



July 16, 2003

Report on the HRAI June 2003 Extended Producer Responsibility Survey.

1. Introduction

The provincial governments are in the process of implementing extended producer responsibility (EPR) programs dealing with the waste created in the installation of new products. This waste can be anything from the packaging used to wrap the new product in transportation; to the disposal of the decommissioned equipment the new product is replacing. The idea of these programs is to modify both physical and financial responsibilities for this waste stream to include the producers and installers of the goods. More information on this topic can be found at the Environment Canada website <http://www.ec.gc.ca/epr>

It seems apparent that the HVACR industry will be included in these programs similar to the industry's EPR obligations under the Refrigerant Management Canada Program. The HRAI Board of Directors agreed that the association needs to learn how the industry could respond to an EPR regulation covering HVACR equipment and accessories.

In May of 2003, HRAI distributed an EPR survey to HRAC (contractor) members on current practices in the disposal or recycling of decommissioned HVACR equipment and accessories. The results of this survey and observations from the survey are contained in this report.

2. Survey Sample and Respondent Profile

The survey was forwarded to 625 members of the Heating, Refrigeration and Air Conditioning Contractors of Canada (HRAC) and 171 responses were received by the completion date of June 16, 2003. The results are drawn from only those received by the deadline. This response rate of 27.5% is considered a good sampling to determine trends in the industry.

The profile of the respondents is as follows:

Number of companies dealing in:

Residential:	135	(78.94%)
Commercial:	129	(75.43%)
Industrial:	59	(34.50%)

Number of employees of participating companies:

Under 10	78
11-20	44
21-30	19
Over 30	25

Products companies are responsible for installing:

Furnaces/AC/Heat pumps	156
Commercial refrigeration equipment	46
Boilers	120
Rooftops and Air Handlers	123
Chillers	35

Other products listed by respondents:

<i>Fireplaces</i>	<i>Water Heaters</i>
<i>Fans</i>	<i>Walk in Coolers</i>
<i>Ground Source HP</i>	<i>Infrared Heaters</i>
<i>Radiant – infloor</i>	<i>Precision Cooling</i>
<i>Chimneys</i>	<i>Oil tanks</i>
<i>Wood Stoves</i>	<i>Make up air/HRV's</i>

3. Respondent Results on Treatment of Decommissioned Equipment and Parts

Furnaces / Air Conditioners / Heat Pumps

156 respondents indicated they deal in these products. Respondents marked all options that applied to their business:

A – Transport to recycling facility:	64	41.02%
B – Transport to landfill site:	19	12.18%
C – Have picked up by scrap dealer:	118	75.64%
D – Leave with customer:	10	6.41%
E – Retain for future parts use or resale:	34	21.79%
F – Return through manufacturer’s recycle program:	13	8.33%
G – Other:	2	1.28%

Rooftops and Air Handlers

123 respondents indicated they deal in these products. Respondents marked all options that applied to their business:

A – Transport to recycling facility:	54	43.90%
B – Transport to landfill site:	16	13.00%
C – Have picked up by scrap dealer:	92	74.79%
D – Leave with customer:	4	3.25%
E – Retain for future parts use or resale:	25	20.33%
F – Return through manufacturer’s recycle program:	10	8.13%
G – Other:	3	2.43%

Commercial Refrigeration Equipment

46 respondents indicated they deal in these products. Respondents marked all options that applied to their business

A – Transport to recycling facility:	26	56.52%
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B – Transport to landfill site:	4	7.40%
C – Have picked up by scrap dealer:	39	84.78%
D – Leave with customer:	4	8.69%
E – Retain for future parts use or resale:	8	17.39%
F – Return through manufacturer’s recycle program:	5	10.87%
G – Other:	2	4.35%

Boilers

120 respondents indicated they deal in these products. Respondents marked all options that applied to their business

A – Transport to recycling facility:	43	35.83%
B – Transport to landfill site:	13	10.83%
C – Have picked up by scrap dealer:	92	76.67%
D – Leave with customer:	4	3.33%
E – Retain for future parts use or resale:	14	11.67%
F – Return through manufacturer’s recycle program:	4	3.33%
G – Other:	2	1.67%

Chillers

35 respondents indicated they deal in this product. Respondents marked all options that applied to their business:

A – Transport to recycling facility:	19	54.29%
B – Transport to landfill site:	3	8.57%
C – Have picked up by scrap dealer:	30	85.71%
D – Leave with customer:	4	11.43%
E – Retain for future parts use or resale:	6	17.14%
F – Return through manufacturer’s recycle program:	2	5.71%
G – Other:	2	5.71%

Ancillary Parts

Results taken from full number of respondents’ (171). Respondents marked all options that applied to their business. Many respondents did not fill in this part of the survey.

A – Transport to recycling facility:	51	29.82%
B – Transport to landfill site:	13	7.60%
C – Have picked up by scrap dealer:	81	47.37%
D – Leave with customer:	3	1.75%
E – Retain for future parts use or resale:	14	8.19%
F – Return through manufacturer’s recycle program:	18	10.53%
G – Other:	2	1.17%

Controls

Results taken from full number of respondents' (171). Respondents marked all options that applied to their business. Many respondents did not fill in this part of the survey.

A – Transport to recycling facility:	34	19.88%
B – Transport to landfill site:	19	11.11%
C – Have picked up by scrap dealer:	52	30.41%
D – Leave with customer:	9	5.26%
E – Retain for future parts use or resale:	21	12.28%
F – Return through manufacturer's recycle program:	12	7.02%
G – Other:	3	1.75%

Average Totals for All Sections

A – Transport to recycling facility:	40.18%	27%*
B – Transport to landfill site:	10.10%	7%*
C – Have picked up by scrap dealer:	67.91%	45%*
D – Leave with customer:	5.73%	4%*
E – Retain for future parts use or resale:	15.54%	10%*
F – Return through manufacturer's recycle program:	7.70%	5%*
G – Other:	2.62%	2%*

**For purposes of converting the "Totals" section into trends for the industry, the second bracket contains the calculated percentages (round numbers) of usage of each option with the total equaling 100%.*

Observations

- a) From the totals for all sections, 87% of those surveyed take and EPR approach to decommissioning equipment and parts (i.e., have it picked up by a scrap dealer, taken to a recycling facility, retained for future use or resale or return through manufacturers' recycle program.)
- b) From the totals for all sectors, 13% of those surveyed to not take and EPR approach to decommissioned equipment and parts. (i.e. leave it with the customer, transport it to a landfill site)
- c) Based on these responses, the large majority of HVACR contractors use EPR principles when dealing with decommissioned equipment and parts. However, though the percentages are small, the industry will need to address the practices of using landfill sites and leaving equipment with customers. An approach to this would be to develop voluntary industry guidelines and publicize them to the entire industry.

For more information, contact HRAI at 1-800-267-2231 or email hraimail@hrai.ca