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STATE OF CONNECTICUT

COUNCIL ON ENVIRONMENTAL QUALITY

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Chris Nelson to: <u>chris.nelson@ct.gov</u> Supervising Environmental Analyst Sustainable Materials Management Planning & Implementation Connecticut Department of Energy & Environmental Protection (DEEP) 79 Elm Street Hartford, CT 06106

Mr. Nelson,

The Council on Environmental Quality (Council) has been a proponent of modernizing the State's Comprehensive Materials Management Strategy by implementing a higher deposit fee for beverage containers and expanding the categories of beverage containers that are subject to a deposit. In October 2020, the Council initiated an inquiry into whether a higher fee would likely increase the rate of redemption thereby reducing the amount of potentially recyclable material in the waste stream. The resulting report, *Low Deposit, Low Return* described the experience of other states with higher deposit fees that have higher redemption rates for beverage containers. Some of those states, with bottle deposits of ten cents, are achieving redemption rates of ninety percent. The Council testified to that effect when Senate Bill 1037 was being considered before its adoption as <u>Public Act 21-58</u>.

Capturing and recycling used beverage containers will be essential to managing the State's Municipal Solid Waste (MSW). According to DEEP's 2016 Waste Characterization Study, MSW in Connecticut in 2015 contained 7,293 tons of polyethylene terephthalate (PET) plastic deposit beverage containers; 3,062 tons of aluminum deposit beverage containers; and 7,311 tons of glass deposit beverage containers for a total of 17,666 tons. While not all of this material is recoverable due to contamination, more needs to be done to reduce the amount of deposit-eligible beverage containers in MSW. It is estimated that in 2015 more than twenty-five million deposit-eligible beverage containers ended up in Connecticut's trash.

The success of the Bottle Bill will depend on its implementation. As a first step in effectively implementing its responsibilities under the law, DEEP has convened a stakeholder engagement process to which the Council submits the following comments to some of the questions DEEP has asked in its scoping meeting announcement of July 16, 2021.

Ques. 1. Are the tentative objectives listed above the right objectives to guide DEEP's implementation of its responsibilities with respect to the Bottle Bill? Are there other objectives that should be included? Are there special considerations related to how these objectives should be balanced?

The objectives are consistent with the legislation that established the program.

Ques. 2. 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?

The applicants track record of performance in prior (preferably similar) activities can be an excellent gauge of future performance. In this case, where the organization making the application could be a newly-formed 501(c)(3), its track record or the track record of its constituent organizations and individuals could be the most reliable gauge of its dependability for advancing the goals of the statute.

Ques. 3. What guiding principles should govern the formation of a stewardship organization?

These are laid out in Section 9(a) of Public Act 21-58.

Ques. 4. 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?

Without a specific deadline for applications, there could be insufficient time to consider any proposal and to ask follow-up questions, if necessary. The Council does not envision competing applicants for a State beverage container stewardship organization. However, if there is a competition for that designation, an application submittal deadline would be the fairest to all applicants.

Ques. 5. 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?

Achieving the 80 percent goal is extremely important to the success of the program. Consequently, timebased goals will be essential to assess the program and implement modifications if needed.

Ques. 6. 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?

Failure to accomplish the goals specified by statute and in the "Request for Submission" would be unacceptable. Incentives or sanctions should be built into the process to prevent such an outcome.

Ques. 7. What additional parameters or requirements should the DEEP Commissioner specify, pursuant to Section 9(c)(10), to include in an approvable Stewardship Plan?

See the answer to question 8, below.

Ques. 8. How should DEEP go about ensuring that members of the independent redemption centers community, municipal resource recovery facilities, municipal leaders, wine and spirits 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?

Input from multiple stakeholders is a statutory requirement that will be needed in setting up the system and monitoring its success. The mechanisms by which a stewardship organization will solicit and respond to input from stakeholders should be explicit in the stewardship organization's application for that designation.

The Council has no comments at this time on Questions 9, 10, and 11(below).

9. 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?

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

11. 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?

Ques. 12. Are there other issues DEEP should consider with respect to bottle bill modernization?

The biggest potential problem of the modernization plan could be how to guarantee achieving, or exceeding, the needed 80 percent recovery goal for wine and spirit product containers and what incentives or penalties will be needed to motivate the stewardship organization should redemption levels drop below 80 percent.

Thank you for your consideration of these comments.

Sincerely,

Peter Hearn, Executive Director