



WINE AND SPIRITS WHOLESALERS OF CONNECTICUT, INC.

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Executive Director
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Mr. Chris Nelson
Connecticut Department of
Energy and Environmental Protection
79 Elm Street
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August 25, 2021

Re: Bottle Bill Modernization, Stakeholder Input

Dear Mr. Nelson:

The Wine and Spirits Wholesalers of Connecticut (WSWC) is appreciative of the opportunity to provide commentary on various provisions of the Bottle Bill Modernization law that became effective on July 1st. As a stakeholder in the industry we want to provide you with helpful feedback and commentary.

DEEP has posed twelve questions regarding how to proceed with implementing various sections of the new Bottle Bill Law. WSWC will attempt to answer those questions to the best of its ability. The DEEP questions will be listed before each answer and italicized.

How should DEEP apply the criteria in Section 9(a) in approving an application from a beverage stewardship organization for approval? Are there particular substantive or procedural criteria that DEEP should require or encourage applicants to meet?

WSWC believes in a beverage container stewardship organization that is representative of ALL stakeholders in the beverage container industry, including “future” deposit initiators, who may not currently be in the state’s bottle redemption program but will be “deposit initiators” under a stewardship model.

What guiding principles should govern the formation of a stewardship organization?

Broad based representation and flexibility are two important principles that should be part of the formation process. Like any new organization, a BCSO will

have its growing pains and learning curve as will all industry participants, especially those who have heretofore not been part of a bottle redemption process.

Fraud prevention is as an important aspect of this bill as any of the others. The application process should encourage applicants to specifically address Fraud prevention.

Given the need to approve a stewardship organization in advance of the July 1, 2022 deadline for submission of a stewardship plan, should DEEP set a specific deadline for submission of an application?

Yes, DEEP should set a specific deadline for application submission.

Section 9(c)(1)-(9) spells out many specific requirements that must be included in a stewardship plan in order to be approved by the DEEP Commissioner. Should DEEP clarify any of these requirements, or require specific demonstration of these elements, in the Request for Submissions? For example, should DEEP specify a timeline for achieving and exceeding the eighty per cent annual redemption rate, pursuant to Section 9(c)(1), in the Request for Submissions?

All requirements for any stewardship plan should be reasonable, measurable, achievable and cost effective as well as environmentally beneficial. Targets need to be established separately for plastic, glass and metals. These targets need to be reviewed and modified at regular intervals.

What performance criteria should a stewardship organization need to include in its submitted plan? Are there any penalties, oversight, and accountability metrics that should be applied to a stewardship organization?

WSWC believes that any stewardship organization should have performance criteria and goals and they should be clearly stated in the application. As stated above, performance should be reasonable, measurable and achievable. Any BCSO must be evaluated and be accountable to DEEP.

What additional parameters or requirements should the DEEP Commissioner specify, pursuant to Section 9(c)(10), to include in an approvable Stewardship Plan?

WSWC has no further suggestions at this time.

How should DEEP go about ensuring that members of the independent redemption centers community, municipal resource recovery facilities, municipal leaders, wine and spirit distributors, and reverse vending machine operators, and/or any others not specified in Section 9(c) are able to provide input on the Stewardship plan?

All mentioned above are Stakeholders and should have been specifically contacted by DEEP at the outset of this process. We should not leave it to each entity to self-determine if they are a stakeholder in this process. Outreach by DEEP is imperative.

Beyond the criteria specified in Section 65, are there any other criteria or considerations should DEEP take into account to optimize redemption center grant funding to (a) ensure equitable access to redemption, (b) support economic development opportunities in underserved communities, (c) expand consumer access to redemption, and (d) provide for compatibility of investments with a potential future transition to a stewardship organization-led redemption program?

WSWC has no further suggestions at this time.

What are the requisite parties that should be included in such an MOA, and how can DEEP efficiently facilitate discussions among such parties?

WSWC believes ALL wine and spirits wholesalers, and as many wine and spirit suppliers as well as the Connecticut Package Store Association should be participating in such discussions. In addition, those state and regional entities that process glass for product manufacturing should be included. Each “tier” of the wine and beverage industry should be allowed to share their story and openly brainstorm the issue.

What best practices/programs should the wine and liquor industry utilize to help them achieve the goal of collecting and processing of at least 80% of the wine & liquor containers sold in the state?

WSWC wants to again point out that currently, wine and spirit products are NOT now nor have they ever been part of the bottle deposit system. Other than the potential of a Beverage Container Stewardship program including wine and spirit products in a bottle redemption system, this Bottle Bill modernization bill DOES NOT require wine and spirit products to be part of the redemption system. Small 50ml spirit products or Nips are handled in a separate manner under the new law.

That said, other than nips, wine and spirit glass containers will continue to be manufactured by suppliers, distributed by wholesalers to retailers and sold to the public by retailers. Currently the vast majority of glass wine and spirit containers end up in the single stream recycling system. The vast majority of these containers enter the recycling bin unbroken. At some point along their journey many bottles break and contaminate and thereby become less valuable if not valueless. We need to examine the single stream system from collection methods and physical handling by haulers and others at the end of the process. We should also examine the feasibility of dual stream of curbside recycling and separating glass from other recyclables either by separate bin or bin dividers or alternate week recycling pick up of glass and all other recycling materials.

Are there other issues DEEP should consider with respect to bottle bill modernization?

WSWC has no further suggestions at this time.

WSWC once again thanks DEEP for the opportunity to participate in this very important discussion and decision making process. We are available to address any questions or concerns.

Respectfully Submitted,

Lawrence F. Cafero, Jr.

DEEP



Who is the WSWC? The Wine and Spirits Wholesalers of Connecticut, Inc. (WSWC) was established in 1964 and is the trade association representing wine and spirits wholesalers in Connecticut. Our membership totals 56 and our members distribute the vast majority of wines and spirits sold in Connecticut.

WSWC members span a diversity of size, from very large to very small, but all are family-owned businesses. Individually, they employ as many of 230 employees and as few as one person working part-time. Collectively, they are a significant and integral part of Connecticut's economy.

The members of WSWC:

- Contribute in excess of \$200 million in direct and indirect benefits to the state economy
- Provide in excess of 1,700 direct jobs to Connecticut residents
- Pay in excess of \$167 million in wages
- Pay in excess of \$60.2 million in state excise taxes
- Promote, market, sell, warehouse and deliver nearly 43,000 different brands
- Assist the Connecticut Department of Revenue Services in the collection of sales and use taxes in excess of \$141 million annually.

WSWC members are committed to ensuring that the best possible safeguards to prevent the sale of beverage alcohol to minors are in place and that adults of legal drinking age consume beverage alcohol responsibly, while at the same time providing an efficient method of distribution that offers access to a wide variety of quality wine and spirits from all over the world.

Member companies:

Connecticut, Distributors, Inc., Stratford, Conn.; Hartley & Parker Limited, Inc., Stratford, Conn., Eder Bros., Inc., West Haven, Conn., Allan S. Goodman, Inc., East Hartford, Conn., Slocum & Sons, Inc., North Haven, Conn., Northeast Beverage CT, Orange, Conn., The Winebow Group, Wallingford, Conn., Opici Family Distributing, Milford, Conn.