



Newfoundland and Labrador
Paint Recycling Program Plan
Product Care Association

**For submission to the Multi Materials
Stewardship Board (MMSB):**

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Executive Summary

The program plan has been developed by Product Care Association pursuant to the requirements of the *Newfoundland and Labrador Waste Management Regulations, 2003 as amended by Regulation 100/10 (O.C. 2010-290)* (the “Regulation”) issued under the *Environmental Protection Act* (O.C. 2003-226) for the three (3) year period following the commencement date of the program. Product Care proposes to establish a paint stewardship program in Newfoundland and Labrador according to the requirements of the Regulation. The Product Care Program will include the following elements:

- **Collection system** of depots and events providing coverage across Newfoundland and Labrador, including contracts and training.
- **Transportation and Logistics system** to deliver and pick up collection bins from collection sites and to consolidate before shipment to processor.
- **Processing and recycling** of collected paint and containers.
- **Tracking system** to ensure accountability of the waste paint collected including audits of collection sites and service providers.
- **Risk Management**, including environmental insurance and best management practices.
- **Administration** including collection of fees from brand owners based on sales in Newfoundland and Labrador, member relations, reporting to MMSB.
- **Performance Measures** to quantify the program’s progress.
- **Communication program** to ensure consumer awareness of the program, program products and location of collection points, including the key message of “reduce, reuse, recycle.”

1. Proposed Program Start Date

A program start date within 120 days of MMSB approval of the stewardship plan will be determined in consultation with MMSB

Program implementation will include:

- Identification, qualification and contracting with collection sites, transporters and processors
- Creation of communication strategy
- Ongoing registration and communication with producers
- Budget development, cost analysis and fee setting

2. Stewardship Organization

Product Care Association is a non-profit industry association, federally incorporated under the laws of Canada. Product Care has managed paint and other household hazardous waste industry stewardship programs since 1994. Currently, Product Care is involved in the following product stewardship programs in Canada:

- **British Columbia**
 - Paint (established 1994), flammable liquids, pesticide and gasoline (1997);
 - LightRecycle program (2010) for residential use fluorescent light bulbs and tubes;
 - Small appliances stewardship program, as program manager contracted by the Canadian Electrical Stewardship Association (CESA). Program start date August 1, 2011.
- **Saskatchewan**
 - Saskatchewan Paint Stewardship Program (2006), electronic waste program as program manager contracted by SWEEP (2007).
- **Manitoba:** Manitoba Household Hazardous Waste Stewardship Program - plan conditionally approved with proposed start date of February 1, 2012
- **Nova Scotia:** Product Care Nova Scotia Paint Stewardship Program (2002) operated in partnership with RRFB Nova Scotia
- **New Brunswick:** New Brunswick Paint Stewardship Program (2009)

Through PCA Paint Stewardship, Inc., Product Care also provides program management services to PaintCare Inc. for Oregon Paint Stewardship Pilot Program (2010)

Product Care's members are the brand owners of the products designated under the applicable provincial stewardship regulation. Product Care's existing programs include over 150 members who are manufacturers, distributors and retailers of the regulated products.

Product Care follows the principle of sector representation on its board. Currently the Product Care board is comprised of the following positions:

• Coatings	5
• Pesticides	1
• Flammable Liquids	2
• Petroleum Products	1
• Retailers	1
• Lights and Fixtures	<u>1</u>
Total	11

This structure ensures representation for all sectors producing, distributing and retailing the products managed in Product Care's programs. For more information on Product Care see www.productcare.org.

Product Care Association will administer and manage the program on behalf of the obligated brand owners. The Program will be funded by members of the program paying fees to Product Care based on the quantity of program products sold by the member into the Newfoundland and Labrador market on and after the start date of the program.

Advisory Committee:

At the request of MMSB, PCA will establish a voluntary advisory committee. The members of the advisory committee will consist of stakeholders to the program and will be determined in consultation with MMSB. As all stakeholders will only be identified once the Program is operational, this committee will be established within year 1 of the program. Program progress and issues will be discussed with the advisory committee. Recommendations of the committee will be considered by the program but will not be binding.

3. Program Members

Regulatory Reference: The Regulation defines "brand owner" as a person who:

31.1 (b)

- (i) manufactures paint in the province and sells, offers for sale or distributes that paint in the province,
- (ii) is the owner or licensee in the province of a registered or unregistered trademark under which paint is sold, offered for sale or distributed, or
- (iii) brings paint into the province for sale or distribution

This program plan is submitted by Product Care on behalf of its members who are obligated under the Regulation as brand owners in Newfoundland and Labrador, and who appoint Product Care as “agent” for that purpose. Membership in Product Care for the Newfoundland and Labrador paint recycling program is open to all brand owners of the program products (see “Program Products” in section 4), including manufacturers, distributors and retailers. As no known paint manufacturers are based in Newfoundland and Labrador, the “brand owner” as defined in the Regulation will generally be a retailer or distributor. The program will also permit customers or suppliers to join the program and file the required reports and fee remittances on behalf of the obligated brand owner (e.g. for administrative convenience, a large retailer may choose to join the program and report on all brands sold even if the retailer is not the legally obligated person).

The brand owners who have appointed Product Care as agent under the Regulation as of the date of this program plan are listed in Schedule 1. Continued efforts will be taken by Product Care to ensure that all brand owners participate in the program. Any brand owner appointing Product Care as agent after the commencement date of the program will be required to pay fees to Product Care as of the program start date.

4. Program Products

Regulatory Reference: The Regulation defines “paint” as:

31.1 (f)

- (i) a tinted or untinted latex, oil or solvent-based architectural coating used for a commercial or household purpose, and includes stain and the coating’s container, or
- (ii) a coloured or clear paint or stain sold in an aerosol container and includes the paint’s or stain’s container, but does not include coatings intended for marine antifouling or industrial applications

Products Accepted:

The Product Care program will manage post-consumer leftover paint products as defined in the Regulation. Product Care provides additional details regarding product definitions in order to harmonize the list of accepted products (“Program Products”) with Product Care paint stewardship programs in other Canadian jurisdictions as follows

- paint, as defined, and related containers, (including already empty containers) to a maximum container size of 25L, which were sold in Newfoundland and Labrador
- all paint aerosols including industrial and automotive paints

For further clarity, the following paints and coatings are included as program products:

- Interior and exterior: latex, acrylic, water-based, alkyd, enamel, oil based consumer paints
- Deck coatings and floor paints (including elastomeric)
- Varnishes and urethanes (single component)
- Concrete and masonry paints
- Drywall paints
- Primers and undercoats
- Stucco paints
- Marine paints (unless registered under Pest Control Product Act)
- Wood finishing oils
- Wood preservatives (unless registered under Pest Control Product Act)
- Melamine, metal and anti-rust paints, stains, shellac
- Swimming pool paints (single component)
- Stain blocking paints
- Textured paints
- Block fillers
- Wood, masonry, driveway sealers or water repellents (non tar based or bitumen based)
- Already empty paint containers

Brand Owner of Products:

The program will accept waste program products regardless of brand owner.

Type of User:

The program will accept waste program products from any consumer/user of the program products, including householders, commercial painters, businesses and government (all levels).

Non Program Material:

Non-program materials, whether paint (e.g industrial coatings) or non paint products (e.g. paint thinners), introduce unfunded costs and safety hazards into the system and will not be accepted. Minimization of non-program material will be achieved through a comprehensive program of public education, signage, depot agreements and staff training, as well as effective regulatory enforcement against those who abandon products at or near collection sites. Any non-program material which does enter the system will be segregated at the time of processing for special handling. Non-program paint material includes but is not limited to the following:

- Paints or wood preservatives that are registered as a pesticide under the Pest Control Act (has P.C.P. Reg # on label, eg: marine anti-fouling paint)
- Craft paint (non-aerosol)
- Automotive paint (non-aerosol)

- Industrial paints and finishes (eg: baked-on, heat resistant etc.)
- 2-part or component paints containing catalyst or activator
- Roof patch or repair
- Tar or bitumen based products
- Brushes, bags and rollers
- Paint in glass containers
- Unidentifiable or unlabeled containers
- Improperly sealed paint containers
- Paint containers with poor integrity (eg: badly rusted cans) or leaking
- Bulging containers
- Traffic or line marking paint
- Resins
- Paint thinners, mineral spirits or solvents
- Deck cleaners
- Colorants and tints
- Caulking compound, epoxies, glues or adhesives
- Other household chemicals

5. Paint Management

Regulatory Reference: The regulation stipulates that the plan shall provide for:

31.6

[...](b) the management of waste paint in adherence with the following, in order of preference:

- (i) reuse,
 - (ii) recycle,
 - (iii) recover, and
 - (iv) dispose
- [...]

(d) the brand owner's plan for achieving at least a 70% reuse rate

Relevant definitions include:

"reuse" , with respect to waste paint, means to process in such a way that it is capable of being used by a consumer as paint

"reuse rate" means the amount of paint (excluding containers) reused under a paint stewardship plan divided by the amount of paint (excluding containers) collected that may be reused, expressed as a percentage.

Factors Affecting Reuse Rate:

Factors which influence the management options for leftover paint include:

- Condition of returned paint
- Capacity of paint reprocessing facilities
- Current technology for reprocessing paint
- Markets for recycled paint

Program communications will include paint storage and handling information, and encourage the return of unwanted paint in its communication program, in an effort to improve the condition of the returned paint. If containers are not sealed properly for storage, the paint becomes hardened due to evaporation and may be no longer useable or recyclable. If latex paint is frozen a number of times, it is not suitable for reuse or recycling. Ultimately the method of storage and the timing of the decision to dispose of the paint are determined by the consumer.

Paint Management Options:

The following is a summary of management options for leftover paint collected by the program, in order of priority:

Latex Paint

- Paint exchange (given away for reuse in original container)
- Reprocessing as paint
- Raw material in other processes
- Engineered landfill

Oil Based Paint

- Paint exchange
- Reprocessing as paint
- Energy recovery
- Incineration

Aerosol Paint

- Energy recovery
- Incineration

Paint Containers

- Recycling
- Energy recovery (plastics)
- Landfill

Paint Exchange:

Product Care will implement a “paint exchange” program. The paint exchange program makes better quality returned paint available to the public at collection depots that agree to participate in the paint exchange program. This is a highly efficient way to achieve reuse as the paint does not require transportation and reprocessing, however it has the effect of reducing the average quality of the paint sent for reprocessing. As with other second hand products, users of the Paint Exchange program will be notified that the suitability of the container contents cannot be guaranteed. Special labels will be applied by depot staff to each container informing consumers of this and participants will be required to sign a waiver form prior to taking the paint away for reuse.

Paint Reprocessing:

The market for the sale of recycled paint is still developing in Canada and elsewhere. Currently, the majority of recycled paint manufactured in Canada is sold overseas. The Canadian market continues to grow, and is influenced by the steady improvement in consumer awareness and the trend to “green” building practices.

Product Care will examine all options for the processing of leftover paint. Leftover paint collected in Product Care’s current programs in NS and NB is processed by Laurentide Atlantic. Laurentide Atlantic operates a paint bulking facility in Springhill Nova Scotia and a paint bulking and reprocessing facility in Victoriaville, Québec. Laurentide markets recycled paint through a number of channels, including the “Boomerang” brand of recycled paint sold in Canada. It should be noted that the limited market for recycled paint, low demand for certain colours and the expected impacts of federal regulations related to Volatile Organic Compounds (VOC) content act as constraints to the marketing of reprocessed paint.

The program will assess the feasibility of reprocessing or partially processing leftover paint within the province of Newfoundland and Labrador. While the program strives to bulk collected paint products as close to the source as possible to reduce transportation costs, a variety of factors may limit this option at the present time in NL, including the availability of appropriate infrastructure and processors and the small population of the province. In addition, the program must consider the interface of local processing options with the pollution prevention hierarchy. The program will continue to evaluate local processing options based on economic and environmental outcomes.**Other Options:**

Not all leftover paint will be of suitable quality for paint exchange or paint reprocessing and these channels may be limited in any event. Other management options include:

- Latex paint: “downcycling” such as inclusion as a raw material in manufacturing processes, otherwise disposal in an engineered landfill
- Oil based paint: energy recovery: blended with other hydrocarbons as an alternative fuel in facilities such as permitted/licensed cement kilns with high level air quality controls, otherwise incinerated

Managing Aerosol Paints:

Leftover paint aerosols generally contain a small quantity of paint and propellant. Processing usually involves puncturing the container and draining the contents. If no recycling options are available the contents will be used for energy recovery through traditional hazardous waste management companies. If there is no energy recovery option the contents will be incinerated. The residual volumes recovered from paint aerosols are very small and represent a variety of product formulations limiting the option of recycling. The steel container will be recycled if possible. Landfilling is not an option as most of the formulations are solvent based.

Empty Paint Containers:

Once emptied at the processing facility, steel and plastic paint containers will be managed by recycling where possible. In Product Care's NS and NB programs, metal paint containers are baled and forwarded to a scrap metal recycler and some plastic containers are recycled. Recycling options are highly dependent on commodity markets. Composite containers (with plastic and metal mixed) are particularly difficult to recycle, given their small volume and economic constraints.

In order to reduce unnecessary transportation and cost, collection depots already managing scrap metal on site will be encouraged to include paint containers that are already empty when returned by consumers with other scrap metal. The program will ensure guidelines are followed and accurate records are maintained by depots for containers managed in this way.

Non-Program Material:

Non-program material which enters the system will be segregated at the processing stage for shipment to a hazardous waste management company for processing. Depending on material type, processing methods for non-program material include landfilling, physical or chemical treatment, energy recovery or incineration.

6. Product Design and Environmental Impact

Regulatory Reference: The regulation stipulates that the plan will include:

31.6

[...](e) a description of the efforts made by the brand owner to redesign paint products to improve reusability and recyclability;

[...](j) the elimination or reduction of the environmental impacts of waste paint

The ability of a stewardship program of this scope to influence product design is limited. The paint industry is a consolidating industry and most brand owners manufacture for a

market area that includes more than one province or country. The overall program objective is to reduce the environmental impact of leftover paint through the application of the pollution prevention hierarchy of reduce/reuse/recycle.

Many of the paint products covered by the program have changed over time as a result of design for environment activity. In particular:

- There has been a steady shift in the marketplace from oil based (alkyd) paints to water based latex paints. This trend is expected to continue as the consumer preference for latex paint increases and technical specifications improve.
- Federal regulations relating to volatile organic compounds and the composition of surface coatings are hastening the process of reducing the environmental impact of paint products.

Tools used by Product Care Association that may have an impact on product life cycle and reduction of environmental impact include:

- Variable fees paid to the program by brand owners which increase with the size of the container
- Promotion to the consumer of the “B.U.D.” rule, i.e. **B**uy what you need, **U**se what you buy and **D**ispose of the remainder responsibly
- Educating the consumer on the proper storage of leftover paint
- Research into other potential applications for leftover paint Participation with the Product Stewardship Institute <http://www.productstewardship.us/>, which is examining a number of issues relating to paint stewardship including lifecycle analysis.
- Product Care continues to interact with manufacturer associations such as Canadian Paint and Coatings Association to provide feedback to manufacturers regarding recyclability of both products and containers.

Product Care is also interested in partnering with MMSB to jointly fund research grants in Newfoundland on such topics as alternative recycling or management options for the collected products.

7. Local Economic Benefits

Regulatory Reference: The regulation stipulates that the plan will include:

- 31.6 (f) a description of the efforts made by the brand owner to maximize the local economic benefits created through the implementation of the paint stewardship plan

Product Care will consider local economic benefits in Newfoundland and Labrador when planning the program implementation. A local program coordinator will help manage the implementation and operation of the program. The program will utilize collection sites in the province, and the added activity may result in increased staffing of those facilities. The program will contract for transportation services for pickup from collection sites using local contractors. The cost of transportation to and from Newfoundland and Labrador will provide an incentive to the program to manage as many functions within the province as possible. Communication activities, such as the printing of program materials, are also expected to be conducted within the province.

8. Communication and Public Awareness

Regulatory Reference: The regulation stipulates that the plan will include:

31.6 (g) a communications plan for informing consumers of the brand owner's paint stewardship plan and the location of all return collection facilities, in addition to the brand owner's obligations under section 31.13

Program Launch Communication Plan:

A program launch communication strategy will inform consumers about the commencement of the program. The program launch strategy is described as follows:

Launch messages:

- A new non-profit industry sponsored and managed paint recycling program starts on [start date]. The program reports to MMSB.
- Brand owners that manufacture and market architectural paint, working together through the Product Care Newfoundland and Labrador Paint Recycling Program are taking stewardship responsibility for their products and have set up a system to recover leftover paint for reuse, recycling or proper disposal
- Partnership with retailers and others for collection system
- This program will provide economic benefits to Newfoundland and Labrador

Program information:

- NL Paint program has started
- Program will educate consumers to "buy what you need; use what you buy; bring leftover paint to the nearest collection site"
- Product Care, industry program manager, has worked with municipalities and commercial/retail organizations to establish a convenient province wide collection system, system will continue to improve over time
- Leftover paint covered by the program can be dropped off without charge at any of the collection sites

- Paint will be recycled where possible, through reuse (free paint available at selected collection sites) or, depending on quality, reprocessed for resale. Oil based paint will be recycled or used for energy recovery. Paint of insufficient quality to be recycled will be managed in an environmentally responsible way.
- The program is funded by fees paid to the program by the program members, based on the quantity of architectural paint sold in NL

Tactics/rollout:

Earned media: News release with backgrounder

- Announcement of commencement of the program, description of industry role, what is in place, how the program will roll out and what consumers will see in the spring, note the key objectives of increased access and environmentally proper management.
- Possible quotes from minister, MMSB chair, paint industry/Product Care rep, consumer or environmental association
- Include list of collection sites
- Identify 800 number and website
- Distribution: province-wide news desks, reporters who have shown an interest, trade magazines, stakeholders
- Highlight the NL Paint program website homepage for more information
- Post on NL Environment and Conservation, and MMSB websites/ media pages

Advertising: Primary methods considered will include:

- Radio clips
- Newspaper ads

Other communications products

- Q & A for internal/external use
- Update FAQs and other information as necessary on website and in other materials
- Display material (branding) – pop up banner(s) for events/photo ops
- Speaking notes
- Special mail-out to trade-painters (large volume users of paint)

Evaluation of launch

- Calls to 800 number
- MMSB and stakeholder feedback
- Media coverage, tone/content/position

- Municipal and commercial/retail feedback

Ongoing Communication Plan:

The program will include ongoing communication and outreach efforts, which may involve partnering with local governments, retailers, public educators and the media, to facilitate its communications and public education program. The program will review with MMSB the option of coordinating certain communication functions with other stewardship programs in the province. The program will also consider working with MMSB to provide some of the communications services for the program, where synergies exist.

Communication objectives will include:

- Building awareness among consumers of the program
- Identifying what products are included in the program
- Facilitating the location by the consumer of the nearest collection site
- Explaining the “BUD” rule, i.e., “**B**uy what you need, **U**se what you buy, **D**ispose of any leftovers responsibly”.
- Emphasizing the negative impact to the environment if leftover paint is not managed properly.

Delivery mechanisms for the communication program will include:

- **Point of Sale materials** – design, print and distribute to retailers, municipal offices and collection depots, public awareness and education material including:
 - Signage – posters will be printed to advise consumers of the program and how to obtain information. .
 - Brochures or counter cards
 - Paint can stickers – stickers will be offered without charge to all paint retailers. The stickers will identify the program, website and telephone hotline number.

Point of Sale materials will be distributed in advance of the program commencement date to all retailers, municipalities and collection depots.

- **Website** –the establishment of a special Newfoundland and Labrador Paint Program page on the Product Care website, which will be linked to and from the MMSB site. This website will provide information for consumers, retailers, brand owners, municipalities and other stakeholders on:
 - What’s in, what’s out (i.e. accepted program products)
 - Collection system location and hours of operation, including a “depot finder” search function
 - Program fee system
- **Paint recycling “hotline”** – the program intends to employ a toll free public enquiry “hotline” as an alternative method to enable consumers to obtain

program information. The Program will enquire about joining or augmenting any existing service offered by MMSB

- **Media Awareness** – the Program will create “earned media” through the issuance of media releases and providing information to news media.
- **Local Government** – program information will be provided to local governments. Partnering opportunities will be sought such as advertising in local garbage calendars and distributing program brochures with municipal mailings.
- **Point of Return** - signage will be provided to the collection depots informing the public that it is a collection depot for paint and further information on what products the program accepts. Point of sale brochures will also be made available for the public at the depots which will include information about the program, including applicable fees.
- **Trade Painters** – trade painters are significant consumers of paint products. Dedicated mailings to trade painters and related associations (such as apartment owners) will be provided.
- **Other:** Other promotion methods will be examined such as radio advertising, Yellow Pages and “social media”.

Awareness Survey:

The program will conduct a consumer awareness survey following year 1 of the program in order to determine the program awareness baseline and then will repeat the survey periodically to measure the success of the communications strategy. These surveys may be combined with MMSB surveys for efficiency.

9. Collection and Transportation System

Regulatory Reference: The regulation stipulates that the plan will provide for:

31.6 (h) the establishment of return collection facilities that will ensure reasonable and free consumer access for the return of waste paint and paint containers

Collection Network:

To the best knowledge of Product Care, the current paint collection infrastructure in Newfoundland and Labrador consists of:

- Hazardous waste drop-off services at the Robin Bay Hood Regional Waste Management Facility open Saturdays from June through November, and the Green Bay Waste Authority Landfill open six days a week year round.
- Hazardous waste collection events hosted by MMSB that are held in municipalities throughout the province on an annual basis.

Recycling infrastructure for products other than paint consists of:

- Return to retail system administered by MMSB for end-of-life tires and a collection system for used oil administered by the Department of Environment and Conservation.
- 39 Green Depots, 20 satellite depots and 17 mobile collection services offered by Green Depots that are licenced to accept beverage containers for deposit refund.

The intent of the program is to substantially improve leftover paint collection system accessibility for Newfoundland and Labrador residents. This will be particularly challenging in Newfoundland and Labrador as it has the lowest population density of any Canadian province: 1.36/km² (compared to 17.63/km² in NS and 10.50/km² in NB) spread across a challenging geography.

The program will not directly own or manage collection depots, but intends to contract with interested organizations. Product Care will assess the potential for establishing collection sites at facilities such as retailers, Green Depots, recycling organizations (both non-profit and for profit), local government recycling centres or transfer stations/landfills or at other associations or businesses. Actual collection locations will be determined through the implementation process based on facilities available, ability to meet environmental and safety regulations such as fire codes, ease of access, cost effectiveness and ability to meet the requirements of the program (accessibility, storage capacity etc.).

There will be no charge to drop off program products.

The program will assess the convenience and availability of the collection sites system on an ongoing basis and endeavour to establish collection sites in areas not served by the existing facilities. If a permanent site cannot be located, the program will consider running program-sponsored collection events, possibly in partnership with a retailer, or local governments or other stewardship agencies.

Collection site hours of operation will vary depending on the type of facility. Local government facilities may only be open during limited hours.

The program will target a minimum of nineteen permanent collection sites in the following communities:

- Bay Roberts
- Carbonear
- Clarenville
- Conception Bay South
- Corner Brook
- Deer Lake
- Gander
- Grand Falls
- Happy Valley-Goose Bay
- Labrador West
- Lewisporte
- Marystown

- Mount Pearl
- Port Aux Basques
- Port Aux Choix
- St. John's (3 locations)
- Stephenville

PCA will have as many as possible of the 19 sites operational by the launch date, with the intention of having all operational by the end of year 1 of the program. During years one and two, PCA will implement a collection service in or near each of the following 31 additional communities identified by MMSB:

- Riverhead
- Dunville
- Bonavista
- Twillingate
- New World Island
- Fogo
- Glovertown
- Robert's Arm
- Springdale
- Botwood
- St. Alban's
- New Wes Valley
- Gambo
- Pasadena
- Baie Verte
- La Scie
- Burgeo
- Rocky Harbour
- St. Anthony
- L'Anse Au Loup
- Mary's Harbour
- Port Hope Simpson
- Cartwright
- Charlottetown
- St. Lewis
- Hopedale
- Potsville
- Makkovik
- Nain
- Rigolet
- Black Tickle

This collection network will be assessed on an ongoing basis in terms of effectiveness and consumer convenience.

Collection Site Procedures:

The program will enter into contracts with each collection site, which will cover respective roles and responsibilities. A collection site procedures manual will be distributed to and maintained by all collection sites and events. The manual will be referenced in the collection site agreement. The manual will include information on the following:

- Collection site requirements
- Program products information
- Reporting requirements
- Management requirements and operational procedures

The program will coordinate logistics for the collection system, arranging the drop off of empty collection containers and pick up of full collection containers. Collection containers will be in place prior to the site becoming operational. Each site will have appropriate signage.

The program website will include a “find your nearest collection site” system that is both map based and list based. Each collection site listing will provide address, operating hours and any special instructions particular to that location. Collection sites reserve the right to limit the volume of paint accepted based on available storage capacity.

Large Volume Users:

Certain depots that are better able to handle large volumes may be designated as “preferred depots” for commercial painters. Advance notice of large volumes will be requested to ensure proper storage and handling at the collection site. The program will give consideration to special direct pickups for high volume users.

Environmental Regulatory Requirements:

The NL Department of Environment and Conservation has indicated that an environmental management plan will suffice to meet the province’s regulatory requirements related to the collection and transportation of waste paint. This plan has been approved by the NL Department of Environment and Conservation. The relevant approval letter and a copy of the environmental management plan are attached.

Collection Bin System:

The program will likely collect and transport waste paint in reusable standard plastic collection bins known as “tubskids”. The tubskids are approximately 0.76 m³ (1 cubic yard) in volume, with an integrated pallet allowing movement by forklift or pallet jack. The tubskids are stackable, fitting well in a standard truck trailer in a 2 wide by 3 high configuration. Empty tubskids can be nested on a 3:2 basis for transportation efficiency. These tubskids have been successfully used in the BC, SK, NB and NS and Oregon paint stewardship programs. The tubskids have lids and may be placed indoors or outdoors. The tubskids are leakproof (when upright) in order to contain any paint

leaking from consumer containers. Collection sites will be required to keep tubskids in a secure location, not accessible at the time the depot is closed. As circumstances dictate, other types of boxes, liners or shipping containers may be used for the collection and transportation of waste paint to processors.

Transportation:

An effective transportation system is required to ensure that the collection system operates efficiently. The transportation service provider(s) for the program will service collection sites to pick up full containers of collected paint, and to drop off empty containers and any related supplies. It is the intention of the program to contract out the function of transportation of program products from collection points to consolidation or processing locations.

10. Environmental Risk Management

Product Care is cognizant of the need to minimize the potential for environmental incidents. Product Care will work with its contractors (collections sites, transporters and processors) to ensure compliance with environmental regulations and best environmental practices with respect to the collection, transportation and consolidation of leftover paint. The environmental risk management system will include:

- Tracking system
- Due diligence reviews of depots, transporters and recyclers (initial processors and downstream) to ensure compliance and for tracking system verification, conducted by third party auditor or in-house
 - Requirement of certificates of disposal & recycling, use of only reputable recyclers
 - Development of best management practices, including training, reporting and guidelines etc. for collection sites and transporters
 - Where required and available, environmental impairment insurance will be obtained.

11. Auditing Mechanisms

Regulatory Reference: The regulation stipulates that the plan will provide for:

- 31.6 (i) the assessment of the performance of the brand owner's plan by an independent auditor

Product Care will provide for an independent assessment of the program plan following consultation with MMSB to determine the parameters of the assessment.

12. Performance Measurement

Regulatory Reference: The regulation stipulates that the plan will provide for:

31.6 (c) the brand owner's expected capture rate

Experience in other provincial paint programs has indicated that program performance cannot be measured by a single factor. As such, the program will utilize a number of performance measurement methods.

Capture Rates and Recovery Rates:

A program's "capture rate" is a comparison of the volume of paint recovered to the volume of paint "available to be collected" (i.e. 100% of the waste paint). The quantity of leftover paint "available for collection" is difficult to determine with any precision. Leftover paint is often stored by consumers for several years before the decision is made that it is no longer wanted. Once this decision is made, the unwanted paint is often stored for a further period until there is reason to remove it, such as a change of residence. The amount of paint available for collection, compared to the amount sold, has been estimated to be from 5% to 10% or more.

Another measure is the volume of paint recovered compared to the volume of paint sold. This measure can be determined based on program data and is referred to as the "recovery rate." The quantity of paint collected (measured in litres) will be known to the program from collection and processing reports. The quantity of paint sold (measured in litres) can be determined from brand owner reports to the program. Based on Product Care's program experience in other provinces, the NL program is expected to achieve an initial recovery rate of about 2% (litres of paint recovered v. sold), but this number is expected to climb as the program matures. In its first year of operation, the New Brunswick program achieved a recovery rate of 2.7%. Currently the BC program, the longest standing paint stewardship program in Canada (in existence for 16 years), has a recovery rate of about 9%.

Reuse Rates:

The program will track the management methods and disposition of the leftover paint collected. This will include records of quantities given away at depots as part of the "paint exchange" program, residual quantities recovered by processors, and the volumes of residual paint utilized in different management methods. In particular, the program will report on the requirement in the Regulation of the reuse of 70% of the recyclable paint collected.

Historical Comparison:

Another indicator of program performance is to compare the change in recovered volumes over a period of time. This provides a measure of program performance

compared to the prior year. Generally, an increase of recovered volumes over time indicates an improvement in program performance. However, other influences which may increase or decrease the quantities available to be recovered must be considered such as population growth, the effect of housing market activity on the consumption of products such as paint, product reformulation and regulatory changes. The program will target an increase in recovery rate of 0.5% per year.

Benchmarking:

Another indicator is to compare other paint stewardship programs. The following table compares 2010 data from the BC, SK, NS and NB paint programs.

2010	BC	SK	NS*	NB
Population	4,531,000	1,045,600	942,500	751,800
Area (km2)	944,734	651,035	55,490	73,437
Collection Depots	114	70	98	58
Collection Event Days	16	2	31	55
Paint Sales (L)	31,237,073	6,642,838	6,288,208	5468549
Volume Recovered (L)	2,910,800	250,540	491,915	261,199
Leftover Paint Recovery Rate based on sales volume	9.3%	3.8%	7.8%	4.8%

*Nova Scotia Dec. sales data estimated based on historical trends

Waste Audits:

Another approach to measuring recovery is to try to measure what is not recovered through techniques such as waste audits. However, household hazardous waste is only about 1% of the waste stream, and waste audits are based on a very small sample, so that the extrapolation error can be significant. Also, while conducting an audit, it is often difficult to identify the type of paint if the label is no longer intact, or the volume of the contents, if any, due to handling and compacting. The program will consider participating in waste audits if there is an opportunity.

Consumer Awareness:

Another possible measure is that of consumer awareness. While this is not a direct measure of recovery rate, higher consumer awareness presumably will lead to increased consumer participation. Product Care proposes to conduct a consumer awareness survey as part of its communication program after the second year of the program and yearly thereafter.

Annual Report:

As required by Section 31.12 of the Regulation, the program will also report on each of the following measures on an annual basis:

- The total amount of waste paint collected in the province by the brand owner;
- The total amount of waste paint processed or in storage;
- the percentage of waste paint collected that was reused, recycled, contained, or otherwise treated;
- A description of the types of processes utilized to reuse, recycle, contain, or otherwise treat or dispose of, waste paint;
- A description of efforts to redesign paint products to improve reusability and recyclability;
- The location of all return collection facilities;
- The location of processing or containment facilities for waste paint;
- The types of consumer information, educational materials and strategies adopted by the brand owner;
- The annual financial statements prepared by an independent auditor of the revenues received and the expenditures incurred by the paint stewardship plan;
- An assessment of the performance of the brand owner's plan prepared in partnership with the board; and
- Other information requested by the board that relates to the paint stewardship plan.

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Schedule 1 – List of Registrants

The following brand owners have appointed Product Care as their agent for the Newfoundland and Labrador paint stewardship program as of June 14, 2011:

Auckland's Grainger Inc.
Akzo Nobel Canada Inc.
Alexandria Moulding (DecoSmart Paint)
Behr Process Corporation
Benjamin Moore
Calibre Environmental Ltd.
Canadian Tire Corporation Ltd.
Cansel Survey Equipment Inc.
CanWel Hardware Division (Chalifour, Tim Br-Mart)
Castle Building Centres Group Ltd.
CBR Products
Complementary Coatings Corp.
Denalt Paints Ltd. (Peinture Denalt Ltee)
Ducan Products Inc.
Dynamic Paint Products Inc.
Fibre Glass Evercoat Co.
Ford Motor Company
Forrest Paint Co.
Henry Company Canada Inc.
Homax Products
Home Depot of Canada Inc.
Home Hardware Stores Limited
ICI Canada Inc. (SEE AKNO NOBEL)
K. G. Packaging Inc.
Kent Building Supplies
Kleen-Flo Tumbler Industries
Laurentide Resources (Peinture Recouperes de Quebec)
LPS Laboratories
Martin & Associates Inc.
Napier Environmental Technologies (See Martin and Associates)
Peinture Laurentide Inc.
Peintures MF Paints Inc.
Plasti-Kote Inc. (See Valspar Inc.)
Polymer Science Corporation
PPG Canada Inc.
Princess Auto Ltd.
Pro Form Products Ltd.
Produits De Plancher Finitec Inc.
P.S. Atlantic

Rust-Oleum Corporation
Saman (3777472 Canada Inc.)
Seymour of Sycamore Inc.
Sico Inc. (SEE AKNO NOBEL)
Sika Canada Inc
Swing Paints Ltd.
The Flood Company of Canada
The Sansin Corporation
TriniTec Distribution Inc.
TruServ Canada
UCP
Valspar Inc. (Mississauga)
Wal-Mart Canada Corp.
Wood Essence Distributing
XIM Products, Inc.
Zellers (Hudson's Bay)