Outdoor Power Equipment Institute of Canada (OPEIC)

Annual Report to the Director 2012

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June 30th, 2013

OUTDOOR POWER EQUIPMENT
INSTITUTE OF CANADA

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OPEIC 2012 Report to Director, Waste Management

1. Executive Summary

The product stewardship program for electric outdoor power equipment 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 July – December 2012.

Products within plan	Electric outdoor power equipment is covered under the program plan. This is broken into four categories: hand-held, walk-behind, free-standing and lawn tractors.
Program website	OPEIC's website is www.opeic.ca.

Recycling Regulation Reference	Topic	Summary
Part 2, section 8(2)(a)	Public Education Materials and Strategies	• Program launched in July 2012 with a coordinated press release and collaboration with the Phase 5 Group on media strategy and POS material. Coordinated and incorporated messaging throughout all Consumer Protection BC (CPBC) materials (e.g. brochure, web portal, FAQ) and all call centre scripts. • Launched the easy-to-use website www.opeic.ca with an up-to-date Depot Finder. • Contracted with Recycling Council of BC (RCBC) for hotline, website and Recyclepedia services; trained RCBC hotline staff on key messaging and provided OPEIC script. • Published advertorials in community papers across the province. • Distributed an OPEIC communications package to retailers and collection sites (approximately 1000 recipients) which included Point of Sale material (rack cards) and information on the program.
Part 2, section 8(2)(b)	Collection System and Facilities	• OPEIC partnered with the Canadian Association of Recycling Industries (CARI) to provide recommendations for the network of collection and processing facilities • OPEIC collection depots are located at metal recycling facilities, depots, local government sites and retailers of electric outdoor power equipment. • 102 collection sites were established between July – December 2012.

Recycling Regulation Reference	Topic	Summary
		• Consumers can drop-off their broken or old outdoor power equipment at OPEIC sites at no charge.
Part 2, section 8(2)(c)	Product Environmental Impact Reduction, Reusability and Recyclability	• Producers maximize the use of materials that can be recycled and reused. • Producers optimize product designs to reduce the materials used, reducing product weight, material content and product volume. • Product designs eliminate wherever possible the use of hazardous substances, replacing with non-hazardous materials that can be reprocessed and reused. • Supply chain initiatives include the use of returnable-reusable packaging for components from suppliers.
Part 2, section 8(2)(d)	Pollution Prevention Hierarchy and Product / Component Management	• At OPEIC collection sites, electric OPE is combined with other metal accumulated on-site, which is then eventually sold to a larger metal recycler, who is usually a member of CARI. • Metals and plastics are the primary commodities recovered from electric-powered 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	• 55,563 units of outdoor power equipment were sold between July and December 2012 based on program participant reports. • In 2012, 9 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. • 2012 sampling studies showed that approximately 0.2 % of the sampled material was electric outdoor power equipment. • No commitment was made for recovery rate reporting in the approved stewardship plan; therefore recovery rate is not applicable. Absolute collection rate targets will be developed after a baseline of 18 months of program operation have occurred (July 2012-December 2013). Once this 18-month baseline has been established, OPEIC will provide data on collected volumes in the 2013 Annual Report based on sampling studies.
Part 2, section 8(2)(e.1)		• The approved program plan committed to providing collection volumes province-wide and not by regional district.

Recycling Regulation Reference	Topic	Summary
Part 2, section 8(2)(f)	Summary of Deposits, Refunds, Revenues and Expenses	• The program is funded by Environmental Handling Fees applied on electric-powered outdoor power equipment. • Retailers may choose to build the environmental handling fee into the product's price, or display it as a separate charge to consumers at check out. • See Appendix C for the independent financial audit for the reporting year.

Comparison of Key Performance Targets		
Part 2 section 8(2)(g)		
Priority Stewardship Plan Targets	**Performance**	**Strategies for Improvement**
1. Contract with over 80 return collection facilities across BC by the end of 2013.	By the end of 2012 OPEIC had over 100 contracted collection sites	Continue to expand the network and fill collection site gaps.
2. Absolute collection rate targets will be developed after a baseline of 18 months of program operation have occurred (December 2013).	In Progress	n/a
3. Prepare written communication materials in the first year and distribute 5,000 brochures/year to various stakeholders, including: consumers at the point of purchase, return-collection and recycling facilities, and, the RCBC hotline and local governments.	In 2012 over 5,000 rack cards and FAQ sheets were distributed amongst stakeholders	n/a

2. Program Outline

The Outdoor Power Equipment Institute of Canada (OPEIC) has developed and implemented a stewardship program for outdoor power equipment (OPE) in BC to ensure compliance with the requirements of the British Columbia Ministry of Environment's Recycling Regulation (B.C. Reg. 449/2004). Electric outdoor power equipment are included in Schedule 3, Electronic and Electrical Product Category, Article 2.3 and includes items such as electrical snow blowers, electric lawn mowers and other electrical gardening tools. These products have been broken down into four categories of electric OPE: hand-held, walk-behind, free-standing and lawn tractors.

OPEIC is a Canadian federal non-profit organization under Part 2 of the Canada Corporations Act that was formed as the legal entity to govern OPE stewardship program. As of December 31, 2012, OPEIC had 82 participants who represented the majority of the electrical outdoor power equipment market in British Columbia. Participants included manufacturers, distributors and dealers. The administration and implementation of the stewardship program was contracted to Product Care Association (PCA), as Program Manager. The stewardship program will be implemented in three phases. The first phase of the stewardship program is focused on electrical-powered OPE. The second phase will research the ongoing recycling of fuel-powered OPE. OPEIC has begun to conduct the two-year study to quantify the existing recycling network of fuel-powered OPE in British Columbia. A final report on the study will be submitted to the Ministry of Environment in April 2015. The third phase will be a review and evaluation of the stewardship programs for the two product types.

OPEIC's collection network spans the province, providing easy-to-use drop-off locations, which include: retailers, local governments, metal recycling facilities and depots. Consumers can drop off their electric outdoor power equipment at any of the 102 contracted collection sites without charge. OPEIC has taken an environmentally-conscious non-conventional approach and utilize the existing collection and transportation network operated by the steel recycling business, unlike traditional stewardship programs where a separate collection system is developed to pull the products from the waste steam.

OPEIC`s website can be viewed here: www.opeic.ca, where there is an up-to-date depot finder with the current collection network, OPEIC`s policies for participants and information for consumers and retailers.

3. Public Education Strategies

OPEIC is committed to engaging with stakeholders such as consumers, collection locations, municipalities, and retailers. The program has utilized these networks as a channel for OPEIC messaging and will continue to maintain a level of consumer awareness of drop-off locations and accepted products. The following is a summary of the public education strategies used in 2012 during the launch and program development to raise consumer awareness of the OPEIC program.

Program Launch and SABC Collaborations

On July 1, 2012, in addition to OPEIC, several product stewardship programs in British Columbia launched or were expanded, in response to Phase 5 of the Regulation. To reduce consumer confusion amidst these launches and expansions, OPEIC partnered with three other stewardship agencies (Product Care Association, Electronic Products Recycling Association, and Canadian Electrical Stewardship Association) to produce collaborative educational materials: rack cards, retailer FAQs, advertorials, audio news releases and the SABC Recycling Handbook.

Collaborative press releases were also issued to traditional media outlets. The group of stewards also contracted Consumer Protection B.C. to produce educational materials surrounding the launches and expansions.

Media Coverage

Through both OPEIC and Phase 5 collaborative media pushes, OPEIC was featured in traditional media stories in communities around British Columbia, including the Nanaimo News Bulletin, Cloverdale Reporter, Revelstoke Time Review, South Delta Leader, Grand Forks Gazette, Caledonia Courier, New West Leader, The Free Press, The Powell River Peak, HQPrinceGeorge.com and The Campbell River Courier-Islander. OPEIC also published several advertorials in local community papers, including the Burnaby Newsleader, Surrey Leader, Victoria News, Goldstream News Gazette, New West Newsleader, North Shore Outlook, Peninsula News Review, Pique News Magazine, Saanich News, and Westender.

Consumer Communications

In 2012, OPEIC launched the easy-to-use website www.opeic.ca with an up-to-date Depot Finder. Through this portal, consumers are able to ask questions or submit comments to the program. The OPEIC website includes a general information email address, info@opeic.ca and a consumer inquiry toll-free phone number, 1-888-772-9772 ext. 219. Product Care staff respond to consumer phone calls and email inquiries. All consumer concerns and questions were dealt with in a timely manner.

OPEIC has contracted with the RCBC to provide Hotline and Recyclepedia services. RCBC is a trusted public information resource used by consumers to learn about the recycling options available in their community. RCBC hotline staff were trained on key messaging and provided with an OPEIC-specific script. The Recyclepedia is a user-friendly online/web feature established by RCBC to help consumers find recycling information 24/7. RCBC also launched a Recyclepedia App in 2012, to increase convenience and ease of access for British Columbians.

Between July 1 and December 31, 2012, Product Care and RCBC collectively answered over 200 phone and email consumer inquiries on products included in OPEIC. In addition, the RCBC Recyclepedia and the OPEIC websites received over 1,300 web hits/searches for OPEIC.

Marketing Materials and Advertising

An OPEIC communications package was distributed to program stakeholders, including over 1000 retailers and collection site operators. The communications package included point of sale rack cards, a “Fast Facts” FAQ information sheet to assist front-line staff in explaining the program and the fees to their consumers, and an easy-to-use re-order form. Any stakeholder is able to re-order promotional material at no-cost. This can be done either by using the re-order form, by email to reorder@opeic.ca, or by telephone. Digital files of the rack cards, shelf-talkers and FAQ Sheets were made available online here: www.opeic.ca/program-participants.html#material. Examples of public education materials can be found in Appendix A.

Consumer Awareness Survey

OPEIC has committed to undertake a consumer awareness survey to determine the level of public awareness of the program after the first complete year of program operation (2013). These results will be used to create a baseline of consumer awareness.

4. Collection System and Facilities

OPEIC has developed a permanent recycling network that provides year-round recycling options for consumers wishing to return their broken or unwanted electric outdoor power equipment. Return collection facilities have contracted with OPEIC and include metal recycling facilities, local governments, recycling depots and return-to-retail locations. OPEIC has partnered with the organization of steel recyclers, Canadian Association of Recycling Industries (CARI), to establish the network of collection and processing facilities. OPEIC has taken an environmentally-conscious non-conventional approach and utilized the existing collection and transportation network operated by the steel recycling business. OPEIC has complemented the metal recycling facilities with additional types of contracted return facilities to create an elaborate collection network where the public can drop off unwanted electric outdoor power equipment at no charge.

The CARI metal recyclers in BC are ideal return collection facilities for electric outdoor power equipment because they are regulated by the Ministry of Environment and have established Environmental Management Programs to ensure proper handling of hazardous wastes. In 2012 the OPEIC collection network consisted of 102 contracted collection sites, Appendix B lists all of the OPEIC collection sites contracted in 2012 as well as a breakdown of collection sites per regional district. OPEIC continues work towards establishing collection sites in underserviced areas. Table 1 provides a breakdown of the different types of collection sites across the province.

OPEIC committed in the approved program plan to contract with over 80 return collection facilities across BC by the end of 2013. By December 31, 2012, the OPEIC collection network consisted of over 100 collection sites. At the end of the reporting period, the program exceeded the 2012 target of 80 collection sites, by having contracted with 102 collection sites.

Table 1: OPEIC Collection Sites by Type, 2012

Type of Collection Site	# of Collection Sites
Retailer	8
Recycling Depot	15
Metal Recycling Facility	51
Local Government Facility	28
Total	**102**

5. Product Environmental Impact Reduction, Reusability and Recyclability

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

Product Design

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

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

Producers maximize the use of materials that can be recycled and reused. Manufacturers conduct analyses on the use of plastics and other materials in the design and manufacture of electric outdoor power equipment. This leads to a shift towards the use of recyclable metals and other materials. This also leads to the use of generic plastics and a reduction in the overall weight of products to reduce the environmental impact associated with these materials. Product designs eliminate wherever possible the use of hazardous substances, replacing with non-hazardous materials that can be reprocessed and reused.

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

Manufacturing Processes

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

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

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

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

6. Pollution Prevention Hierarchy and Product / Component Management

Electric-powered outdoor power equipment includes, amongst others, electric lawn mowers, electric snow blowers and electric-powered 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 outdoor power equipment. 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 (~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 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.

Individuals and commercial entities typically deliver electric outdoor power equipment to an OPEIC collection site either loose or in a bin. The collected OPE is combined with other metal accumulated on-site, which is then eventually sold to a larger metal recycler, who is usually a member of the Canadian Association of Recycling Industries (CARI). The majority of metal bearing products collected in BC for recycling are eventually processed by a member of the CARI network. After the sale of the metal, the OPE products are sorted by commodity and loaded into bins or baled on-site. Most whole OPE is considered as tin, a low grade ferrous metal commodity which is usually shredded here in BC, but could also be barged or trucked to a nearby facility in Alberta or Washington State. All electric OPE material is sent to a shredder due to the high cost to dismantle 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.). 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 iPhones and vehicles.

All metal recycling facilities are subject to regulation by the BC Ministry of Environment and have established environmental management programs for hazardous wastes to ensure proper recycling methods are employed. Careful separation and decontamination measures are crucial in metal recycling. Some plastic components are removed prior to shipping to metal recyclers, e.g. when they are dismantled by a repair shop, these components are sold to plastic recyclers depending on grade and market conditions. The plastic that is not removed prior to shipping is shredded on-site. Plastic shredder residue left over from the shredding operation contains plastic mixed with other non-metallic materials. This small percentage of left over shredder material has traditionally been landfilled as it is deemed to be contaminated for recycling purposes.

Outdoor power equipment comes in a wide range of shapes and sizes, from a very simple machine to larger and more complex product. The larger outdoor power equipment may have components that are included in other stewardship programs, such as. The CARI return

collection facilities that provide the collection and processing network with recyclables are linked with the collection networks for other stewarded products including tires, as these components are segregated due to their higher intrinsic value for recycling.

7. Products Sold

Table 2 displays the number of units of electric outdoor power equipment sold in BC between July to December 2012, as reported by OPEIC participants. The findings of the 2012 OPEIC non-financial audit can be found in Appendix D.

Table 2: Total Amount of Sales of Electric Outdoor Power Equipment in BC in 2012

OPE Category	Total Amount of Sales in Units
Hand-Held OPE	40,008
Walk-Behind OPE	4,895
Free-Standing OPE	10,560
Lawn Tractors	(1)*
Total	**55,463**

* No electric lawn tractors were sold in 2012, however, one was returned and the customer was reimbursed the environmental handling fee.

8. Collection Volumes

OPEIC has established 102 contracted collection sites across British Columbia. The collection network consists of retailers, scrap metal recyclers, depots and local government sites. A full detailed list can be found in Appendix B along with a breakdown of collection sites per regional district.

As electric outdoor power equipment is recycled through the CARI network, which manages various types of scrap metal, it is not possible to segregate all outdoor power equipment from the mixed- stream of recycled metal products. OPEIC has committed in its approved program plan to conduct sampling studies to estimate the quantity of OPE that is managed through the scrap metal system as part of the program's collection system. Therefore, in 2012 OPEIC conducted a sampling study to estimate the quantity of OPE that is managed through the scrap metal system as part of the program's collection system.

It is understood by OPEIC that the vast majority of scrap metal recycled in BC moves through eight CARI member companies. These eight companies represent 18 locations, of which nine sites were selected as sampling sites for the first quarter of sampling. Selection was based on the facilities of each site, the ability to safely complete a sampling program, and geographic

location. A specific contract was signed by the sites which are to act as a sampling site for the OPEIC program. Table 3 provides a list of the metal recycling facilities where the November 2012 sampling was conducted.

Table 3: 2012 Sampling Locations

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

While all of the sampling locations are within the Lower Mainland and Vancouver Island, it is known that these locations also receive materials from smaller scrap metal collectors located in other jurisdictions. The results of the sampling events showed that approximately 0.2 % of the sampled material was electric outdoor power equipment. Sampling focused on three waste streams (tin, electric motors and breakage) which were identified by CARI as being the most likely to contain electric OPEIC products. Absolute collection rate targets will be developed after a baseline of 18 months of program operation have occurred (July 2012-December 2013). Once this 18-month baseline has been established, OPEIC will provide data on collected volumes in the 2013 Annual Report based on sampling studies. OPEIC will file an amended program plan with the BC Ministry of Environment containing updated collection rate targets by April 1, 2014.

9. Revenues and Expenditures

OPEIC is funded by environmental handling fees (EHFs), which are remitted to OPEIC by its participants based on the volume of sales of new electric outdoor power equipment in British Columbia. The environmental handling fee rates were set by OPEIC in consultation with industry and retailers. In some cases, retailers recover the fees from consumers as a separate visible environmental handling fee. Program revenues are applied to the management of the program, including education and outreach and administration. Table 4 illustrates the environmental handling fee rates for program products effective since July 1, 2012.

Table 4: Environmental Handling Fees for Electric Outdoor Power Equipment per Category

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

A copy of the audited financial statement can be found in Appendix C.

10. Plan Performance

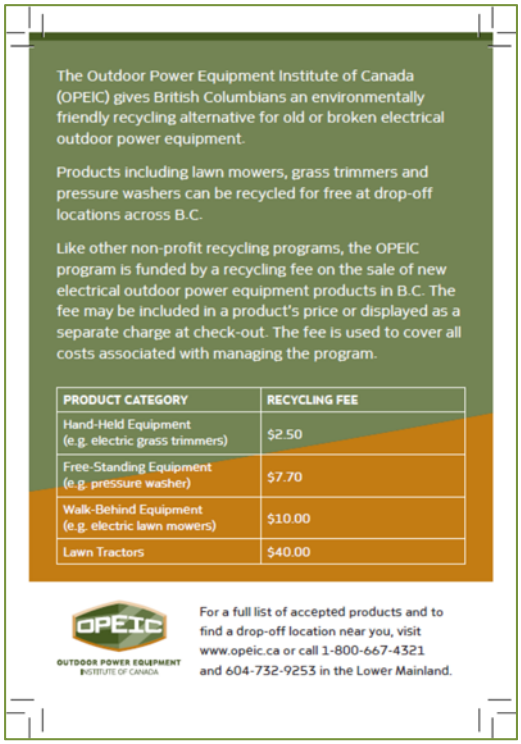
OPEIC's stewardship program for recycling electric outdoor power equipment was launched on July 1, 2012, following is a comparison of the program to the targets stated in the approved Program Plan.

Plan Target	2012 Results	Strategies for Improvement
1. Contract with over 80 return collection facilities across BC by the end of 2013.	By the end of 2012 OPEIC had over 100 contracted collection sites.	Continue to infill collection site gaps
2. Absolute collection rate targets will be developed after a baseline of 18 months of program operation have occurred (July 2012-December 2013).	In Progress	n/a
3. 25% of the BC's population is aware that they can recycle electric outdoor power equipment by end of 2013; 35% of the population by end of 2015, 45% of the population by end of 2017.	Will be completed before the end of 2013.	n/a
4. Program targets accessibility of 90% of the BC population by the end of 2015, where access is defined as within a 45 minute drive for those in rural areas and within a 30 minute drive for those in urban areas.	Will be completed before end of 2015	n/a
5. Undertake a two year study for mapping of the existing recycling network of fuel-powered outdoor power equipment, evaluation of the product life cycles, and provide data assessing the effectiveness of the existing recycling process for these products.	In Progress	n/a

APPENDIX A – Educational Materials

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

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



APPENDIX B – Detailed OPEIC Collection Site Breakdown

OPEIC 2012 Collection Sites

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

Collection Site Name	City	Regional District
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 Regional District
Powerhouse Auto Recycler	Cumberland	Comox Regional District
Bings Creek Recycling Depot	Duncan	Cowichan Valley Regional District
Schnitzer Steel Pacific Recycling	Duncan	Cowichan Valley Regional District
Peerless Road Recycling Drop-off Depot	Ladysmith	Cowichan Valley Regional District
Meade Creek Recycling Drop-off Depot	Lake Cowichan	Cowichan Valley Regional District
Kool Country Auto Parts	Invermere	East Kootenay
Columbia Recycle Ltd	Kimberly	East Kootenay
Aldergrove Auto Wrecking	Abbotsford	Fraser Valley Regional District
CCON Steel Inc	Abbotsford	Fraser Valley Regional District
Regional Recycling Abbotsford	Abbotsford	Fraser Valley Regional District
Stave Falls Auto Recyclers	Mission	Fraser Valley Regional District
ABC Metals Recycling	Prince George	Fraser-Fort George
Allen's Scrap & Salvage Ltd.	Prince George	Fraser-Fort George
Richmond Steel Recycling	Prince George	Fraser-Fort George
Western Equipment	Prince George	Fraser-Fort George
ABC Metals Recycling	Burnaby	Greater Vancouver Regional District
Foreshore Equipment & Supply	Burnaby	Greater Vancouver Regional District
Regional Recycling Burnaby	Burnaby	Greater Vancouver Regional District
Westcoast Metal Recycling	Langley	Greater Vancouver Regional District
Happy Stan's Recycling Services Ltd.	Port Coquitlam	Greater Vancouver Regional District
Allied Salvage & Metals	Richmond	Greater Vancouver Regional District
Regional Recycling Richmond	Richmond	Greater Vancouver Regional District
Richmond Steel Recycling	Richmond	Greater Vancouver Regional District
ABC Metals Recycling	Surrey	Greater Vancouver Regional District
Amix Recycling	Surrey	Greater Vancouver Regional District
Rypac Aluminum Recycling Ltd.	Surrey	Greater Vancouver Regional District
Scott Rd. Trading Ltd.	Surrey	Greater Vancouver Regional District

Collection Site Name	City	Regional District
Arnold's Equipment & Supplies	Vancouver	Greater Vancouver Regional District
Capital Salvage Co. Ltd.	Vancouver	Greater Vancouver Regional District
Davis Trading & Supply	Vancouver	Greater Vancouver Regional District
Regional Recycling Vancouver	Vancouver	Greater Vancouver Regional District
ABC Metals Recycling	Terrace	Kitimat Stikine
Allen's Scrap & Salvage Ltd.	Terrace	Kitimat Stikine
Western Equipment	Terrace	Kitimat Stikine
Big Y Auto Recycling	Grand Forks	Kootenay-Boundary
Alpine Recycling	Trail	Kootenay-Boundary
Highway 4 Auto Recyclers	Coombs	Nanaimo Regional District
Alpine Recycling	Nanaimo	Nanaimo Regional District
Amix Salvage & Sales	Nanaimo	Nanaimo Regional District
Nanaimo Recycling Exchange	Nanaimo	Nanaimo Regional District
Regional Recycling Nanaimo	Nanaimo	Nanaimo Regional District
Enderby Rentals	Enderby	North Okanagan
DC Campbell Recycling	Dawson Creek	Peace River Regional District
Wide Sky Disposal	Fort Nelson	Peace River Regional District
ABC Metals Recycling	Fort St. John	Peace River Regional District
Richmond Steel Recycling	Fort St. John	Peace River Regional District
Augusta Recyclers Inc.	Powell River	Powell River Regional District
Blackpoint Auto Recyclers	Powell River	Powell River Regional District
Seasport Outboard Marina Ltd.	Prince Rupert	Skeena Queen Charlotte Regional District
Rev It Up	Lillooet	Squamish-Lillooet Regional District
ASM Squamish Scrap Metals Ltd.	Squamish	Squamish-Lillooet Regional District
Regional Recycling Whistler	Whistler	Squamish-Lillooet Regional District
ABC Metals Recycling	Campbell River	Strathcona
Schnitzer Steel Pacific Recycling	Campbell River	Strathcona
W. T. M. Recycling Services Ltd	Gibsons	Sunshine Coast Regional District
Sechelt Pick-Up Recyclers	Sechelt	Sunshine Coast Regional District
Kamloops Scrap Iron Ltd	Kamloops	Thompson-Nicola Regional District

Breakdown of OPEIC Collection Sites per Regional District

Regional District	# of Collection Site
Alberni Clayoquot	2
Bulkley Nechako*	0
Capital Regional District	6
Cariboo	24
Central Coast	1
Central Kootenay	6
Central Okanagan	5
Columbia Shuswap*	0
Comox Regional District	2
Cowichan Valley	4
East Kootenay	2
Fraser Fort George	4
Fraser Valley	4
GVRD	16
Kitimat Stikine	3
Kootenay Boundary	2
Mt. Waddington*	0
Nanaimo Regional District	5
North Okanagan	1
Northern Rockies*	0
Okanagan Similkameen*	0
Peace River	4
Powell River Regional District	2
Skeena-Queen Charlotte	1
Squamish Lillooet	3
Strathcona	2
Sunshine Coast	2
Thompson Nicola	1
TOTAL	**102**

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

APPENDIX C – 2012 OPEIC Financial Statements

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA

FINANCIAL STATEMENTS

31 DECEMBER 2012

ROLFE, BENSON LLP
CHARTERED ACCOUNTANTS

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA

Financial Statements

For the period ended 31 December 2012

Contents

ROLFE, BENSON LLP
CHARTERED ACCOUNTANTS

ROLFE, BENSON LLP

CHARTERED ACCOUNTANTS

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INDEPENDENT AUDITORS' REPORT

To the Members,
Outdoor Power Equipment Institute of Canada

Report on the Financial Statements

We have audited the accompanying financial statements of Outdoor Power Equipment Institute of Canada, which comprise the statement of financial position as at 31 December 2012, and the statements of changes in net assets, operations and cash flows for the period 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.

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

INDEPENDENT AUDITORS' REPORT - Continued

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 2012, and the results of its operations and its cash flows for the period then ended in accordance with Canadian accounting standards for not-for-profit organizations.

Rolfe, Benson LLP
CHARTERED ACCOUNTANTS

Vancouver, Canada
18 June 2013

4. Common control - Continued

	31 December 2012 (4 months)	31 August 2012 (12 months)
Results of Operations		
Total revenues	**$ 2,657,539**	$ 3,798,141
Total expenses	**1,111,840**	3,740,345
Excess of revenue over expenses	**$ 1,545,699**	$ 57,796

	31 December 2012 (4 months)	31 August 2012 (12 months)
Cash Flows		
Cash from operating activities	**$ 483,714**	$ 65,915
Cash used in investing activities	**-**	(97,365)
Increase in cash	**$ 483,714**	$ (31,450)

5. Due to OPEI

The amount is unsecured, non-interest bearing and without specific terms of repayment.

3. Financial instrumentsFinancial instruments and financial risk - 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.

4. Common control

By virtue of a common Board of Directors, OPEIC and Outdoor Power Equipment Institute ("OPEI"), an organization incorporated in the United States, 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 for OPEI as at 31 December 2012 is unaudited and prepared by management. The financial summary as at 31 August 2012 are based on the audited financial statements. All amounts are presented in US dollars.

OPEI

	31 December 2012	31 August 2012
	(unaudited)	(audited)
Financial Position		
Total assets	**$ 8,215,734**	$ 10,134,058
Total liabilities	**1,372,814**	4,885,533
Total net assets	**6,842,920**	5,248,525
	$ 8,215,734	$ 10,134,058

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

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

(d) Use of estimates

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

3. Financial instruments and financial risk

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 2012.

(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. The Association's main credit risks relate to its cash and cash equivalents and accounts receivable. Cash is in place with major financial institutions. Concentrations of credit risk with respect to accounts receivable are limited due to the large number of customers. The Association has evaluation and monitoring processes in place and writes off accounts when they are determined to be uncollectible.

1. Incorporation

Outdoor Power Equipment Institute of Canada ("OPEIC") was incorporated under the Canada Corporations Act on 15 February 2012 and commenced operations on 1 July 2012. As such, 2012 includes only 6 months of operations. 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 recycling fees is recognized at the time a recycling fee applicable product is sold by a member of OPEIC, and the recycling fee becomes due and payable.

(b) Cash and cash equivalents

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

(c) Financial instruments

(i) Measurement of financial instruments

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

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

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

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA

Statement of Cash Flows

For the period ended 31 December 2012

Cash provided by (used in):		
Operating activities		
Excess of revenues over expenses for the period	$	10,187
Changes in non-cash working capital balances		
Accounts receivable		(43,460)
Accounts payable and accrued liabilities		231,925
HST payable		2,371
		201,023
Financing activity		
Advances from OPEI		6,019
Net increase in cash		207,042
Cash - beginning of period		-
Cash - end of period	$	207,042

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

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA

Statement of Operations

For the period ended 31 December 2012

Revenues	**$ 230,235**
Expenses	
Program administration	**204,754**
Communications	**15,294**
	220,048
Excess of revenues over expenses for the year	**$ 10,187**

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 period ended 31 December 2012

Balance - beginning of period	**$**	**-**
Excess of revenues over expenses for the year		**10,187**
Balance - end of period	**$**	**10,187**

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

OUTDOOR POWER EQUIPMENT INSTITUTE OF CANADA
Statement of Financial Position
31 December 2012

Assets

Current	
Cash	**$ 207,042**
Accounts receivable	**43,460**
	$ 250,502

Liabilities

Current	
Accounts payable and accrued liabilities	**$ 231,925**
HST payable	**2,371**
Due to OPEI (Note 5)	**6,019**
	240,315

Net Assets

Unrestricted	**10,187**
	$ 250,502

APPROVED BY THE DIRECTORS:

_____ Director _____ Director

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

APPENDIX D – Third Party Assurance Statement for Non-Financial Information