



OUTDOOR POWER EQUIPMENT  
INSTITUTE OF CANADA

Ministry of Environment  
Attention: Director, Extended Producer Responsibility Programs  
PO Box 9341, STN PROV GOVT  
Victoria, BC V8W 9M1

Via Email: [ExtendedProducerResponsibility@gov.bc.ca](mailto:ExtendedProducerResponsibility@gov.bc.ca)

June 29, 2018

Dear Director:

**Re: 2017 OPEIC Annual Report**

Pursuant to the British Columbia Recycling Regulation, 449/2004, issued under the Environmental Management Act (O.C. 995/2004), please find attached the Outdoor Power Equipment Institute of Canada's 2017 annual report for the OPEIC program for electric outdoor power equipment for the period January 1, 2017 through December 31, 2017.

Please provide confirmation of receipt. We will also be posting the report on OPEIC's website as per the Regulation.

If you have any questions regarding this report, please contact me at (703) 549-7600 or [mross@opei.org](mailto:mross@opei.org).

Yours truly,

*Michael Ross*

**Michael Ross**  
Director of Standards  
Outdoor Power Equipment Institute of Canada

cc. Mark Kurschner  
Valentina Yetskalo

# **Outdoor Power Equipment Institute of Canada (OPEIC)**

## **Annual Report to the Director 2017**

**Submitted to:** Director, Extended Producer Responsibility  
Programs PO Box 9341, STN PROV GOVT  
Victoria, BC V8W 9M1

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**June 29, 2018**

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## 1.Executive Summary

The product stewardship program (“Program”) for electric outdoor power equipment (EOPE) 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, 2017. The Program operates pursuant to the terms set out in the Outdoor Power Equipment Stewardship Program for Outdoor Power Equipment (“Program Plan”) approved by the Ministry of the Environment on April 20, 2012.

<b>Products within Plan</b>	Electric outdoor power equipment, categorized into four groups: hand-held, walk-behind, free-standing and lawn tractors.
<b>Program Website</b>	<a href="http://www.opec.ca">www.opec.ca</a>

<b>Recycling Regulation Reference</b>	<b>Topic</b>	<b>Summary</b>
<b>Part 2, section 8(2)(a)</b>	<b>Public Education Materials and Strategies</b>	<ul style="list-style-type: none"> <li>• Maintained easy-to-use website <a href="http://www.opec.ca">www.opec.ca</a> with an up-to- date Collection Site locator tool.</li> <li>• Renewed contract with Recycling Council of BC (RCBC) for hotline, website and Recyclepedia services.</li> <li>• Continued membership with the Stewardship Agencies of BC (SABC).</li> <li>• Ran a 12-week radio campaign through country radio station JR- FM, featuring 123 30-second radio spots, 15-second online audio pre-rolls, JR-FM homepage and e-news “recycling tip” content featuring the Program, and digital display ads.</li> <li>• Distributed OPEIC promotional materials (rack cards) on request.</li> <li>• Participated in 4 community events.</li> </ul>
<b>Part 2, section 8(2)(b)</b>	<b>Collection System and Facilities</b>	<ul style="list-style-type: none"> <li>• OPEIC collection sites are located at metal recycling facilities, depots, local government sites and retailers of electric outdoor power equipment.</li> <li>• The number of contracted collection sites decreased from 122 in 2016 to 120 in 2017. The Program established contracts with one additional collection site.</li> <li>• As of 2017, the program had an accessibility level of 97%, according to the SABC guidance, exceeding the program goal of 95%.</li> <li>• Consumers can drop-off their broken or old electric outdoor power equipment at OPEIC sites at no charge.</li> </ul>

<b>Recycling Regulation Reference</b>	<b>Topic</b>	<b>Summary</b>
<b>Part 2, section 8(2)(c)</b>	<b>Product Environmental Impact Reduction, Reusability and Recyclability</b>	<ul style="list-style-type: none"> <li>Producers maximize the use of materials that can be recycled and reused.</li> <li>Producers optimize product design to reduce the materials used, reducing product weight, material content and product volume.</li> <li>Supply chain initiatives include the use of returnable-reusable packaging for components from suppliers.</li> </ul>
<b>Part 2, section 8(2)(d)</b>	<b>Pollution Prevention Hierarchy and Product / Component Management</b>	<ul style="list-style-type: none"> <li>At OPEIC collection sites, EOPE is combined with other metal accumulated on-site, which is then eventually sold to a larger metal recycler.</li> <li>Metals are the primary commodities recovered from EOPE</li> <li>The metals in EOPE are primarily steel, aluminum and copper.</li> <li>The shredders successfully extract approximately 99% of the metal. This material is then shipped to smelters and formed into ingots for reuse.</li> </ul>
<b>Part 2, section 8(2)(e)</b>	<b>Product Sold and Collected and Recovery Rate</b>	<ul style="list-style-type: none"> <li>Program participants reported 196,899 of EOPE were sold between January 1 and December 31, 2017.</li> <li>In 2017, 10 metal recycling facilities were sampled for EOPE. These sampling studies were conducted to estimate the quantity of EOPE that is managed through the scrap metal system as part of the Program's collection system, as per the approved Program Plan.</li> <li>2017 sampling studies showed that approximately 0.014% of the sampled material was EOPE.</li> </ul>
<b>Part 2, section 8(2)(e.1)</b>		<ul style="list-style-type: none"> <li>Given the structure of the collection system, the approved Program Plan committed to providing collection volumes Province-wide, and not by regional district.</li> </ul>
<b>Part 2, section 8(2)(f)</b>	<b>Summary of Deposits, Refunds, Revenues and Expenses</b>	<ul style="list-style-type: none"> <li>The Program management costs are funded by environmental handling fees (EHF) applied at the sale of EOPE in BC.</li> <li>Retailers may choose to build the EHF into the product's price or display it as a separate charge to consumers at point of sale.</li> <li>See Appendix D for the independent financial audit for the reporting year.</li> </ul>

## 2. Program Outline

The Outdoor Power Equipment Institute of Canada (OPEIC) has developed and implemented a stewardship program (“Program”) for electric outdoor power equipment (EOPE) in BC pursuant to the OPEIC Program Plan (“Program Plan”). It was approved by the BC Ministry of Environment under the *BC Recycling Regulation* (BC Reg. 449/2004) (“Regulation”) on April 20, 2012 and covers the period July 1, 2012 to December 31, 2017. EOPE 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 categorized into four groups of EOPE: 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, 2017, the Program had 44 participants who represented the majority of the electric outdoor power equipment (“EOPE”) market in British Columbia. Participants included manufacturers, distributors and dealers. Product Care Association (PCA) continued to be engaged as Program Manager by OPEIC in 2017.

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 120 contracted collection sites, without charge. OPEIC has taken an environmentally-conscious, non-conventional approach to EOPE collection. Unlike traditional stewardship programs where a new and separate collection system is developed to divert products from the waste stream, the Program utilizes the existing collection and transportation network operated by the metal recycling industry.

OPEIC’s website ([www.opeic.ca](http://www.opeic.ca)) offers an up-to-date collection site locator providing listings of the current collection facilities. The website also outlines the OPEIC’s policies for participants and program information for consumers and retailers.

## 3. Public Education Strategies

The Program pursued an ongoing engagement strategy with consumers, collection sites, municipalities and retailers in 2017. The following is a summary of the public education and promotion strategies executed that year.

### Consumer Communications

Collection site information and updates were regularly posted to OPEIC’s easy-to-use, dedicated Program website. Through this portal, consumers and other stakeholders were able to ask questions and submit comments to the Program, learn about accepted products and find the nearest collection site via a custom, location-based collection site locator tool. The OPEIC website includes email address ([info@opeic.ca](mailto:info@opeic.ca)), a consumer inquiry toll-free phone number (1-877-592-2972 ext. 364), and a list of frequently asked questions to address stakeholder inquiries. On behalf of the Program, Product Care Association staff responded to consumer phone calls and email inquiries about electric outdoor power equipment (EOPE) throughout the year.

OPEIC.ca saw 4,659 unique visitors and 11,699 page views in 2017. The largest category of OPEIC website users in 2017 were new visitors to the site (97.9%), suggesting that new consumers are continuing to learn about the Program and are exploring recycling options for EOPE.

In addition, the Program continued to contract with RCBC to provide consumer support through its phone hotline (604-RECYCLE) and free Recyclepedia smart phone app. RCBC is a trusted public information resource that consumers use to learn about the recycling options available in their community. RCBC hotline staff were trained on the Program's key messaging and were provided with an OPEIC-specific script. Between January 1, 2017 and December 31, 2017, Product Care and RCBC collectively answered 1,240 phone, email, and Recyclepedia app consumer inquiries on products included in the OPEIC Program.

OPEIC also continued its participation in the Stewardship Agencies of British Columbia (SABC), a consortium of stewardship programs in the Province connected by a mandate to simplify recycling for the public. BCRecycles.ca – SABC's consumer-oriented website – is a one-stop resource for detailed information on 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.

### **Advertising**

The Program ran two 12-week campaigns through country radio station JR-FM. The spring campaign ran from March to May, and the fall campaign ran from September to November, 2017. Each campaign featured 123 thirty-second radio spots, fifteen-second online audio pre-rolls, JR-FM.com homepage and e-news "recycling tip" content featuring the Program, and digital display ads that produced over 40,000 impressions. The radio station has 373,000 loyal weekly listeners and 55,000 e-news subscribers.

The Program also advertised in several 2017 municipal waste and recycling calendars. These calendars were published in cities such as Invermere, Mission, and Peace River.

To support several EOPE collection events throughout BC, the Program published advertisements in local city papers in remote areas including Creston, Castlegar, Silvertone and Nakusp.

### **Marketing Materials**

OPEIC promotional materials were distributed, on request, to Program stakeholders. All stakeholders were able to re-order promotional materials free of charge by emailing or by phoning in an order. Digital files of the Program rack cards and FAQ sheets were also made available online to download free of charge.

### **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 2017, OPEIC participated in the following events:

- Cloverdale Rodeo (May 19 – 21)
- Khatsahlano (July 8)

- Vancouver Pride Festival (August 6)
- Abbotsford Air Show (August 11 – 13)

Cumulatively, these events exposed the Program to nearly 350,000 potential recyclers through promotional exposure, advertising, and direct engagement.

### **Consumer Awareness**

OPEIC improved the method for surveying consumer awareness in 2017. In contrast to previous years, OPEIC performed an independent survey, whereas in previous years the OPEIC survey was combined with the awareness survey for other programs managed by PCA. It is considered that the variance in results compared to previous years is a result of respondents only indicating awareness about one stewardship program. In previous years, a respondent's awareness of one program may have led to him/her indicating awareness of other programs, thereby inflating awareness levels. Consumer awareness levels in 2017 are reported in section 9 of the annual report.

## **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 EOPE at no charge. OPEIC has taken a market-driven approach in establishing the network by partnering with the national association for metal recyclers, Canadian Association of Recycling Industries (CARI), and contracting directly with CARI's members. CARI members are ideal return collection sites for EOPE 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, in accordance with a set of Guiding Principles that include a commitment to comply with all legal requirements that affect their operations and products.<sup>1</sup>

To further expand access, OPEIC contracted with other collection sites, including other metal recycling facilities, local government facilities, recycling depots and return-to-retail locations.

By December 31, 2017, the OPEIC collection network consisted of 120 contracted collection sites (see Appendix B for a list of all of the OPEIC collection sites contracted in 2017 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.

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<sup>1</sup> CARI's Guiding Principles available at <https://cari-acir.org/privacy-regulations/> (Accessed March 5, 2018).



**Table 2: OPEIC Collection Sites by Type 2016 & 2017**

Type of Collection Site	# in 2016	# in 2017
Metal Recycling Facility	60	58
Local Government Facility	32	32
Recycling Depot	23	23
Retailer	7	7
<b>Total</b>	<b>122</b>	<b>120</b>

In 2017, OPEIC expanded its collection efforts by participating in collection events organized in collaboration with local governments. OPEIC participated in eight collection events in 2017 (see list in Table 3).

**Table 3: OPEIC 2017 Event Schedule**

Event	Date
Cache Creek	April 22
Merritt	May 6
Golden	June 11
Golden	September 23
Creston	September 23
Castlegar	September 24
Silverton	September 30
Nakusp	October 1

## 5. Product Environmental Impact Reduction, Reusability and Recyclability

The following is a summary of the efforts by Producers<sup>2</sup> to reduce the environmental impact associated with the production, and end-of-life processing of EOPE. 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 EOPE; maximizing the use of materials that can be recycled and reused.

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<sup>2</sup> As defined under the Regulation.

Producers also 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 re-processing and alternate uses.

The use of recycled plastics in the manufacturing of EOPE is limited because of standards on specific material and performance characteristics required of these products, such as flame retardants, impact resistance, electrical conductivity, or extreme temperature capabilities. In these instances, a specially formulated plastic resin is essential to the product's performance. In Canada and the US, EOPE products are tested and certified to Canadian Standards Association (CSA), International Electrotechnical Commission (IEC), and Underwriters Laboratories (UL) safety standards. As part of these certification processes, follow-up on-site visits are conducted that include verification of the actual virgin resin against the original certification. The use of recycled plastics in these instances is not possible because of the variability in its composition and properties.

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 consumption in water-dependent manufacturing processes through improved process efficiencies. Initiatives include the treatment and reuse of process water to reduce total needs.

### **Reuse and Repair**

The reuse market for EOPE is very well developed. Valuable EOPE products that are not at the end of the functional life are not expected to be dropped off at collection sites or collection events because they have residual value. The market facilitates the repair and reuse of EOPE products through a variety of channels, including: re-selling websites (e.g., Craigslist and garage sales), charitable organizations (e.g., Salvation Army or local product dealerships) and trade-ins on new product purchases. The Program recognizes that there is a robust and effective reuse system already in place outside the parameters of the Program and hence will focus on the collection and recycling of the EoL EOPE.

### **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 2016 were estimated based on these calculations, to be 1000 tonnes of equivalent carbon dioxide (CO<sub>2</sub>e). This value is estimated based on 2 tonnes of CO<sub>2</sub>e 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 and downstream processors. 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**

EOPE includes, amongst others, electric lawn mowers, electric snow blowers and electric garden equipment. They can be battery powered (primarily lithium ion and some lead-acid), or plugged-in electric-powered. Metals and plastics are the primary commodities recovered from EOPE. 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. According to industry members, the metals in EOPE are primarily steel, aluminum and copper.

A description of the recycling stream of these EOPE products provided by a Canadian Association of Recycling Industries (CARI) spokesman explains that individuals and commercial entities typically deliver EOPE to a contracted collection site either loose or in a bin. The collected EOPE 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. All CARI facilities follow a set of Guiding Principles<sup>3</sup> that include a commitment to comply with all legal requirements that affect their operations and products to ensure proper recycling methods are employed.

Once sold to a larger metal recycler, the EOPE products are sorted by commodity and loaded into bins or baled on-site. EOPE material is sent to a shredder due to the high cost of dismantling by hand or with other tools. EOPE is characterized as tin, which is usually shredded here in BC, but can also be barged or trucked to a nearby facility in Tacoma, 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 metal processors, 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.

There is a common misconception that all plastics are recyclable and available to be used in the manufacturing of EOPE and other products. Most recycling facilities collect #1 and #2 types of plastic, or the plastic bottles made from PETE/PET and HDPE resin. The end markets for #1 and #2 plastics (bottles) are stable and numerous.

However, plastics used in the manufacturing of EOPE (i.e. plastics #3 through #7) are landfilled because of their properties and the consequential challenges in recycling them. These plastics are made with an injection molding or stamp molding process and involve additives. Many recycling facilities do not collect these plastics because they require different processing to recycle and the end markets for these plastics are infrequent and not consistent.

### Management of Embedded Products

Contracted scrap metal collection facilities manage embedded products included with recycled EOPE, including embedded products that are designed not to be removed by the user. Embedded products that can damage processing equipment or result in harm to the environment are removed by the scrap metal facility prior to the product being baled and shredded. These embedded products are managed separately. CARI members are required to comply with all environmental requirements, ensuring that embedded products are managed in a responsible manner. Scrap metal facilities make their own business decision as to whom they contract with to recover and process embedded products. Facilities consider this information to be private and do not disclose it to OPEIC. Consequently, the end fate of embedded products is unknown.

## 7. Products Sold and Collected

Table 4 displays the number of units of EOPE sold in BC in 2017, as reported by OPEIC participants. EOPE 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 5: Total Units of Electric Outdoor Power Equipment Sold in BC in 2017**

OPE Category	Total Amount of Sales in Units
Hand-Held OPE	134,601
Walk-Behind OPE	29,214
Free-Standing OPE	32,617
Lawn Tractors	467
<b>Total</b>	<b>196,899</b>

As noted previously, EOPE is recycled through the CARI network of existing private metal recycling facilities and other government and private collection facilities that accept metal products. These facilities manage various types of scrap metal obtained from a range of products. Given the relatively small size and volume of EOPE products, the manner in which metals are received at collection facilities, and the space and resources required to separate EOPE on site, it is not practical or profitable for collection sites to segregate EOPE from the mixed-stream of recycled metal products and provide discrete collection volumes, and therefore to report out on units collected.

To estimate the quantity of EOPE managed through the scrap metal system, OPEIC's Program Plan commits to conduct sampling studies. It is OPEIC's experience and 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 2017 (May, June, September, and October); the same sites that were sampled in the previous year. Initial selection of these locations was based on the specific amenities of each site, the ability to safely complete sampling and geographic location. Table 5 lists the metal recycling facilities where the four sampling events were conducted in 2017.

**Table 6: 2017 Sampling Sites**

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
Coast Environmental	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 EOPE products: tin<sup>4</sup>, electric motors (ELMO)<sup>5</sup>, aluminum<sup>6</sup> and breakage<sup>7</sup>, heavy steel<sup>8</sup> and stainless steel<sup>9</sup>. The results of the sampling events found approximately 0.014% of the sampled material was derived from EOPE. This result was based on the inclusion of actual and estimated weights for sampled material (i.e., in the majority of instances, OPEIC was not able to get an actual weight on a sample pile and had to estimate the weight.)<sup>10</sup>

The percentage of sampled material identified as EOPE product dropped in 2017. This variability is consistent with the information that we received from a third-party statistician during the preparation of our program plan. Generating a statistically significant estimate of the total amount of EOPE recycled would require a sampling effort that would be both cost prohibitive and logistically problematic, requiring year round sampling at considerable disruption to scrap metal recycling businesses. Table 7 provides a comparison of the percentages of sampled material identified as EOPE in years 2013 through 2017.

**Table 7: Percentage of Sampled Material that was Electric Outdoor Power Equipment**

Year	Percentage (%)
2013	0.12%
2014	0.17%
2015	0.18%
2016	0.15%
2017	0.014%

## 8. 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 through environmental handling fees (EHFs), which are remitted to OPEIC by Program participants based on unit sales of new EOPE 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 cost of the program, including education, outreach and administration. Table 8 provides the EHFs applied to sales in 2017.

**Table 8: Environmental Handling Fees for Electric Outdoor Power Equipment**

Product Category	2017 EHF Per Unit
Hand-Held EOPE	\$2.00
Walk-Behind EOPE	\$8.00
Free-Standing EOPE	\$4.50
Lawn Tractors	\$16.00

<sup>4</sup> Tin: lower grade ferrous metal, typically steel with various non-ferrous metals or other contaminants, to be shredded for magnetic and eddy current sorting.

<sup>5</sup> ELMO: mixed electric motors, whole or dismantled with primarily copper windings but may contain aluminum windings.

<sup>6</sup> Aluminum: cast, clean, light dirty and heavy dirty grades; dirty implies a greater percentage of iron and other metal contaminants.

<sup>7</sup> Breakage: aluminum and copper with miscellaneous contaminants like iron, dirt and plastic.

<sup>8</sup> Heavy steel: recyclable steel and wrought iron.

<sup>9</sup> Stainless steel: steel alloy that contains chromium and sometimes another element (such as nickel or molybdenum) that makes the steel practically immune to rusting and ordinary corrosion.

<sup>10</sup> Sampled piles with an estimated weight of more than 100,000lbs were excluded from the total material sampled on the basis that the pile was too large to estimate with any degree of confidence.

## 9. Plan Performance

Table 9 is a comparison of the Program's performance with the targets stated in the approved Program Plan.

**Table 9: Comparison of Key Performance Targets**

<b>Comparison of Key Performance Targets</b> <b>Part 2 section 8(2)(g)</b>		
<b>Program Plan Targets</b>	<b>2017 Performance</b>	<b>Strategies for Improvement</b>
<b>Consumer Awareness</b>		
Consumer awareness level of 45% in 2017.	<b>Target Not Met:</b> 26% of British Columbians stated they were aware of a recycling program in BC for electric outdoor power equipment in 2017.	OPEIC will develop improved and focused strategies for outreach, e.g. more presence on the online and social media platforms.
<b>Collection System</b>		
Contract with 120 return collection sites across BC by the end of 2015.	<b>Target Met:</b> OPEIC had 120 contracted collection sites by the end of 2017.	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.	<b>Target Exceeded:</b> 97% of the BC population had access to a collection site in 2017.	n/a

## APPENDIX A: Educational Materials

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



The front of the rack card features a dark green background with various illustrations of outdoor power equipment, including lawnmowers, trimmers, and blowers. The text is in a light green, sans-serif font.

**It's easy to  
recycle your  
outdoor  
power  
equipment!**

  
OUTDOOR POWER EQUIPMENT  
INSTITUTE OF CANADA

Find your nearest drop-off location!  
1-800-667-4321 | [www.opec.ca](http://www.opec.ca)



The back of the rack card has a light yellow background. It includes illustrations of a chainsaw and a lawnmower. The text is in a dark green, sans-serif font.

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

OPEIC has a wide network of recycling drop-off locations  
across B.C. where you can recycle your old or broken  
electronic outdoor power equipment. OPEIC drop-off  
locations are accessible and convenient.

To find a drop off location  
nearest to you, enter your  
address at [OPEIC.ca](http://OPEIC.ca)

  
OUTDOOR POWER EQUIPMENT  
INSTITUTE OF CANADA

[www.opec.ca](http://www.opec.ca) | 1-800-667-4321 (Toll Free)  
604-732-9253 (Lower Mainland)



**Municipal Media advertisement, 2017**



**Clean up your  
yard and our  
environment by  
recycling your  
outdoor power  
equipment!**

Find a depot near you  
and a complete list of  
accepted products on  
our website

**OPEIC.ca**



**OUTDOOR POWER EQUIPMENT  
INSTITUTE OF CANADA**

**Local newspaper advertisement for collection event, 2017**



**RECYCLE YOUR OLD  
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**10:00 am—2:00pm**

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**OPEIC.ca**

**OUTDOOR POWER EQUIPMENT  
INSTITUTE OF CANADA**

## APPENDIX B: OPEIC 2017 Collection Sites

Collection Site Name	City	Regional District
Ahousaht Transfer Station	Ahousaht	Alberni-Clayoquot
Sherwood Auto Recyclers	Port Alberni	Alberni-Clayoquot
Sun Coast Waste	Port Alberni	Alberni-Clayoquot
Sandy's Auto Wreckers	Langford	Capital
Alpine Recycling	Langford	Capital
Brentwood Auto and Metal Recyclers	Saanichton	Capital
District of Oak Bay Public Works Yard (Oak Bay Residents Only)	Oak Bay	Capital
Hartland Landfill & Recycling Depot	Victoria	Capital
Island Return-It Recycling Centre Sidney	Sidney	Capital
Salt Spring Recycling Depot	Saltspring Island	Capital
Schnitzer Steel Pacific Recycling	Victoria	Capital
Williams Scrap Metal Recycling	Victoria	Capital
Cariboo Metal Recycling	Quesnel	Cariboo
Gold Trail Recycling	100 Mile House	Cariboo
Williams Lake Scrap Metal Recycling	Williams Lake	Cariboo
150 Mile House Transfer Station	150 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
Inter-Lakes Landfill	Lone Butte	Cariboo
Kleena Kleene Landfill	Kleena Kleene	Cariboo
Lac La Hache Transfer Station	Lac La Hache	Cariboo
Likely Landfill	Likely	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
South Cariboo Central Landfill	100 Mile House	Cariboo
Tatla Lake Landfill	Tatla Lake	Cariboo
Watch Lake Landfill	70 Mile House	Cariboo
Wells Landfill	Wells	Cariboo
West Chilcotin Landfill	West Chilcotin	Cariboo
Wildwood Transfer Station	Wildwood	Cariboo

Collection Site Name	City	Regional District
Balfour Towing and Salvage	Balfour (31 km from Nelson)	Central Kootenay
Ernie's Towing Inc.	Castlegar	Central Kootenay
Scrap King Auto Wrecking & Towing Ltd	Salmo	Central Kootenay
Smokey Creek Salvage Ltd.	Nelson (20 Km outside - South Slocan)	Central Kootenay
Starlight Tool Services Ltd	Nelson	Central Kootenay
Western Auto Wreckers Ltd	Nelson	Central Kootenay
Westside Sales & Rentals	Kelowna	Central Okanagan
ABC Metals Recycling	Kelowna	Central Okanagan
Knox Mountain Metals	Kelowna	Central Okanagan
Planet Earth Recycling	West Kelowna	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	Duncan	Cowichan Valley
Meade Creek Recycling Drop-off Depot	Lake Cowichan	Cowichan Valley
Peerless Road Recycling Drop-off Depot	Ladysmith	Cowichan Valley
Kool Country Auto Parts	Invermere	East Kootenay
Columbia Recycle Ltd	Kimberly	East Kootenay
Aldergrove Auto Wrecking	Aldergrove	Fraser Valley
Stave Falls Auto Recyclers	Mission	Fraser Valley
Abbotsford Mission Recycling Program	Abbotsford	Fraser Valley
CCON Steel Inc	Abbotsford (Matsqui)	Fraser Valley
Mission Recycling Depot	Mission	Fraser Valley
Regional Recycling Abbotsford	Abbotsford	Fraser Valley
Richmond Steel Recycling	Prince George	Fraser-Fort George
Western Equipment Ltd.	Prince George	Fraser-Fort George
ABC Metals Recycling	Prince George	Fraser-Fort George
Allen's Scrap & Salvage Ltd.	Prince George	Fraser-Fort George
PG Recycling & Return-It Centre	Prince George	Fraser-Fort George
The Salvation Army	Prince George	Fraser-Fort George
ABC Metals Recycling	Terrace	Kitimat-Stikine
Allen's Scrap & Salvage Ltd.	Terrace	Kitimat-Stikine
Alpine Recycling	Trail	Kootenay-Boundary
Big Y Auto	Grand Forks	Kootenay-Boundary
Ladner Bottle Depot	Ladner	Metro Vancouver
ABC Metals Recycling	Surrey	Metro Vancouver
Rypac Aluminum Recycling Ltd.	Surrey	Metro Vancouver

Collection Site Name	City	Regional District
ABC Metals Recycling	Burnaby	Metro Vancouver
Allied Salvage & Metals	Richmond	Metro Vancouver
Capital Salvage	Vancouver	Metro Vancouver
Davis Trading & Supply	Vancouver	Metro Vancouver
Foreshore Equipment & Supply	Burnaby	Metro Vancouver
Happy Stan's Recycling Services Ltd.	Port Coquitlam	Metro Vancouver
Newton Bottle Depot	Surrey	Metro Vancouver
Queensborough Landing Return-It	New Westminster	Metro Vancouver
Regional Recycling Burnaby	Burnaby	Metro Vancouver
Regional Recycling Richmond	Richmond	Metro Vancouver
Regional Recycling Vancouver	Vancouver	Metro Vancouver
Richmond Steel Recycling	Richmond	Metro Vancouver
Schnitzer Steel Pacific Recycling (Amix)	Surrey	Metro Vancouver
Semiahmoo Bottle Depot	White Rock	Metro Vancouver
Westcoast Metal Recycling	Langley	Metro Vancouver
Alpine Recycling	Nanaimo	Nanaimo
Highway 4 Auto Recyclers	Coombs	Nanaimo
Nanaimo Recycling Exchange	Nanaimo	Nanaimo
Regional Recycling Nanaimo	Nanaimo	Nanaimo
Schnitzer Steel Pacific Recycling	Cassidy	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
Recycle-It Resource Recovery	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
ASM Squamish Scrap Metals Ltd.	Squamish	Squamish-Lillooet
Pemberton Return-It Depot	Pemberton	Squamish-Lillooet
Regional Recycling Whistler	Whistler	Squamish-Lillooet
ABC Metals Recycling	Campbell River	Strathcona

<b>Collection Site Name</b>	<b>City</b>	<b>Regional District</b>
Campbell River Waste Management Centre	Campbell River	Strathcona
Island Return-It, Campbell River	Campbell River	Strathcona
Schnitzer Steel Pacific Recycling	Campbell River	Strathcona
W. T. M. Recycling Services Ltd.	Gibsons	Sunshine Coast
Adrenaline Auto Recycling Ltd.	Chase	Thompson-Nicola
Central Salvage Ltd.	Kamloops	Thompson-Nicola
Clearwater Towing Ltd.	Clearwater	Thompson-Nicola
Richmond Steel Recycling	Kamloops	Thompson-Nicola

## APPENDIX C: Breakdown of OPEIC Collection Sites by Regional District

Regional District	# of Collection Sites
Alberni-Clayoquot	3
Bulkley-Nechako*	0
Capital	9
Cariboo	27
Central Coast*	0
Central Kootenay	6
Central Okanagan	4
Columbia Shuswap*	0
Comox Valley	3
Cowichan Valley	4
East Kootenay	2
Fraser-Fort George	6
Fraser Valley	6
Kitimat-Stikine	2
Kootenay Boundary	2
Metro Vancouver	18
Mount Waddington*	0
Nanaimo	5
North Okanagan	2
Northern Rockies	1
Okanagan-Similkameen	2
Peace River	3
Powell River	2
Skeena-Queen Charlotte	1
Squamish Lillooet	3
Strathcona	4
Sunshine Coast	1
Thompson Nicola	4
<b>TOTAL</b>	<b>120</b>

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

## **APPENDIX D: OPEIC 2017 Financial Statement**



# **OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA**

## **Financial Statements**

For the year ended 31 December 2017

### **Contents**

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Independent Auditors' Report	
Statement of Financial Position	4
Statement of Changes in Net Assets	5
Statement of Operations	6
Statement of Cash Flows	7
Notes to the Financial Statements	8 - 13



**ROLFE, BENSON LLP**

CHARTERED PROFESSIONAL ACCOUNTANTS

1500 – 1090 West Georgia Street  
Vancouver, B.C. V6E 3V7  
Tel: 604-684-1101 Fax: 604-684-7937  
E-mail: admin@rolfebenson.com

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## INDEPENDENT AUDITORS' REPORT

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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 2017, 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.



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## INDEPENDENT AUDITORS' REPORT - Continued

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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 2017, 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  
20 June 2018

**OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA**  
**Statement of Financial Position**  
31 December 2017

	2017	2016
		(Restated - Note 2)
<b>Assets</b>		
<b>Current</b>		
Cash	\$ 1,089,074	\$ 953,164
Accounts receivable	30,749	43,283
Prepaid expenses	1,068	1,030
GST receivable	8,154	8,795
	<u>1,129,045</u>	<u>1,006,272</u>
Reserve (Note 5)	<u>608,373</u>	<u>403,730</u>
	<u>\$ 1,737,418</u>	<u>\$ 1,410,002</u>

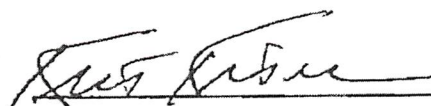
**Liability**

<b>Current</b>		
Accounts payable and accrued liabilities	<u>\$ 68,359</u>	<u>\$ 57,047</u>

**Net Assets**

Unrestricted	1,060,686	949,225
Internally restricted reserve (Note 5)	<u>608,373</u>	<u>403,730</u>
	<u>1,669,059</u>	<u>1,352,955</u>
	<u>\$ 1,737,418</u>	<u>\$ 1,410,002</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 2017

	Unrestricted	Internally Restricted Reserve	Total 2017	Total 2016
<b>Balance - beginning of year</b>				
As previously reported	\$ 968,753	\$ 403,730	\$ 1,372,483	\$ 977,350
Change in accounting policy (Note 2)	(19,528)	-	(19,528)	(18,014)
As restated	949,225	403,730	1,352,955	959,336
Excess of revenues over expenses for the year	316,104	-	316,104	393,619
Transfer to reserve (Note 5)	(204,643)	204,643	-	-
<b>Balance - end of year</b>	<b>\$ 1,060,686</b>	<b>\$ 608,373</b>	<b>\$ 1,669,059</b>	<b>\$ 1,352,955</b>

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

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**OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA**  
**Statement of Operations**  
For the year ended 31 December 2017

	2017	2016
		(Restated - Note 2)
<b>Revenues</b>	<b>\$ 712,443</b>	<b>\$ 761,262</b>
<b>Expenses</b>		
Program administration (Note 6)	<b>361,552</b>	331,501
Communications and events	<b>34,787</b>	36,142
	<b>396,339</b>	367,643
<b>Excess of revenues over expenses for the year</b>	<b>\$ 316,104</b>	<b>\$ 393,619</b>

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

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# OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA

## Statement of Cash Flows For the year ended 31 December 2017

	2017	2016
<b>Cash provided by (used in):</b>		
<b>Operating activities</b>		
Excess of revenues over expenses for the year	\$ 316,104	\$ 393,619
Changes in non-cash working capital balances		
Accounts receivable	12,534	(38,432)
Prepaid expenses	(38)	164
GST receivable	641	(256)
Accounts payable and accrued liabilities	11,312	(5,046)
	<u>340,553</u>	<u>350,049</u>
<b>Investing activity</b>		
Transfer to reserve	<u>(204,643)</u>	<u>(3,730)</u>
<b>Net increase in cash</b>	<b>135,910</b>	<b>346,319</b>
<b>Cash - beginning of year</b>	<u><b>953,164</b></u>	<u><b>606,845</b></u>
<b>Cash - end of year</b>	<u><b>\$ 1,089,074</b></u>	<u><b>\$ 953,164</b></u>

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

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# OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA

## Notes to the Financial Statements

For the year ended 31 December 2017

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### 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 providing certain requirements are met. 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. **Change in accounting policy**

During the year, OPEIC changed its accounting policy for the recognition of revenue from Environmental Handling Fees (EHFs). In previous periods, OPEIC had recognized revenue from EHFs in the period that the related program materials were sold by the member. OPEIC has now decided to recognize revenue from EHFs at the end of the month following the reporting period that the program materials were sold by the member. Management believes that the new policy is preferable because it better reflects the requirements of OPEIC's membership agreements which defines the members' obligations under the various programs.

OPEIC has accounted for this change in accounting policy retroactively with a restatement of the prior years' financial statements. As a result, net assets and accounts receivable was decreased by \$18,014 as at 1 January 2016, excess of revenues over expenses for the year ended 31 December 2016 was decreased by \$1,514, and net assets was decreased as at 1 January 2017 and accounts receivable was decreased as at 31 December 2016 by \$19,528.

### 3. **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

Environmental Handling Fees (EHFs) are received from registered members that participate in the OPEIC's programs. 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 individual members report and remit them as required by OPEIC's membership agreement which is by the end of the month following the reporting period that the designated program materials were sold by the member.



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**OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2017**

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**3. Summary of significant accounting policies - Continued**

(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.

(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.

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**OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2017**

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**3. Summary of significant accounting policies - Continued**

(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 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.

**4. 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 2017.

(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. There has been no change to this risk exposure from the prior year.

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**OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2017**

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**4. Financial instruments - Continued**

(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. OPEIC maintains adequate cash to meet obligations as they become due. There has been no change to this risk exposure from the prior year.

(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. There has been no change to this risk exposure from the prior year.

(d) Market risk

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: currency risk, interest rate risk and other price risk. OPEIC is exposed to currency and interest rate risk.

(e) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. OPEIC is exposed to interest rate risk on its fixed interest rate financial instruments. Fixed-rate instruments subject OPEIC to fair value risk. There has been no change to this risk exposure from the prior year.

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**OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA**  
**Notes to the Financial Statements**  
**For the year ended 31 December 2017**

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**5. Reserve**

In the prior 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, \$204,643 (2016 - \$3,730) was transferred from unrestricted net assets to the reserve fund, representing the investment income earned on the term deposit.

**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 \$59,153 (2016 - \$53,303) 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.

Included in accounts payable and accrued liabilities is \$7,690 (2016 - \$7,132) due to OPEI for program administration services. This amount is unsecured, non-interest bearing and is subject to normal trade payable payment terms.

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**OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA**  
**Notes to the Financial Statements**  
For the year ended 31 December 2017

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**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 2017 and for the year then ended are based on the audited financial statements. All amounts are presented in US dollars.

OPEI

	<b>31 August 2017</b>	31 August 2016
Financial Position		
Total assets	<b>\$ 15,850,262</b>	\$ 14,016,273
Total liabilities	<b>8,190,299</b>	7,332,076
Total net assets	<b>7,659,963</b>	6,684,197
	<b>\$ 15,850,262</b>	\$ 14,016,273
	<b>31 August 2017</b>	31 August 2016
Results of Operations		
Total revenues	<b>\$ 5,889,968</b>	\$ 5,276,530
Total expenses	<b>4,914,202</b>	5,167,288
Excess of revenue over expenses	<b>\$ 975,766</b>	\$ 109,242
	<b>31 August 2017</b>	31 August 2016
Cash Flows		
Net cash from operating activities	<b>\$ 1,330,907</b>	\$ 558,821
Net cash used in investing activities	<b>(376,476)</b>	(1,006,611)
Increase (decrease) in cash	<b>\$ 954,431</b>	\$ (447,790)

## **APPENDIX E: Third Party Assurance Statement for Non-Financial Information**

**OUTDOOR POWER EQUIPMENT  
INSTITUTE OF CANADA**

**INDEPENDENT REASONABLE ASSURANCE  
REPORT**

**31 DECEMBER 2017**



1500 – 1090 West Georgia Street  
Vancouver, B.C. V6E 3V7  
Tel: 604-684-1101 Fax: 604-684-7937  
E-mail: admin@rolfebenson.com

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## INDEPENDENT REASONABLE ASSURANCE REPORT

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To the Directors of  
Outdoor Power Equipment Institute of Canada,

### Assurance Level and Selected Information

We have been engaged by Outdoor Power Equipment Institute of Canada (“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 British Columbia Ministry of Environment for the year ended 31 December 2017:

- 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 Collected - 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 9 - Plan Performance – 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 Guide to Third Party Assurance Requirements for Non-Financial Information in Annual Reports – 2017 Reporting Year dated October 2017 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.

### **Applicable Quality Control Requirements**

We apply International Standard on Quality Control 1 and, accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

### **Scope of the Reasonable Assurance Engagement**

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; and
- 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 2017 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 7 - 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 5 – Total Units of Electric Outdoor Power Equipment Sold in BC in 2017 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.

CHARTERED PROFESSIONAL ACCOUNTANTS

Vancouver, Canada  
20 June 2018

## Appendix 1

### Evaluation Criteria

#### Collection facilities

<b>Specific disclosures in the annual stewardship report from Section 4 - Collection System and Facilities for which evaluation criteria were developed</b>	
Total number of collection facilities in 2017 – 120	Table 2: OPEIC Collection Sites by Type 2016 & 2017  Appendix B – OPEIC 2017 Collection Sites
Decrease in the number of collection facilities in 2017 – 2 collection facilities	Table 2: OPEIC Collection Sites by Type 2016 & 2017

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 2017, 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

<b>Specific disclosures in the annual stewardship report from Section 6 - Pollution Prevention Hierarchy and Product/Component Management for which evaluation criteria were developed</b>
“The following information is based on the understanding of the free market system obtained from conversations with industry representatives and downstream processors. 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.”
“Metals and plastics are the primary commodities recovered from EOPE. 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. According to industry members, the metals in EOPE are primarily steel, aluminum and copper.”
“The collected EOPE 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.”

“Once sold to a larger metal recycler, the EOPE products are sorted by commodity and loaded into bins or baled on-site. All EOPE material is sent to a shredder due to the high cost of dismantling by hand or with other tools.”

“After shredding, the resulting material is sorted into ferrous metal, non-ferrous metal and waste material (plastics, fabrics, etc.). According to information provided by metal processors, 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.”

“...plastics used in the manufacturing of EOPE (i.e. plastics #3 through #7) are landfilled because of their properties and the consequential challenges in recycling them.”

“Embedded products that can damage processing equipment or result in harm to the environment are removed by the scrap metal facility prior to the product being baled and shredded. These embedded products are managed separately.”

“...the end fate of embedded products is unknown.”

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

<b>Specific disclosures in the annual stewardship report from Section 7 - Product Sold and Collected for which evaluation criteria were developed</b>	
Sampled material that was EOPE – 0.014%	Table 7: Percentage of Sampled Material that was Electric Outdoor Power Equipment
“...it is not practical or profitable for collection sites to segregate EOPE from the mixed-stream of recycled metal products and provide discrete collection volumes, and therefore to report out on units collected.”	
“It is OPEIC’s experience and 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 2017 (May, June, September, and October), the same sites that were samples in the previous year.”	
“Sampling focused on recycling streams identified by CARI to most likely contain EOPE products: tin, electric motors (ELMO), aluminum and breakage, heavy steel and stainless steel.”	
“The results of the sampling events found approximately 0.014% of the sampled material was derived from EOPE. This result was based on the inclusion of actual and estimated weights for all sampled material (i.e., in the majority of instances, OPEIC was not able to get an actual weight on a sample pile and had to estimate the weight).”	
“Sampled piles with an estimated weight of more than 100,000lbs were excluded from the total material sampled on the basis that the pile was too large to estimate with any degree of confidence.”	

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.

**Performance targets**

<b>Specific disclosures in the annual stewardship report from Section 9 - Plan Performance for which evaluation criteria were developed</b>	
Assertion – Target met: OPEIC had 120 contracted collection sites by the end of 2017	Table 9: Comparison of Key Performance Targets

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.