

To: Chris Nelson, Connecticut Department of Energy and Environmental Protection

From: Sandra Grance, American Beverage Association

Date: 11/16/2021

Re: Beverage Container Recycling Grant Program

Dear Mr. Nelson:

We appreciate the opportunity to provide comments on the grant program for redemption centers. As we have highlighted before, including in our August 27 comments to DEEP, our priority is to establish as soon as possible a Beverage Container Stewardship Organization (BCSO) under Section 9 of Act 21-58. The development of the BCSO's plan will allow for systematic assessments of redemption capacity, consumer needs, and environmental justice community needs; only through that approach will we be able to comment specifically on how grants can best be used to promote the objectives of the Act.

We remain concerned that siting decisions made without the perspective of a system-wide analysis of all redemption opportunities will have unintended consequences and result in ineffective use of the grant funds. Poor siting of those facilities could result in overlapping service areas with existing sites and promoting cross-border redemption (especially in light of the upcoming expansion and 10¢ deposit). We also want to be sure that existing redemption centers can stay in business and continue to be a viable part of that system. That is why we suggested in our August comments that these funding decisions be delayed until they can be informed by the Stewardship Plan, later in 2022.

At the very least, we recommend that any funding decisions in the short term (before the BCSO plan takes effect) reflect the following principles:

- Funded redemption centers must demonstrate a long-term and sustainable business plan that demonstrates the viability of each new site.
- Funding and redemption center operations must be transparent and linked to comprehensive, regular, and performance-based reporting requirements (*e.g.*, residents served; containers per customer; customer satisfaction; proper counting, sorting, and verification procedures).
- New redemption centers must demonstrate their place in the redemption center network, including how any new site elevates performance of the entire system.

We look forward to meeting shortly with the Department to update you on the formation of the BCSO for Connecticut and to continue the work we have already begun.