

Outdoor Power Equipment Institute of Canada (OPEIC)

Annual Report to the Director 2015

**Submitted to: Director, Extended Producer Responsibility Programs
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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, 2015.

Products within Plan	Electric outdoor power equipment broken into four categories: hand-held, walk-behind, free-standing and lawn tractors.
Program Website	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"> • Maintained easy-to-use website www.opec.ca with an up-to-date Collection Site locator tool. • Renewed contract with Recycling Council of BC (RCBC) for hotline, website and Recyclepedia services. • Continued membership with the Stewardship Agencies of BC (SABC). • Distributed OPEIC promotional materials (rack cards) on request. • Participated in 12 community events. • Held a one-day collection event and collected more than one tonne of Program Products.
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. • OPEIC collection sites are located at metal recycling facilities, depots, local government sites and retailers of electric outdoor power equipment. • Two new collection sites were established and four collection sites were closed from January to December 2015, for a total of 119 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	<ul style="list-style-type: none"> • Producers maximize the use of materials that can be recycled and reused.

Recycling Regulation Reference	Topic	Summary
	Recyclability	<ul style="list-style-type: none"> 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 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"> Program participants reported 156,425 units of outdoor power equipment were sold between January 1 and December 31. In 2015, 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. 2015 sampling studies showed that approximately 0.18% of the sampled material was electric outdoor power equipment.
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, given the structure of the collection system.
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 (EHF) applied to electric outdoor power equipment. Retailers may choose to build the EHF 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)

Program Plan Targets	2015 Performance	Strategies for Improvement
Consumer Awareness		
Consumer awareness level of 35% in 2015.	Target Exceeded: 49% of British Columbians were aware of a recycling program in BC for electric outdoor power equipment in 2015.	n/a
Collection System		
Contract with 120 return collection sites across BC by the end of 2015.	Target Not Met: OPEIC had 119 contracted collection sites by the end of 2015.	OPEIC will continue to expand the network and fill collection site gaps where applicable.
Accessibility level of 90% of the population with access to a collection site by the end of 2015.	Target Exceeded: 97% of the BC population had access to a collection site in 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 (“Program”) pursuant to the OPEIC Program Plan (“Program Plan”), approved by the BC Ministry of Environment under the *BC Recycling Regulation* (BC Reg. 449/2004) (“Regulation”) on April 20, 2012 and covering the period July 1, 2012 to December 31, 2017. Electric outdoor power equipment is included in Article 2(1) of Schedule 3 of the Regulation (“Electronic and Electrical Product Category”) and includes items such as electric snow blowers, electric lawn mowers and other electric gardening tools. Under the Program, 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, 2015, the Program had 49 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.

OPEIC’s collection network spans the Province, providing convenient drop-off locations, including: retailers, local government facilities, private metal recycling facilities and recycling depots. Consumers can drop-off their electric outdoor power equipment at any of the 119 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.opec.ca) offers an up-to-date collection site finder listing the current collection network, OPEIC’s policies for participants and program information for consumers and retailers.

3. Public Education Strategies

Consumer awareness of the Program was pursued through an ongoing engagement strategy with key stakeholder groups such as consumers, collection sites, municipalities and retailers. The following is a summary of the public education and promotion strategies employed in 2015.

Consumer Communications

Collection site information and updates were regularly posted to OPEIC’s easy-to-use, dedicated Program website (www.opec.ca). Through this portal, consumers and other stakeholders were able to ask questions and submit comments to the Program, while learning about accepted products and finding the nearest collection site via a custom, geography-based collection site locator tool. The OPEIC website includes a general information email address, info@opec.ca, a consumer inquiry toll-free phone number,

1-888-772-9772 ext. 219, and a Frequently Asked Questions section. Staff of OPEIC's program managers (Product Care Association) responded to consumer phone calls and email inquiries throughout the year.

OPEIC.ca saw 3,268 unique visitors and 7,670 page views in 2015. The largest category of OPEIC website users, 75%, were new visitors to the site, suggesting that new consumers are learning about the Program and exploring recycling options for outdoor power equipment.

In addition, OPEIC continued to contract with RCBC to provide Hotline and Recyclepedia application 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 were provided with an OPEIC-specific script. Recyclepedia is a free downloadable application for Android and iOS that directs consumers to recycling solutions based on geography and product type.

Between January 1, 2015 and December 31, 2015, Product Care and RCBC collectively answered over 1,000 phone and email consumer inquiries on products included in the OPEIC Program, representing a 57% increase over 2014.

OPEIC also continued its membership in the Stewardship Agencies of British Columbia (SABC), a not-for-profit consortium of stewardship programs in the Province connected by a mandate to simplify the consumer experience of recycling. SABC's consumer-oriented information platform "BCRecycles.ca" is a one-stop resource for detailed information on all materials that can be recycled in British Columbia. BCRecycles.ca includes a comprehensive collection site locator tool, a downloadable recycling handbook and contact information for 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 emailing reorder@opeic.ca or by phoning in an order. Digital files of the Program rack cards and FAQ sheets were made available online. Examples of public education materials can be found in Appendix A.

Event Presence

OPEIC pursued a comprehensive program of event marketing in order to facilitate face-to-face consumer engagement and target key communities. In the spring and summer of 2015, OPEIC participated in 12 high-profile, third party events (see Table 1), including the Cloverdale Rodeo, the Pacific National Exhibition and the BC Home & Garden Show, exposing the Program to more than half a million potential recyclers through promotional exposure, advertising, and direct engagement with Program information. In addition, OPEIC authored a signature community collection event for Program materials, which collected more than one tonne of Program Products in a single day.

The collection event was supported by a two-week radio campaign on the popular radio station JRFM from September 7 to September 27. 30-second spots aired promoting the event and the Program generally.

Newly branded event materials were created to support direct engagement program events, including signage and audience engagement tools like games and giveaways.

Table 1: OPEIC 2015 Event Schedule

Event	Date
Home & Garden Show	February 18 – 22
Cloverdale Rodeo	May 15 – 17
Vancouver Landfill Open House	June 5
Regional Recycling Richmond Event	June 6
Steveston Salmon Festival	July 1
Squamish Loggers Festival	August 1
Abbotsford Air Show	August 7 – 9
BC Northern Exhibition	August 12 – 16
Vancouver Island Exhibition	August 21 – 23
Interior Provincial Exhibition	September 2 – 6
KidStart Community Day	September 12
Agassiz Fall Fair & Corn Festival	September 18 – 19

4. Collection System and Facilities

OPEIC contracts with existing collection sites 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. CARI members are ideal return collection sites 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. In addition, OPEIC contracted with other collection sites, including other metal recycling facilities, local government facilities, recycling depots and return-to-retail locations.

OPEIC committed in its approved Program Plan to contract with 120 collection sites across BC by the end of 2015. By December 31, 2015, the OPEIC collection network consisted of 119 contracted collection sites (see Appendix B for a list of all of the OPEIC collection sites contracted in 2015 and Appendix C for a breakdown of collection sites by regional district.) OPEIC continues to work towards establishing collection sites in underserved areas. Table 2 provides a breakdown of the different types of collection sites across the Province.

Table 2: OPEIC Collection Sites by Type 2014 & 2015

Type of Collection Site	# in 2014	# in 2015
Metal Recycling Facility	57	58
Local Government Facility	31	31
Recycling Depot	24	23
Retailer	9	7
Total	121	119

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 design influences the durability and reliability of products, which has a direct impact on the life of a product and end-of-life management options. Producers optimize product design to reduce the materials used, which in turn reduces product weight, material content and product volume. Specifically, producers conduct analyses on the use of plastics and other materials in the design and manufacture of electric outdoor power equipment; maximizing the use of materials that can be recycled and reused.

Product design eliminates, 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

Producers have ongoing initiatives to reduce waste associated with the manufacturing of products. These include the collection, recycling and reuse of remnant ferrous and non-ferrous metals that result from the manufacture of components. Other waste materials that can be recovered and recycled during the manufacturing process 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, thereby reducing transportation-related energy use in the delivery of components.

Producers seek to reduce water use in water-dependent manufacturing processes through improved process efficiencies. Initiatives 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 2015 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 3 displays the number of units of electric OPE sold in BC in 2015, as reported by OPEIC participants. OPE products are broken down into four categories: hand-held (e.g. chain saws, hedge trimmers), walk-behind (e.g. lawn mowers, snow throwers), free-standing (e.g. mulchers, pressure washers) and lawn tractors.

Table 3: Total Sales of Electric Outdoor Power Equipment in BC in 2015

OPE Category	Total Amount of Sales in Units
Hand-Held OPE	101,904
Walk-Behind OPE	24,232
Free-Standing OPE	29,360
Lawn Tractors	929
Total	156,425

8. Collection Volumes

Electric OPE is recycled through the CARI network of private metal recycling facilities. These facilities manage various types of scrap metal obtained from a range of products. Consequently, it is not possible to segregate all OPE from the mixed-stream of recycled metal products and provide discrete collection volumes.

To estimate the quantity of OPE managed through the scrap metal system, OPEIC's Program Plan commits to conduct sampling studies. It is OPEIC's understanding that the vast majority of scrap metal recycled in BC moves through seven CARI member companies. These seven companies represent nineteen collection sites, of which ten were selected as sampling sites for four sampling events in 2015 (April, June, August/September, and October/November). Initial selection of these locations was based on the specific amenities of each site, the ability to safely complete sampling and geographic location. Table 4 lists the metal recycling facilities where the four sampling events were conducted in 2015.

Table 4: 2015 Sampling Locations

OPEIC Sampling Site	Site Address	City
ABC Metals Recycling	8081 Meadow Ave	Burnaby
ABC Metals Recycling	4318 Terminal Place	Campbell River
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
Schnitzer Steel Pacific Recycling	12301 Musqueam Dr.	Surrey

While all sampling locations were within the Lower Mainland and Vancouver Island, these locations also received 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: tin¹, electric motors (ELMO)², aluminum³ and breakage⁴. The results of the sampling events found approximately 0.18% of the sampled material was derived from 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).

The percentage of sampled material identified as OPE product has remained constant over the past two years. Table 5 provides a comparison of the percentages of sampled material identified as electric outdoor power equipment in 2014 and 2015.

Table 5: Percentage of Sampled Material that was Electric Outdoor Power Equipment

Year	Percentage (%)
2014	0.17
2015	0.18

OPEIC's Program Plan commits the Program to setting absolute collection rate targets following the first 18 months of the Program. Based on the analysis of sampling data to date, it is OPEIC's view that setting absolute collection rate targets at this point is not appropriate. Factors such as the number of sampling events, high variability in conditions at different sampling events (e.g., weather, time of year, access) and

¹ Tin: lower grade ferrous metal, typically steel with various non-ferrous metals or other contaminants, to be shredded for magnetic and eddy current sorting.

² ELMO: mixed electric motors, whole or dismantled with primarily copper windings but may contain aluminum windings.

³ Aluminum: cast, clean, light dirty and heavy dirty grades; dirty implies a greater percentage of iron and other metal contaminants.

⁴ Breakage: aluminum and copper with miscellaneous contaminants like iron, dirt and plastic.

the limited duration of each sampling event, indicate that additional samples are needed to obtain sufficient data to set meaningful and relevant targets. OPEIC will continue sampling efforts on which to base absolute collection rate targets. Public consultation will occur following the development of collection rate targets, as indicated in the Program Plan.

9. Revenues and Expenditures

A summary of Program revenues and expenditures is 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 EHFs from consumers as a separate fee. Program revenues are applied to the management of the program, including education, outreach and administration. Table 6 provides the EHF rates for Program Products in 2015.

Table 6: 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

Table 7 is a comparison of the Program's performance against the targets stated in the approved Program Plan.

Table 7: Comparison of Key Performance Targets

Comparison of Key Performance Targets Part 2 section 8(2)(g)		
Program Plan Targets	2015 Performance	Strategies for Improvement
Consumer Awareness		
Consumer awareness level of 35% in 2015.	Target Exceeded: 49% of British Columbians stated they were aware of a recycling program in BC for electric outdoor power equipment in 2015.	n/a
Collection System		
Contract with 120 return collection sites across BC by the end of 2015.	Target Not Met: OPEIC had 119 contracted collection sites by the end of 2015.	OPEIC will continue to expand the network and fill collection site gaps where applicable.
Accessibility level of 90% of the population with access to a collection site by the end of 2015.	Target Exceeded: 97% of the BC population had access to a collection site in 2015.	n/a

APPENDIX A. Educational Materials

OPEIC Rack Card – Front (left) and Back (right):



It's easy to recycle your outdoor power equipment!

OPEIC
OUTDOOR POWER EQUIPMENT
INSTITUTE OF CANADA

Find your nearest drop-off location!
1-800-667-4321 | www.opec.ca

The Outdoor Power Equipment Institute of Canada (OPEIC) proudly offers a non-profit, easy to use recycling solution for electrical outdoor power equipment such as lawn mowers, grass trimmers, and pressure washers.

Like other non-profit recycling programs, this program is funded by an environmental handling fee (EHF) applied to 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 checkout. The fee is used to cover all costs associated with managing the program.



PRODUCT CATEGORY	RECYCLING FEE
Hand-held equipment (e.g. electric grass trimmer)	\$2.50
Free-standing equipment (e.g. pressure washer)	\$7.70
Walk-behind equipment (e.g. electric lawn mower)	\$10.00
Lawn Tractors	\$40.00

OPEIC
OUTDOOR POWER EQUIPMENT
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Contact us for a complete list of accepted products or find a drop-off location:
www.opec.ca | 1-800-667-4321 (Toll Free)
604-732-9253 (Lower Mainland)

APPENDIX B. OPEIC 2015 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
Cariboo Metal Recycling	Quesnel	Cariboo
Riske Creek Transfer Station	Riske Creek	Cariboo
Tatla Lake Landfill	Tatla Lake	Cariboo
Wells Landfill	Wells	Cariboo
West Chilcotin Landfill	West Chilcotin	Cariboo

Collection Site Name	City	Regional District
Wildwood Transfer Station	Wildwood	Cariboo
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
Big Y Auto Recycling	Grand Forks	Kootenay Boundary
Alpine Recycling	Trail	Kootenay Boundary

Collection Site Name	City	Regional District
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
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
J&C Bottle Depot	Penticton	Okanagan-Similkameen
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
ASM Squamish Scrap Metals Ltd.	Squamish	Squamish-Lillooet
Regional Recycling Whistler	Whistler	Squamish-Lillooet

Collection Site Name	City	Regional District
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	26
Central Coast*	0
Central Kootenay	6
Central Okanagan	5
Columbia Shuswap*	0
Comox Valley	3
Cowichan Valley	5
East Kootenay	2
Fraser-Fort George	6
Fraser Valley	6
Kitimat-Stikine	2
Kootenay Boundary	2
Metro Vancouver	20
Mount Waddington*	0
Nanaimo	5
North Okanagan	2
Northern Rockies	1
Okanagan-Similkameen	2
Peace River	2
Powell River	2
Skeena-Queen Charlotte	1
Squamish Lillooet	3
Strathcona	4
Sunshine Coast	2
Thompson Nicola	1
TOTAL	119

* Ongoing recruitment is being conducted to find appropriate collection sites in these regional districts.

APPENDIX D. OPEIC 2015 Financial Statements

**OUTDOOR POWER EQUIPMENT
INSTITUTE OF CANADA**

FINANCIAL STATEMENTS

31 DECEMBER 2015

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA

Financial Statements

For the year ended 31 December 2015

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ROLFE, BENSON LLP

CHARTERED PROFESSIONAL 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 2015, 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.



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 2015, 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 PROFESSIONAL ACCOUNTANTS

Vancouver, Canada
23 June 2016

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA
Statement of Financial Position
31 December 2015

	2015	2014
Assets		
Current		
Cash	\$ 606,845	\$ 644,533
Accounts receivable	22,866	32,279
Prepaid expenses	1,194	994
GST receivable	8,539	-
	<u>639,444</u>	<u>677,806</u>
Reserve (Note 4)	<u>400,000</u>	<u>-</u>
	<u>\$ 1,039,444</u>	<u>\$ 677,806</u>
Liabilities		
Current		
Accounts payable and accrued liabilities	\$ 62,094	\$ 45,154
GST payable	-	30,933
Due to OPEI - current (Note 5)	-	4,922
	<u>62,094</u>	<u>81,009</u>
Net Assets		
Unrestricted	577,350	596,797
Reserve - internally restricted (Note 4)	<u>400,000</u>	<u>-</u>
	<u>977,350</u>	<u>596,797</u>
	<u>\$ 1,039,444</u>	<u>\$ 677,806</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 2015

	Unrestricted	Internally Restricted Reserve	Total 2015	Total 2014
Net assets - beginning of year	\$ 596,797	\$ -	\$ 596,797	\$ 69,825
Excess of revenues over expenses for the year	380,553	-	380,553	526,972
Transfer to reserve (Note 4)	(400,000)	400,000	-	-
Net assets - end of year	\$ 577,350	\$ 400,000	\$ 977,350	\$ 596,797

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 2015

	2015	2014
Revenues	\$ 760,457	\$ 897,919
Expenses		
Program administration	350,957	353,908
Communications and events	28,947	17,039
	<u>379,904</u>	<u>370,947</u>
Excess of revenues over expenses for the year	\$ 380,553	\$ 526,972

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 2015

	2015	2014
Cash provided by (used in):		
Operating activities		
Excess of revenues over expenses for the year	\$ 380,553	\$ 526,972
Changes in non-cash working capital balances		
Accounts receivable	9,413	(13,443)
Prepaid expenses	(200)	(177)
GST	(39,472)	8,818
Accounts payable and accrued liabilities	16,940	(280)
	<u>367,234</u>	<u>521,890</u>
Investing activity		
Transfer to reserve	<u>(400,000)</u>	<u>-</u>
Financing activity		
Repayment of amounts due to OPEI	<u>(4,922)</u>	<u>(178,518)</u>
Net increase (decrease) in cash	(37,688)	343,372
Cash - beginning of year	<u>644,533</u>	<u>301,161</u>
Cash - end of year	<u>\$ 606,845</u>	<u>\$ 644,533</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 2015

1. Incorporation and nature of operations

Outdoor Power Equipment Institute of Canada ("OPEIC") was incorporated under the Canada Not-for-profit 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, accounts receivable and the reserve.

Financial liabilities measured at amortized cost include accounts payable and accrued liabilities.

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2015

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. Accounts subject to significant estimates include accrued liabilities and revenue recognized for EHF's receivable. 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 2015

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 2015.

(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 members. 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.

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA
Notes to the Financial Statements
For the year ended 31 December 2015

4. Reserve

During the year, the Board of Directors passed a resolution to establish the reserve fund. The purpose of the reserve fund is to ensure financial stability in case of unforeseen events such as:

- Fluctuations in costs;
- The risk that OPEIC will be wound-up by the decision of the participants or as a consequence of regulatory change;
- Claims against OPEIC, its Board of Directors, or staff in excess of OPEIC's insurance coverage; and
- To cover the cost of unanticipated or extraordinary items.

Transfers to the reserve fund are made upon resolutions passed by the Board of Directors. Total contributions to the reserve fund are not to exceed two years' worth of expenses.

The reserve fund consists of an investment in a term deposit and is independently managed. All income earned on the investment is initially reported in the unrestricted fund and then transferred to the reserve fund. During the year, \$400,000 was transferred from unrestricted net assets to the reserve fund.

5. Due to OPEI

The amount was repaid in the 2015 fiscal year.

6. 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 \$78,363 (2014 - \$65,235) 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 2015

7. 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 2015 and for the year then ended are based on the audited financial statements. All amounts are presented in US dollars.

OPEI

	<u>31 August 2015</u>	<u>31 August 2014</u>
Financial Position		
Total assets	<u>\$ 12,980,291</u>	<u>\$ 12,147,345</u>
Total liabilities	<u>6,405,336</u>	<u>5,609,657</u>
Total net assets	<u>6,574,955</u>	<u>6,537,688</u>
	<u>\$ 12,980,291</u>	<u>\$ 12,147,345</u>
	<u>31 August 2015</u>	<u>31 August 2014</u>
Results of Operations		
Total revenues	<u>\$ 4,441,594</u>	<u>\$ 4,754,389</u>
Total expenses	<u>4,404,327</u>	<u>4,161,026</u>
Excess of revenue over expenses	<u>\$ 37,267</u>	<u>\$ 593,363</u>
	<u>31 August 2015</u>	<u>31 August 2014</u>
Cash Flows		
Cash from operations	<u>\$ 1,008,495</u>	<u>\$ 731,508</u>
Cash used in investing activities	<u>(616,949)</u>	<u>(177,616)</u>
Increase in cash	<u>\$ 391,546</u>	<u>\$ 553,892</u>

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

**OUTDOOR POWER EQUIPMENT
INSTITUTE OF CANADA**

**INDEPENDENT REASONABLE ASSURANCE
REPORT**

31 DECEMBER 2015



ROLFE, BENSON LLP
CHARTERED PROFESSIONAL ACCOUNTANTS



INDEPENDENT REASONABLE ASSURANCE REPORT

To the Directors of
Outdoor Power Equipment Institute of Canada,

We have been engaged by Outdoor Power Equipment Institute of Canada's ("OPEIC") to perform a reasonable assurance engagement in respect of the following information (the "Selected Information"), detailed in Appendix 1, and also included within OPEIC's Annual Report for the Outdoor Power Equipment Recycling Program to the Ministry of Environment for the year ended 31 December 2015:

- 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 8 Collection Volumes - the description of how total amounts of the producer's product 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.

Our reasonable assurance engagement does not constitute a legal determination on OPEIC's compliance with Sections 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 OPEIC's 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. Furthermore management is responsible for preparation of suitable evaluation criteria in accordance with the Third Party Assurance Requirements for Non-Financial Information in Annual Reports – 2015 Reporting Year dated February 2016 ("Assurance requirements") as specified by the Director under section 8(2)(h) of the Recycling Regulation of the Province of British Columbia.



Our responsibility is to express an opinion on the Selected Information based on the procedures we have performed and the evidence we have obtained.

Evaluation Criteria

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 Assurance Procedures

We carried out our reasonable assurance engagement in accordance with the International Standard on Assurance Engagements 3000 (ISAE 3000) published by the International Federation of Accountants. This Standard requires that we comply with independence requirements and plan and perform the engagement to obtain reasonable assurance about whether the Selected Information is free of material misstatement.

A reasonable assurance engagement includes examining, on a test basis, evidence supporting the amounts and disclosures within the Selected Information. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement in the Selected Information due to omissions, misrepresentations and errors. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the Selected Information in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing a conclusion on the effectiveness of the entity's internal control. A reasonable assurance engagement 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:

- Gain an understanding of the data collection, monitoring and reporting processes through inquiries of management;
- Testing the processes, documents and records on a sample basis;
- Re-calculating quantitative data on a sample basis as it pertains to the Selected Information;
- Ensuring the Selected Information is presented consistently in the Annual Report.

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

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.



Conclusion

In our opinion, the Selected Information within OPEIC's Annual Report for the Outdoor Power Equipment Recycling Program for the year ended 31 December 2015 presents fairly, in all material respects, in accordance with the evaluation criteria listed in Appendix 1:

- 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 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 8 relating to Product Collected is based on estimates as described in Appendix 1, and as such the data presented is subject to uncertainty.
3. OPEIC does not present a recovery rate in the Annual Report. As such, the total amount of producer's product sold as presented on Table 3 – Total Sales of Electric Outdoor Power Equipment in BC in 2015 on page 11 of the Annual Report has not been included in the Selected Information.

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
27 June 2016

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 – 119	Section 4 Collection System and Facilities - Table 2: OPEIC Collection Sites by Type 2014 & 2015 on page 9; Appendix B – OPEIC 2015 Collection Sites on pages 16 - 19
Decrease in the number of collection facilities in 2015 – 2 collection facilities	Section 4 Collection System and Facilities - Table 2: OPEIC Collection Sites by Type 2014 & 2015 on page 9

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 OPEIC for the collection of program materials during the reporting period 1 January – 31 December 2015, a physical location that is available to collect program material, and the staff of the facility has an adequate understanding of the program.
- 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.
- 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.

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 10
“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	Section 6 Pollution Prevention Hierarchy and Product/Component Management - on page 10



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 pages 10 - 11
<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 11

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 collected

Specific disclosures in the annual stewardship report for which evaluation criteria were developed	
Disclosure per Annual Report	Reference
Product collected Total sampled material that was OPE – 0.18%	Section 8 Collection Volumes – Table 5: Percentage of Sampled Material that was Electric Outdoor Power Equipment on pages 12 - 13
“Electric OPE is recycled through the CARI network of private metal recycling facilities. These facilities manage various types of scrap metal obtained from a range of products. Consequently, it is not possible to segregate all OPE from the mixed-stream of recycled metal products and	Section 8 Collection Volumes – on page 11



provide discrete collection volumes.”	
“It is OPEIC’s understanding that the vast majority of scrap metal recycled in BC moves through seven CARI member companies. These seven companies represent nineteen collection sites, of which ten were selected as sampling sites for four sampling events in 2015 (April, June, August/September, and October/November).”	Section 8 Collection Volumes – on pages 11 - 12
<p>“Sampling focused on recycling streams identified by CARI to most likely contain electric OPE products: tin, electric motors (ELMO), aluminum and breakage.”</p> <p>“In some instances, OPEIC was not able to get an actual weight on a material stream and had to estimate the weight.”</p>	Section 8 Collection Volumes – on page 12

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

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 not met: OPEIC had 119 contracted collection sites by the end of 2015	Section 10 Plan Performance on page 14

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), (d) 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.