximately 0.17% of the sampled material was electric OPE. This result was based on the inclusion of weights for all sampled material (i.e. in some instances, OPEIC was not able to get an actual weight on a material stream and had to estimate the weight).

Table 4 provides a comparison of the percentages of sampled material that was electric outdoor power equipment in 2013 and 2014.

Table 4: Percentage of Sampled Material that was Electric Outdoor Power Equipment

Year	Percentage (%)
2013	0.12
2014	0.17

OPEIC's Stewardship Plan outlined the setting of absolute collection rates targets following the first 18 months of the program (April, 2014). OPEIC has been analyzing and evaluating the data compiled to date, and believes that setting absolute target rates at this point is not appropriate. Limitations such as the number of sampling events, the high variability (e.g. weather, time of year, access) of these events and the limited sampling periods, indicate that additional samples are needed to obtain sufficient data to set meaningful and relevant targets. OPEIC is proposing to continue sampling efforts and data collection until adequate data levels have been collected before creating absolute collection rate targets. This process is estimated to take about two to three additional years to complete, in order to allow for appropriate statistical relevance. Public consultation will occur following the development of collection rate targets, as indicated in the stewardship plan.

9. Revenues and Expenditures

A summary of program revenues and expenditures are provided in OPEIC's audited financial statements found in Appendix D.

The Program is funded by environmental handling fees (EHFs), which are remitted to OPEIC by its participants based on their volume of sales of new electric OPE in British Columbia. The EHF rates were set by OPEIC in consultation with industry and retailers. In some cases, retailers recover the fees from consumers as a separate visible EHF. Program revenues are applied to the management of the program, including education, outreach and administration. Table 5 provides the EHF rates for program products in 2014.

Table 5: Environmental Handling Fees for Electric Outdoor Power Equipment per Category

Product Category	EHF Per Unit
Hand-Held OPE	\$ 2.50
Walk-Behind OPE	\$ 10.00
Free-Standing OPE	\$ 7.70
Lawn Tractors	\$40.00


10. Plan Performance

OPEIC's stewardship program for recycling electric outdoor power equipment was launched on July 1, 2012. The following is a comparison of the program's performance against the targets stated in the approved Program Plan.


Comparison of Key Performance Targets Part 2 section 8(2)(g)		
Priority Stewardship Plan Targets	2014 Performance	Strategies for Improvement
Collection		
1. Contract with over 100 return collection facilities across BC by the end of 2014.	Target Exceeded: 121 contracted collection sites.	Even though the program is ahead of target, OPEIC continues to expand the network and fill collection site gaps.
2. Absolute collection rate targets will be developed after a baseline of 18 months of program operation have occurred (December 2013).	In progress: OPEIC continues to compile and evaluate the data and believes that the data is not at the point where it can be used to set meaningful and relevant targets.	OPEIC will continue to collect data, through sampling, over the next two to three years to establish meaningful targets.
Consumer Awareness		
3. Distribute 5,000 information materials (e.g. rack cards) annually to consumers as point of sale material (POS), collection locations, local governments and RCBC, as well as any additional opportunities that arise.	Target met: Over 5,000 rack cards and FAQ sheets were distributed amongst stakeholders.	n/a
Fuel-Powered Outdoor Power Equipment		
4. Undertake a two year study for mapping of the existing recycling network of fuel-powered outdoor power equipment, evaluation of the product life cycles, and provide data assessing the effectiveness of the existing recycling process for these products.	Target met: The Fuel-Powered Study report was submitted in April, 2015.	n/a

APPENDIX A. Educational Materials

Following is an example of the shelf-talkers distributed to retailers for use:



RECYCLE YOUR ELECTRICAL OUTDOOR POWER EQUIPMENT



OPEIC is a non-profit program funded by a recycling fee applied on the sale of new electrical outdoor power equipment products in B.C. The fee is used to covers all costs associated with managing the program, and may be included in the product's price or displayed as a separate charge at check-out.

Now you can recycle your old and broken electrical outdoor power equipment at drop-off locations across British Columbia.

For more information, visit www.opec.ca

ACCEPTED PRODUCTS

PRODUCT CATEGORY	RECYCLING FEE
Hand-Held Equipment (e.g. electric grass trimmers)	\$2.50
Free-Standing Equipment (e.g. pressure washer)	\$7.70
Walk Behind Equipment (e.g. electric lawn mowers)	\$10.00
Lawn Tractors	\$40.00

Following is an example of the rack cards distributed to different stakeholders:

RECYCLE YOUR ELECTRICAL OUTDOOR POWER EQUIPMENT





Find your nearest drop-off location
www.opec.ca | 1-800-667-4321
604-732-9253 in the Lower Mainland.

The Outdoor Power Equipment Institute of Canada (OPEIC) gives British Columbians an environmentally friendly recycling alternative for old or broken electrical outdoor power equipment.

Products including lawn mowers, grass trimmers and pressure washers can be recycled for free at drop-off locations across B.C.

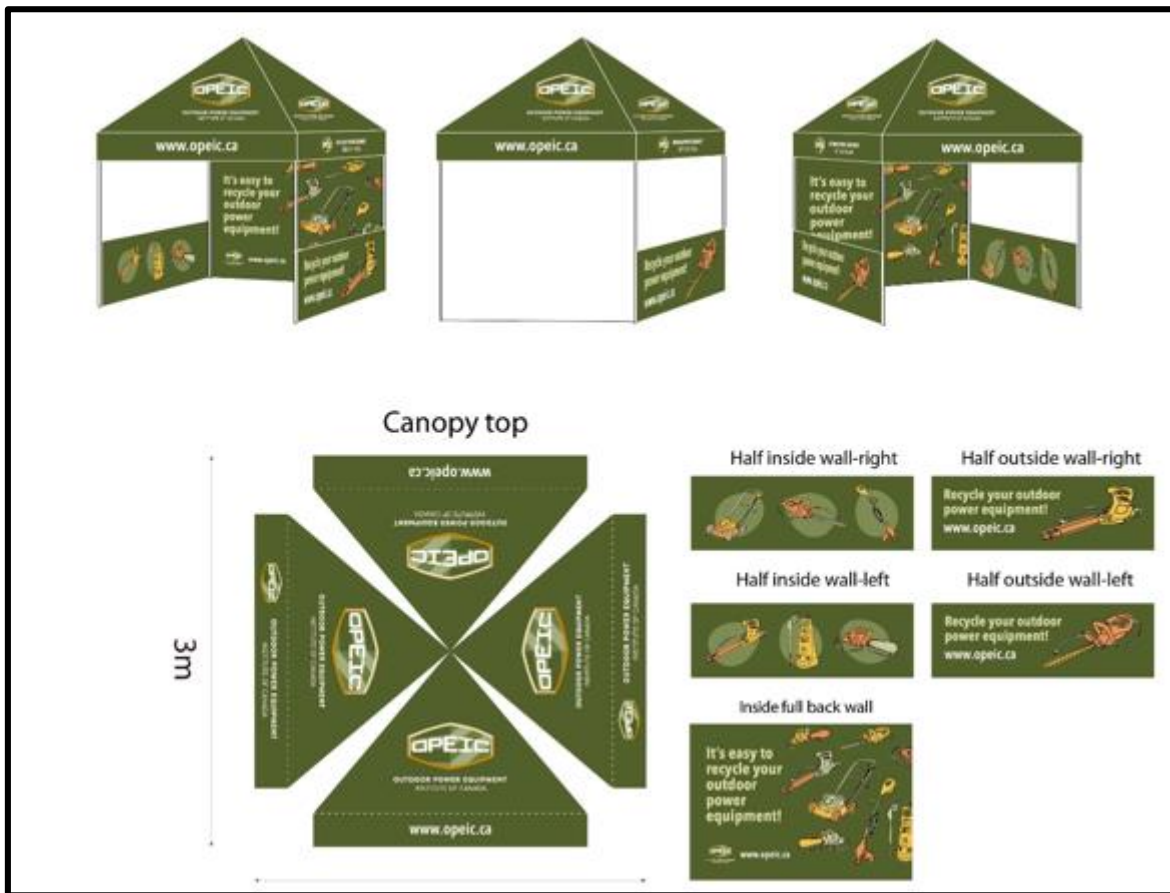
Like other non-profit recycling programs, the OPEIC program is funded by a recycling fee on the sale of new electrical outdoor power equipment products in B.C. The fee may be included in a product's price or displayed as a separate charge at check-out. The fee is used to cover all costs associated with managing the program.

PRODUCT CATEGORY	RECYCLING FEE
Hand-Held Equipment (e.g. electric grass trimmers)	\$2.50
Free-Standing Equipment (e.g. pressure washer)	\$7.70
Walk-Behind Equipment (e.g. electric lawn mowers)	\$10.00
Lawn Tractors	\$40.00



For a full list of accepted products and to find a drop-off location near you, visit
www.opec.ca or call 1-800-667-4321
and 604-732-9253 in the Lower Mainland.

Following is an example of OPEIC event materials (tent and banners):



APPENDIX B. OPEIC 2014 Collection Sites

Collection Site Name	City	Regional District
Sherwood Auto Recyclers	Port Alberni	Alberni-Clayoquot
Sun Coast Waste	Port Alberni	Alberni-Clayoquot
Alpine Recycling	Langford	Capital
Sandy's Auto Wreckers	Langford	Capital
District of Oak Bay Public Works Yard	Oak Bay	Capital
Brentwood Auto and Metal Recyclers	Saanichton	Capital
Salt Spring Recycling Depot	Salt Spring Island	Capital
Island Return-It Recycling Centre	Sidney	Capital
Hartland Landfill & Recycling Depot	Victoria	Capital
Schnitzer Steel Pacific Recycling	Victoria	Capital
Williams Scrap Metal Recycling	Victoria	Capital
Gold Trail Recycling	100 Mile House	Cariboo
South Cariboo Central Landfill	100 Mile House	Cariboo
150 Mile House Transfer Station	150 Mile House	Cariboo
Watch Lake Landfill	70 Mile House	Cariboo
Alexis Creek Transfer Station	Alexis Creek	Cariboo
Baker Creek Transfer Station	Baker Creek	Cariboo
Big Lake Landfill	Big Lake	Cariboo
Chimney Lake Transfer Station	Chimney Lake	Cariboo
Cochin Lake Landfill	Cochin Lake	Cariboo
Forest Grove Transfer Station	Forest Grove	Cariboo
Horsefly Transfer Station	Horsefly	Cariboo
Kleena Kleene Landfill	Kleena Kleene	Cariboo
Lac La Hache Transfer Station	Lac La Hache	Cariboo
Likely Landfill	Likely	Cariboo
Inter-Lakes Landfill	Lone Butte	Cariboo
Mahood Lake Landfill	Mahood Lake	Cariboo
McLeese Lake Transfer Station	McLeese Lake	Cariboo
Nazko Landfill	Nazko	Cariboo
Nemaiah Valley Landfill	Nemaiah Valley	Cariboo
Puntzi Lake Landfill	Puntzi Lake	Cariboo
Riske Creek Transfer Station	Riske Creek	Cariboo
Tatla Lake Landfill	Tatla Lake	Cariboo
Wells Landfill	Wells	Cariboo
West Chilcotin Landfill	West Chilcotin	Cariboo
Wildwood Transfer Station	Wildwood	Cariboo

Collection Site Name	City	Regional District
Bella Coola Recycling Depot	Bella Coola	Central Coast
Balfour Towing and Salvage	Balfour	Central Kootenay
Ernie's Towing Inc.	Castlegar	Central Kootenay
Starlight Tool Services Ltd.	Nelson	Central Kootenay
Western Auto Wreckers Ltd.	Nelson	Central Kootenay
Scrap King Auto Wrecking & Towing Ltd.	Salmo	Central Kootenay
Smokey Creek Salvage Ltd.	South Slocan	Central Kootenay
ABC Metals Recycling	Kelowna	Central Okanagan
Action Metals Recycling Inc.	Kelowna	Central Okanagan
Knox Mountain Metals	Kelowna	Central Okanagan
Westside Sales & Rentals	Kelowna	Central Okanagan
Planet Earth Recycling	Westbank	Central Okanagan
Comox Valley Auto & Metal Recyclers	Courtenay	Comox Valley
Comox Valley Waste Management Centre	Cumberland	Comox Valley
Powerhouse Auto Recycler	Cumberland	Comox Valley
Bings Creek Recycling Depot	Duncan	Cowichan Valley
Island Return-It Recycling Centre	Duncan	Cowichan Valley
Schnitzer Steel Pacific Recycling	Duncan	Cowichan Valley
Peerless Road Recycling Drop-off Depot	Ladysmith	Cowichan Valley
Meade Creek Recycling Drop-off Depot	Lake Cowichan	Cowichan Valley
Kool Country Auto Parts	Invermere	East Kootenay
Columbia Recycle Ltd.	Kimberly	East Kootenay
CCON Steel Inc.	Abbotsford	Fraser Valley
Abbotsford Mission Recycling Program	Abbotsford	Fraser Valley
Regional Recycling Abbotsford	Abbotsford	Fraser Valley
Aldergrove Auto Wrecking	Aldergrove	Fraser Valley
Mission Recycling Depot	Mission	Fraser Valley
Stave Falls Auto Recyclers	Mission	Fraser Valley
ABC Metals Recycling	Prince George	Fraser-Fort George
Allen's Scrap & Salvage Ltd.	Prince George	Fraser-Fort George
PG Recycling and Return-It Centre	Prince George	Fraser-Fort George
Richmond Steel Recycling	Prince George	Fraser-Fort George
The Salvation Army	Prince George	Fraser-Fort George
Western Equipment	Prince George	Fraser-Fort George
ABC Metals Recycling	Terrace	Kitimat-Stikine
Allen's Scrap & Salvage Ltd.	Terrace	Kitimat-Stikine
Western Equipment	Terrace	Kitimat-Stikine
Big Y Auto Recycling	Grand Forks	Kootenay Boundary

Collection Site Name	City	Regional District
Alpine Recycling	Trail	Kootenay Boundary
ABC Metals Recycling	Burnaby	Metro Vancouver
Foreshore Equipment & Supply	Burnaby	Metro Vancouver
Regional Recycling Burnaby	Burnaby	Metro Vancouver
Coquitlam Transfer Station	Coquitlam	Metro Vancouver
Ladner Bottle Depot	Ladner	Metro Vancouver
Westcoast Metal Recycling	Langley	Metro Vancouver
Queensborough Landing Return-It	New Westminster	Metro Vancouver
Happy Stan's Recycling Services Ltd.	Port Coquitlam	Metro Vancouver
Allied Salvage & Metals	Richmond	Metro Vancouver
Regional Recycling Richmond	Richmond	Metro Vancouver
Richmond Steel Recycling	Richmond	Metro Vancouver
ABC Metals Recycling	Surrey	Metro Vancouver
Newton Bottle Depot	Surrey	Metro Vancouver
-Schnitzer Steel Pacific Recycling	Surrey	Metro Vancouver
Rypac Aluminum Recycling Ltd.	Surrey	Metro Vancouver
Scott Rd. Trading Ltd.	Surrey	Metro Vancouver
Arnold's Equipment & Supplies	Vancouver	Metro Vancouver
Capital Salvage Co. Ltd.	Vancouver	Metro Vancouver
Davis Trading & Supply	Vancouver	Metro Vancouver
Regional Recycling Vancouver	Vancouver	Metro Vancouver
Semiahmoo Bottle Depot	White Rock	Metro Vancouver
Highway 4 Auto Recyclers	Coombs	Nanaimo
Alpine Recycling	Nanaimo	Nanaimo
Nanaimo Recycling Exchange	Nanaimo	Nanaimo
Regional Recycling Nanaimo	Nanaimo	Nanaimo
Schnitzer Steel Pacific Recycling	Nanaimo	Nanaimo
Enderby Rentals	Enderby	North Okanagan
Venture Training	Vernon	North Okanagan
Wide Sky Disposal	Fort Nelson	Northern Rockies
Action Steel Sales	Penticton	Okanagan-Similkameen
DC Campbell Recycling	Dawson Creek	Peace River
ABC Metals Recycling	Fort St. John	Peace River
Richmond Steel Recycling	Fort St. John	Peace River
Augusta Recyclers Inc.	Powell River	Powell River
Blackpoint Auto Recyclers	Powell River	Powell River
Seasport Outboard Marina Ltd.	Prince Rupert	Skeena-Queen Charlotte
Pemberton Recycling Centre	Pemberton	Squamish-Lillooet

Collection Site Name	City	Regional District
ASM Squamish Scrap Metals Ltd.	Squamish	Squamish-Lillooet
Regional Recycling Whistler	Whistler	Squamish-Lillooet
ABC Metals Recycling	Campbell River	Strathcona
Campbell River Waste Management Centre	Campbell River	Strathcona
Island Return-It Recycling Centre	Campbell River	Strathcona
Schnitzer Steel Pacific Recycling	Campbell River	Strathcona
W. T. M. Recycling Services Ltd.	Gibsons	Sunshine Coast
Sechelt Radiators	Sechelt	Sunshine Coast
Kamloops Scrap Iron Ltd.	Kamloops	Thompson-Nicola

APPENDIX C. Breakdown of OPEIC Collection Sites by Regional District

Regional District	# of Collection Sites
Alberni-Clayoquot	2
Bulkley-Nechako*	0
Capital	9
Cariboo	25
Central Coast	1
Central Kootenay	6
Central Okanagan	5
Columbia Shuswap*	0
Comox	3
Cowichan Valley	5
East Kootenay	2
Fraser-Fort George	6
Fraser Valley	6
Kitimat-Stikine	3
Kootenay Boundary	2
Metro Vancouver	21
Mount Waddington*	0
Nanaimo	5
North Okanagan	2
Northern Rockies	1
Okanagan-Similkameen	1
Peace River	3
Powell River	2
Skeena-Queen Charlotte	1
Squamish Lillooet	3
Strathcona	4
Sunshine Coast	2
Thompson Nicola	1
TOTAL	121

* Ongoing recruitment is being conducted to find appropriate collection sites in these Regional Districts.

APPENDIX D. OPEIC 2014 Financial Statements

**OUTDOOR POWER EQUIPMENT
INSTITUTE OF CANADA**

FINANCIAL STATEMENTS

31 DECEMBER 2014



ROLFE, BENSON LLP
CHARTERED ACCOUNTANTS

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA

Financial Statements

For the year ended 31 December 2014

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ROLFE, BENSON LLP
CHARTERED ACCOUNTANTS



ROLFE, BENSON LLP

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Members,
Outdoor Power Equipment Institute of Canada

Report on the Financial Statements

We have audited the accompanying financial statements of Outdoor Power Equipment Institute of Canada, which comprise the statement of financial position as at 31 December 2014, and the statements of changes in net assets, operations and cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the organization's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.





ROLFE, BENSON LLP

CHARTERED ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT - Continued

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of Outdoor Power Equipment Institute of Canada as at 31 December 2014, and the results of its operations and its cash flows for the year then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Rolfe, Benson LLP

CHARTERED ACCOUNTANTS

Vancouver, Canada
23 June 2015



OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA
Statement of Financial Position
31 December 2014

	2014	2013
Assets		
Current		
Cash	\$ 644,533	\$ 301,161
Accounts receivable	32,279	18,836
Prepaid expenses	994	817
	<u>\$ 677,806</u>	<u>\$ 320,814</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 45,154	\$ 45,434
GST payable	30,933	22,115
Due to OPEI - current (Note 4)	4,922	96,969
	<u>81,009</u>	<u>164,518</u>
Due to OPEI (Note 4)	<u>-</u>	<u>86,471</u>
	81,009	250,989
Net Assets		
Unrestricted	<u>596,797</u>	<u>69,825</u>
	<u>\$ 677,806</u>	<u>\$ 320,814</u>

APPROVED BY THE DIRECTORS:

_____ Director

_____ Director

The accompanying notes are an integral part of these financial statements.

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA
Statement of Changes in Net Assets
For the year ended 31 December 2014

	2014	2013
Balance - beginning of year	\$ 69,825	\$ (249,827)
Excess of revenues over expenses for the year	<u>526,972</u>	<u>319,652</u>
Balance - end of year	<u>\$ 596,797</u>	<u>\$ 69,825</u>

The accompanying notes are an integral part of these financial statements.



OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA
Statement of Operations
For the year ended 31 December 2014

	2014	2013
Revenues	\$ 897,919	\$ 666,253
Expenses		
Program administration	353,908	336,789
Communications	17,039	9,812
	<u>370,947</u>	<u>346,601</u>
Excess of revenues over expenses for the year	\$ 526,972	\$ 319,652

The accompanying notes are an integral part of these financial statements.

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA

Statement of Cash Flows

For the year ended 31 December 2014

	2014	2013
<hr/>		
Cash provided by (used in):		
Operating activities		
Excess of revenues over expenses for the year	\$ 526,972	\$ 319,652
Changes in non-cash working capital balances		
Accounts receivable	(13,443)	24,624
Prepaid expenses	(177)	(817)
Accounts payable and accrued liabilities	(280)	(186,490)
GST payable	8,818	19,744
	<u>521,890</u>	<u>176,713</u>
Financing activity		
Repayment of amounts due to OPEI	<u>(178,518)</u>	<u>(82,594)</u>
Net increase in cash	343,372	94,119
Cash - beginning of year	<u>301,161</u>	<u>207,042</u>
Cash - end of year	<u>\$ 644,533</u>	<u>\$ 301,161</u>

The accompanying notes are an integral part of these financial statements.



OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA

Notes to the Financial Statements

For the year ended 31 December 2014

1. Incorporation

Outdoor Power Equipment Institute of Canada ("OPEIC") was incorporated under the Canada Corporations Act on 15 February 2012 and commenced operations on 1 July 2012. OPEIC is a not-for-profit organization and it is not subject to income taxes. OPEIC currently operates a stewardship program in the Province of British Columbia to assist the outdoor power equipment industry in discharging its obligation to establish end of life product collection and recycling programs under the British Columbia Recycling Regulations.

2. Summary of significant accounting policies

These financial statements are prepared in accordance with Canadian accounting standards for not-for-profit organizations. The significant policies are detailed as follows:

(a) Revenue recognition

Revenue from environmental handling fees ("EHF") is recognized at the time a EHF applicable product is sold by a member of OPEIC, and the EHF becomes due and payable. EHF are received from registered members which participate in OPEIC's program. OPEIC recognizes these fees as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. EHF revenues are recognized as members report and remit them as required by applicable provincial environmental legislation.

(b) Cash and cash equivalents

OPEIC's policy is to disclose bank balances under cash and cash equivalents, including bank overdrafts with balances that fluctuate frequently from being positive to overdrawn and term deposits with a maturity period of three months or less from the date of acquisition.

(c) Financial instruments

(i) Measurement of financial instruments

OPEIC initially measures its financial assets and liabilities at fair value and subsequently measures all of its financial assets and financial liabilities at amortized cost.

Financial assets measured at amortized cost include cash and accounts receivable.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities and amount due to OPEI.

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2014

2. Summary of significant accounting policies - Continued

(c) Financial instruments - Continued

(ii) Impairment

Financial assets measured at cost are tested for impairment when there are indicators of impairment. The amount of the write-down is recognized in the statement of operations. The previously recognized impairment loss may be reversed to the extent of the improvement, directly or by adjusting the allowance account, provided it is no greater than the amount that would have been reported at the date of the reversal had the impairment not been recognized previously. The amount of the reversal is recognized in the statement of operations.

(iii) Transaction costs

OPEIC recognizes its transaction costs in the statement of operations in the period incurred. However, financial instruments that will not be subsequently measured at fair value are adjusted by the transaction costs that are directly attributable to their origination, issuance or assumption.

(d) Use of estimates

The preparation of financial statements in accordance with Canadian accounting standards for not-for-profit organizations requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. Actual results could differ from these estimates.

(e) Foreign exchange

Transactions denominated in foreign currencies are recorded in Canadian dollars at the exchange rate prevailing at the time of the transaction. Monetary assets and liabilities denominated in foreign currencies are converted to Canadian dollars at the exchange rate prevailing at year end. Exchange gains and losses are recorded in the statement of operations for the year.

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2014

3. Financial instruments

OPEIC is exposed to various risks through its financial instruments. The following analysis provides a measure of OPEIC's risk exposure and concentrations at the statement of financial position date, 31 December 2014.

(a) Credit risk

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. OPEIC's main credit risks relate to its cash and cash equivalents and accounts receivable. Cash is in place with major financial institutions. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers. OPEIC has evaluation and monitoring processes in place and writes off accounts when they are determined to be uncollectible.

(b) Liquidity risk

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. OPEIC is exposed to this risk mainly in respect of its accounts payable and accrued liabilities.

(c) Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. Consequently, some assets and liabilities are exposed to foreign exchange fluctuations. OPEIC does not utilize any derivative instruments to mitigate this currency risk.

4. Due to OPEI

The amount is unsecured, non-interest bearing and will be repaid in the 2015 fiscal year.

5. Related party transactions

OPEIC is related to Outdoor Power Equipment Institute ("OPEI"), an organization incorporated in the United States, through a common Board of Directors.

During the year, program administration services of \$65,235 (2013 - \$41,384) were provided by OPEI to OPEIC.

These transactions are in the normal course of operations and have been valued in these financial statements at the exchange amount which is the amount of consideration established and agreed to by the related parties.

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2014

6. Common control

By virtue of a common Board of Directors, OPEIC and OPEI are under common control.

OPEI has not been consolidated in OPEIC's financial statements. OPEI's year end is 31 August and its financial statements are prepared in accordance with US generally accepted accounting principles FASB ASC 958, not-for-profit entities. The financial summary as at 31 August 2014 and for the year then ended are based on the audited financial statements. All amounts are presented in US dollars.

OPEI

	<u>31 August 2014</u>	<u>31 August 2013</u>
Financial Position		
Total assets	<u>\$ 12,147,345</u>	<u>\$ 11,132,004</u>
Total liabilities	<u>5,609,657</u>	<u>5,187,679</u>
Total net assets	<u>6,537,688</u>	<u>5,944,325</u>
	<u>\$ 12,147,345</u>	<u>\$ 11,132,004</u>
	<u>31 August 2014</u>	<u>31 August 2013</u>
Results of Operations		
Total revenues	<u>\$ 4,754,389</u>	<u>\$ 4,823,891</u>
Total expenses	<u>4,161,026</u>	<u>3,588,051</u>
Excess of revenue over expenses	<u>\$ 593,363</u>	<u>\$ 695,800</u>
	<u>31 August 2014</u>	<u>31 August 2013</u>
Cash Flows		
Cash from operations	<u>\$ 731,508</u>	<u>\$ 645,518</u>
Cash used in investing activities	<u>(177,616)</u>	<u>(771,562)</u>
Increase (decrease) in cash	<u>\$ 553,892</u>	<u>\$ (126,044)</u>

APPENDIX E. Third Party Assurance Statement for Non-Financial Information

**OUTDOOR POWER EQUIPMENT
INSTITUTE OF CANADA**

NON-FINANCIAL AUDIT

31 DECEMBER 2014



ROLFE, BENSON LLP
CHARTERED PROFESSIONAL ACCOUNTANTS



ROLFE, BENSON LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the British Columbia Ministry of Environment:

We have audited the following Selected Information within Outdoor Power Equipment Institute of Canada's ("OPEIC") Annual Report for the Outdoor Power Equipment Recycling Program for the year ended 31 December 2014:

- Section 4 Collection System and Facilities and Appendix B - the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of BC Regulation 449/2004 (the "Recycling Regulation");
- Section 6 Pollution Prevention Hierarchy and Product/Component Management - the description of how the recovered product was managed in accordance with the pollution prevention hierarchy under Section 8(2)(d) of the Recycling Regulation;
- Section 7 Product Sold and Section 8 Collection Volumes - the description of how total amounts of the producer's product sold and collected has been calculated in accordance with Section 8(2)(e) of the Recycling Regulation; and
- Section 10 Performance Targets – the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) of the Recycling Regulation.

Responsibilities

Preparation and fair presentation of the Selected Information in accordance with the evaluation criteria as listed in Appendix 1 is the responsibility of Product Care Association's (the "Association") management. Management is also responsible for such internal control as management determines is necessary to enable the preparation of the Selected Information such that it is free from material misstatement.

Our responsibility is to express an opinion on the Selected Information based on the procedures we have performed and the evidence we have obtained. Our audit does not constitute a legal determination on the Association's compliance with Sections 8(2)(b), (d) and (e) of the Recycling Regulation.

Evaluation Criteria

The suitability of the evaluation criteria is the responsibility of management. The evaluation criteria presented in Appendix 1 are an integral part of the Selected Information and address the relevance, completeness, reliability, neutrality and understandability of the Selected Information.



Scope of the Audit

We carried out our audit in accordance with International Standard on Assurance Engagements 3000 (IAS 3000) published by the International Federation of Accountants. This Standard requires, amongst others, that the assurance team possesses the specific knowledge, skills and professional competencies needed to understand and audit the information included within the Selected Information, and that they comply with specific requirements to ensure their independence.

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures within the Selected Information. An audit also includes assessing the evaluation criteria used and significant estimates made by management, as well as evaluating the overall presentation of the Selected Information. The main elements of our work were:

- inquiries of relevant management, to gain an understanding of the Association's data collection, monitoring and reporting processes in relation to the Selected Information included in the Annual Report;
- confirming the existence of collection facilities and their understanding of the program by reviewing contracts, performing site visits, telephone contact with the facilities and internet research;
- comparing the number of collection facilities to the prior year and investigating the reasons for any changes;
- checking the units of product sold during the year and agreeing to the audit work performed in relation to OPEIC's audited financial statements;
- reviewing the supporting documentation and methodology used to estimate collection volumes;
- re-performing conversion calculations on a test basis; and
- ensuring wording of Annual Report is reflective of audit findings.

Inherent Limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the Selected Information and the methods used for determining and calculating such information. Qualitative interpretations of relevance, materiality and the accuracy of data are subject to individual assumptions and judgments. Furthermore, the nature and methods used to determine such information, as well the evaluation criteria and the precision thereof, may change over time. It is important to read our report in the context of evaluation criteria.

Opinion

In our opinion, the Selected Information within OPEIC's Annual Report for the Outdoor Power Equipment Recycling Program for the year ended 31 December 2014 presents fairly in accordance with the evaluation criteria, in all material respects:

- the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation;
- the description of how the recovered product was managed in accordance with the pollution prevention hierarchy under Section 8(2)(d) of the Recycling Regulation;
- the description of how total amounts of the producer's product sold and collected has been calculated in accordance with Section 8(2)(e) of the Recycling Program; and
- the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), (d) and (e) of the Recycling Regulation.



Emphasis of Matter

Without qualifying our opinion, the following should be noted regarding the information in the Annual Report:

1. The Selected Information included in Section 6 Pollution Prevention Hierarchy and Product/Component Management is based on a general understanding of the free market scrap metal collection system and management's discussions with industry representatives. This information has not been subject to further verification and as such, the information presented is subject to uncertainty.
2. The Selected Information included in Section 7 relating to Product Sold is based on self-reported member data. During the 2014 fiscal year OPEIC performed internal member audits of 10 of the 62 members in the program and as such, the product sold data presented is subject to uncertainty.
3. The Selected Information included in Section 8 relating to Product Collected is based on estimates as described in Appendix 1, and as such the data presented is subject to uncertainty.
4. Recovery rate has not been included in the scope of the Selected Information as OPEIC has not included this information in its Annual Report. OPEIC products are collected in a free-market scrap metal recycling system and the amounts of product collected are estimated as described in Appendix 1. Due to the use of estimates in determining the amount of product collected, a recovery rate has not been calculated.

Other Matter

Our report has been prepared solely for the purposes of management's stewardship under the Recycling Regulation and is not intended to be and should not be used for any other purpose. Our duties in relation to this report are owed solely to OPEIC, and accordingly, we do not accept any responsibility for loss occasioned to any other party acting or refraining from acting based on this report.

Rolfe, Benson LLP

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
29 June 2015

Appendix 1

Evaluation Criteria

Collection facilities

Specific disclosures in the annual stewardship report for which evaluation criteria were developed	
Disclosure per annual report	Reference
Total number of collection facilities – 121	Section 4 Collection System and Facilities -Table 1: OPEIC Collection Sites by Type 2013 & 2014 on page 10; Appendix B – OPEIC 2014 Collection Sites on pages 18-21
Increase in the number of collection facilities in 2014 – 5 collection facilities	Section 4 Collection System and Facilities -Table 1: OPEIC Collection Sites by Type 2013 & 2014 on page 10;

The following evaluation criteria were applied to the assessment of the location of collection facilities, and any changes in the number and location of collection facilities from the previous report in accordance with Section 8(2)(b) of the Recycling Regulation:

- “Collection facilities” are depots that have a signed contract with the Association for the collection of program materials during the reporting period: 1 January – 31 December 2014.
- The change in number of collection facilities is calculated by comparing the current number of collection facilities, a sum of all the collection facilities that have a signed contract within a given reporting year and those that closed within the same reporting year, to the number of collection facilities reported in the prior reporting year.
- OPEIC maintains a listing of all collection facilities for the program, including the location of the collection facility, the total of which agrees to the number of collection facilities as disclosed in the Annual Report.
- Collection facilities have a signed contract with OPEIC, a physical location that is available to collect program material, and the staff of the facility has an adequate understanding of the program.
- Reasons for any changes in the number of collection facilities from the previous Annual Report are supported by valid business purposes and adequately disclosed in the Annual Report.
- The definition of a collection facility as disclosed in the Annual Report is accurate.

Pollution prevention hierarchy

Specific disclosures in the annual stewardship report for which evaluation criteria were developed	
Disclosure per annual report	Reference
“The following information is based on the understanding of the free market system obtained from conversations with industry representatives. No further due diligence was performed on the information in terms of site visits or other investigations and therefore there is some degree of uncertainty surrounding the end fate of the products.”	Section 6 Pollution Prevention Hierarchy and Product/Component Management - on page 11
“Metals and plastics are the primary commodities recovered from electric-powered OPE. Metals are divided into two primary classifications: ferrous metals (constituting about 90% of the metal waste stream) that can be sorted through	Section 6 Pollution Prevention Hierarchy and Product/Component Management - on page 12



electromagnetic separation, and non-ferrous metals (representing approximately 10% of total metals). Ferrous metals include mainly steel and cast iron; non-ferrous metals include aluminum, lead, copper, nickel and zinc. The metals in electric OPE are primarily steel, aluminum and copper and it is possible to recover and sell over 90% of the metals for their commodity value.”	
“The collected OPE is combined with other metal accumulated on-site, which is then sold to a larger metal recycler, usually a member of CARI, who processes the majority of metal-bearing products collected in BC for recycling.”	Section 6 Pollution Prevention Hierarchy and Product/Component Management - on page 12
<p>“Once sold to a larger metal recycler, the OPE products are sorted by commodity and loaded into bins or baled on-site. All electric OPE material is sent to a shredder due to the high cost of dismantling by hand or with other tools.”</p> <p>“After shredding, the resulting material is sorted into ferrous metal, non-ferrous metal and waste material (plastics, fabrics, etc.). According to information provided by CARI representatives, the shredders successfully pull out approximately 99% of the metal; this material is then shipped to smelters and formed into ingots. Ingots are then sold to manufacturers to make consumer and/or industrial goods such as cellphones and vehicles.”</p> <p>“Plastic shredder residue left over from the shredding operation contains plastic mixed with other non-metallic materials. This left over shredder material has traditionally been landfilled, as it is deemed contaminated and not recyclable.”</p>	Section 6 Pollution Prevention Hierarchy and Product/Component Management - on page 12

The following evaluation criteria were applied to the assessment of how the recovered product is managed in accordance with the pollution prevention hierarchy in accordance with Section 8(2)(d) of the Recycling Regulation:

- The information on product management has been determined based on a general understanding of the free market collection system and management’s representations regarding conversations with industry representatives.

Product sold and collected

Specific disclosures in the annual stewardship report for which evaluation criteria were developed	
Disclosure per annual report	Reference
Product sold	Section 7 Product Sold - Table 2: Total Sales of Electric Outdoor Power Equipment in BC in 2014 on page 12
Total Hand-Held OPE units sold – 101,772	
Total Walk-Behind OPE units sold – 34,968	
Total Free-Standing OPE units sold – 30,304	



Total Lawn Tractors units sold – 1,433	
Product collected Total sampled material that was OPE – 0.17%	Section 8 Collection Volumes – Table 4: Percentage of Sampled Material that was Electric Outdoor Power Equipment on page 14
“As electric OPE is recycled through the CARI network, which manages various types of scrap metal, it is not possible to segregate all OPE from the mixed-stream of recycled metal products and provide discrete collection volumes.”	Section 8 Collection Volumes – on page 13
“It is OPEIC’s understanding that the vast majority of scrap metal recycled in BC moves through seven (7) CARI member companies. These seven companies represent nineteen (19) collection sites, of which ten (10) were selected as sampling sites for four sampling events in 2014 (April, July, September, and November).”	Section 8 Collection Volumes – on page 13
“Sampling focused on recycling streams identified by CARI to most likely contain electric OPE products: tin, electric motors, aluminum and breakage recycling streams.” “In some instances, OPEIC was not able to get an actual weight on a material stream and had to estimate the weight.”	Section 8 Collection Volumes – on page 13

The following evaluation criteria were applied to the assessment of the description of how total amounts of the producer’s product sold and collected has been calculated in accordance with Section 8(2)(e) of the Recycling Regulation:

Product Sold:

- OPEIC maintains a listing of product sold by product category for the fiscal year which agrees to the amounts disclosed in the Annual Report.
- The units of product sold per program category have been recalculated using the data included the audit work performed in relation to OPEIC’s audited financial statements.
- Units sold are determined based on self-reporting by each member of the program. A key source of information in determining the accuracy of units sold and reported to the program by members is the internal audit process carried out on sales data reported by individual members. OPEIC has performed 10 internal audits of its 62 members’ sales data for the 2014 fiscal year.

Product Collected:

- OPEIC has performed sampling procedures to identify program material collected at the various collection facilities as described in the Annual Report.
- At the sampling locations, common areas where program materials could be located are determined by requesting a tour from the collection facility operator.
- Items identified as program materials during the sampling procedures have been weighed by OPEIC. If it is not possible to weigh the program materials identified during the sampling, OPEIC staff will estimate the item’s weight.
- The weights of the total areas where sampling has been performed are estimated by OPEIC staff.
- The calculation of the estimated collection volume as included in the Annual Report is based on the sampling data described above and has been calculated accurately.



Performance targets

Specific disclosures in the annual stewardship report for which evaluation criteria were developed	
Disclosure per annual report	Reference
Assertion – Target exceeded: OPEIC had 121 contracted collection sites at the end of 2014	Section 10 Plan Performance on page 15

The following evaluation criteria were applied to the assessment of the description of performance for the year in relation to targets in the approved stewardship plan under Section 8(2)(b), and (e) of the Recycling Regulation:

- All stewardship plan targets relating to Section 8(2)(b), and (e) of the Recycling Regulation have been identified and disclosed in the Annual Report.
- The description of progress against targets to date is supported by records of progress maintained by OPEIC.

