# **BOTTLE BILL ADVISORY GROUP**

5.5

July 24, 2023 Bureau of Materials Management and Compliance Assurance



**Connecticut Department of Energy & Environmental Protection** 

#### **TODAY'S AGENDA**

- **1. Welcome by DEEP Commissioner Katie Dykes**
- **2.** Housekeeping and Logistics (James Albis)
- **3. Presentation: TOMRA Update (Mike Noel)**
- **4.** Presentation: Current State of the Bottle Bill (Chris Nelson)
- **5.** Presentation: Outstanding Product Questions (Chris Nelson and Laura Pointek)
- 6. Open Discussion
- 7. Next Steps

#### Welcome Commissioner Katie Dykes

### **HOUSEKEEPING AND LOGISTICS**

This meeting is being recorded.

Please remain muted unless you are speaking.

An hour is budgeted for this meeting.

We will have an open discussion after the presentations.

DEEP intends to hold Bottle Bill Advisory Group meetings once a month between now and the end of the calendar year.

DEEP encourages stakeholder feedback during this process. Feedback can be provided orally during these meetings, or via email to <u>DEEP.MMCAPlanning@ct.gov</u>.

#### **PURPOSE OF ADVISORY GROUP**

- DEEP has received a significant number of questions about Bottle Bill changes and has seen substantial interest from consumers, retailers, distributors and legislators
- DEEP is committed to transparency, predictability, and efficiency in agency processes and has determined that continued stakeholder engagement is warranted and will provide for effective implementation of the Bottle Bill
- DEEP will host a series of meetings to engage all stakeholders and legislators in a Bottle Bill Advisory Group to solicit input on the areas of interest and question regarding various components of Bottle Bill implementation
- Meetings will be held virtually, noticed in advance and include 1) presentations by DEEP staff on relevant issues requiring stakeholder education, engagement or feedback and 2) an opportunity for input from meeting participants

#### TOMRA Update Mike Noel



# Cyberattack Notice

Public Affairs TOMRA

### What we know about the attack

- TOMRA has fallen victim to an extensive cyber-attack that has directly impacted some of our data systems.
- On the morning of July 16<sup>th</sup> TOMRA Security Operations found suspicious activity in our office network, linked to our Montreal location.
- The threat actor gained access to some technical infrastructure systems, allowing them to traverse and access other sites. When this was discovered, TOMRA Security Operations started to proactively shut down services and disconnect sites to limit the attack.
- In the current situation, we have found no trace of evidence that TOMRA clients, customers, partners or their systems are at risk from the attack.
- We see no evidence of encryption of data and have not received any ransom claims.

# The Response Effort

- Immediate actions were taken to halt its progress and mitigate the potential consequences. As part of our response, we immediately disconnected certain systems to contain the attack.
- TOMRA has formed a Crisis Management team and engaged a global cyber response team from Deloitte to assist in the ongoing investigation and response.
- The cyber response teams are working to migrate some services to new, cloud-based solutions and restore other systems back into a trusted state.
- We will bring back services one by one as they are confirmed to be safe and secure.
- Large teams have been working around the clock to contain the attack, keep business running and work to reestablish normal operations. We will continue to work this way until we are certain our systems are completely clean, safe and we can again deliver full services to all customers.

## What stakeholders can expect

- **TOMRA's RVM network** in North America remains online and able to redeem containers from the public including issuing vouchers for deposit refunds.
- Scheduled and routed pickup service for beverage retailers and redemption centers will be affected. We anticipate delays and have opened an alternative communication channel so that requests for the service can be made digitally.
- **Payments of deposits and handling fees** to retailers and redemption centers will be affected depending on the existing pay cycle. The payment system for retailers and redemption centers redeeming through RVMs or manually ("conventional") is not available to us currently. All Connecticut redemption centers have been contacted directly to explain the situation. We are doing everything in our power to launch an alternative payment solution.
- At the point of collection, TOMRA drivers are **recording bag counts** on paper for the time being. This information will be saved and maintained for future reference.

# Contact information

- **TOMRA's RVM network** If your store is experiencing an RVM service issue, please contact our Service team by calling 800-542-2569.
- Scheduled and routed pickup service TOMRA's Dispatch team can be reached by calling 888-589-5723.
- Payments of deposits and handling fees to retailers and redemption centers for questions reach out to <u>Francene.gachette@tomra.com</u>
- General updates on our progress globally are posted regularly on <u>TOMRA.com</u>

Our primary focus now is to provide you the best services we can and get all systems up and running again.

At TOMRA, we believe in transparency and want to keep all stakeholders informed. We will provide regular updates about new information and our progress in restoring systems. We understand the significance of our partnership with stakeholders and sincerely apologize for disruption caused by this cyber-attack. We are committed to resolving the situation swiftly and ensuring that our services meet the high standards you expect from TOMRA.



www.tomra.com

#### Current State of the Bottle Bill Chris Nelson

#### **CT BOTTLE BILL PROGRAM – KEY TIMELINE EVENTS**

- Law passed in 1978 and went into effect 1/1/1980.
- Initial primary purpose of this program was to help reduce litter.
- In 2009, CT program expanded to include water containers. Also in 2009, unclaimed deposits (escheats) were directed to the state's General Fund (instead of remaining with the distributors).
- Public Act 21-58 passed, significantly modifying CT's program.

### **CT BOTTLE BILL ELEMENTS PRIOR TO P.A. 21-58**

Element	1980	2019
Deposit	5¢	5¢
Beverages covered	Beer, other malt beverages, carbonated soft drinks, carbonated mineral water	Same + waters (water, flavored water, enhanced water, etc)
Container types covered	Any individual, separate, sealed glass, metal or plastic bottle, can, jar or carton containing a beverage.	Any individual, separate, sealed glass, metal or plastic bottle, can, jar or carton containing a beverage. Excluded are containers over 3L containing noncarbonated beverages and HDPE containers.
Handling fee	1¢ for all containers	Beer 1.5¢, other beverages 2¢
Redemption options	Retail stores and redemption centers	Retail stores and redemption centers
Unredeemed deposits	Retained by distributor/bottler	Returned to state

### **CT BOTTLE BILL ELEMENTS POST P.A. 21-58**

Element		
Deposit	10¢ (effective <mark>1/1/24</mark> )	
Beverages covered	Beer, other malt beverages, carbonated soft drinks, carbonated mineral water, waters (water, flavored water, enhanced water, etc) + hard seltzer, hard cider, plant water, juice, juice drink, tea, coffee, kombucha, plant infused drink, sports drink or energy drink (effective 1/1/23)	
Container types covered	Any individual, separate, sealed glass, metal or plastic bottle, can, jar or carton three liters less of a carbonated beverage, or two and one-half liters or less of a noncarbonated beverage. "Beverage container" does not include any such bottle, can, jar or carton that contains less than one hundred fifty milliliters (150ml) of any such carbonated or noncarbonated beverage.	
Handling fee	Beer, hard seltzer, hard cider, other malt beverages - 2.5¢, All other covered beverages - 3.5¢ (effective <mark>10/1/21</mark> )	
Redemption options	Retail stores and redemption centers	
Unredeemed deposits	FY22 – 100% returned to state , FY 23 -95% to state, FY 24 - 65% to state, FY 25 - 55% to state, FY26 & beyond - 45% to state	

#### LABELING REQUIREMENTS FOR NEWLY-ADDED BEVERAGES

- DEEP Commissioner Dykes issued an Order effective 8/2/22 that allowed for the use of the words "Redemption Value" or the abbreviation "CTRV" on labels to signify that they can be redeemed for \$0.05 prior to January 1, 2024 and \$0.10 beginning on January 1, 2024. The purpose of the Order was to minimize disruption to product distribution and avoid any potential supply chain disruptions that could harm consumers.
- Section 8 of <u>November Special Session</u>, <u>Public Act No. 22-1</u> included this language:

"The provisions of this subsection shall not apply to any beverage container that comprises **any dealer's inventory as of December 31, 2022**, provided such beverage container was not required to have a refund value as of such date pursuant to the provisions of section 22a-243 and this section"

• P.A. 23-76 includes this language:

"Nothing in this subsection shall be construed to prohibit the sale or offering for sale of any beverage container that is embossed, stamped, labeled or otherwise affixed with a refund value of five cents, provided such beverage container comprises **any dealer's or distributor's inventory as of December 31, 2023**."

#### **EXPANSION GUIDANCE**

- CT Food Association (CFA), TOMRA & Envipco have collaborated on online guidance (https://recyclingmakescentsct.com/) and in-store signage as well.
- DEEP has also posted some updated guidance on its website.

**Beverages in this section** are now eligible for a five cent deposit refund.\* For more information visit:

\*New Connecticut State Law in effect starting January 1, 2023.



RecyclingMakesCentsCT.com

PUT UP: 12/29 TAKE DOWN: 06/01



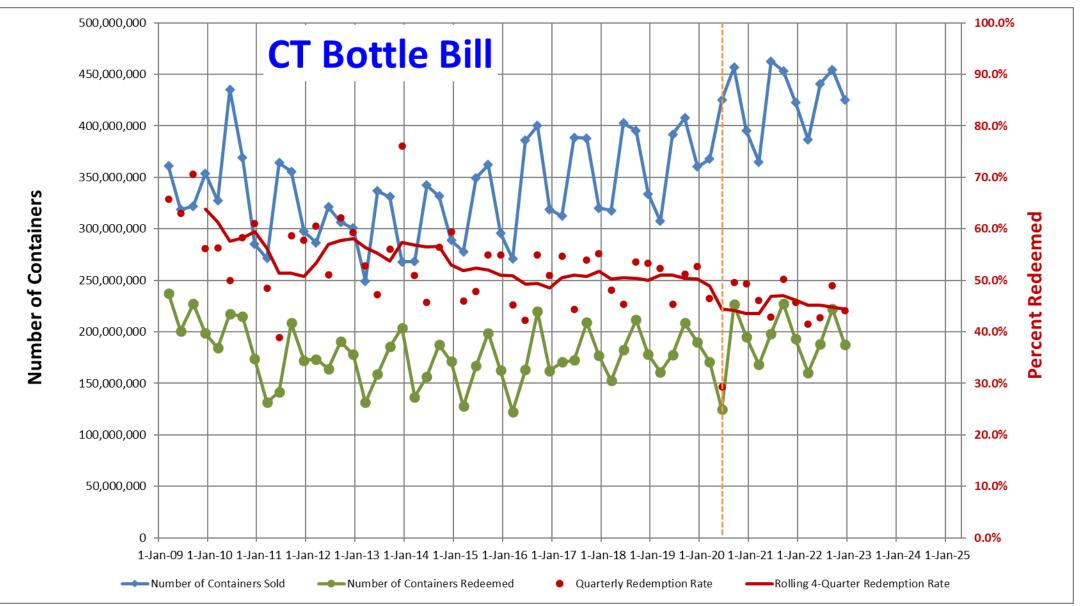
### **EXPANSION IMPLEMENTATION ISSUES**

- Complaints coming from residents (e.g., unaware of expansion, asking why newly-added products do not yet have CT return info on the label)
- Ineligible beverage, beverage containers and/or sizes are coded for deposit corrections generally made within a day
- Labeling TOMRA/ENVIPCO have programmed most new beverages and containers including larger sizes
  - Some reporting of RVM problems with larger containers, but its mostly about position of barcodes
- Holdouts distributors who have not signed up with TOMRA or pick-up agents

### **OTHER BOTTLE BILL-RELATED UPDATES**

- Requirement for Certain Retailers to install RVMs if they trigger applicability criteria (CGS 21-58, Section 7)
- Bottle Bill Stewardship Organization (CGS 21-58, Section 9)
- 5-cent Fee on Miniatures (CGS 21-58, Section 10)
- Redemption Center Grants (June Special Session, Public Act No. 21-2)
  - More information here: <u>https://portal.ct.gov/DEEP/Reduce-Reuse-Recycle/Bottles/Beverage-Container-Recycling-Grant-Program</u>

#### **REDEMPTION RATE**



#### Outstanding Product Questions Chris Nelson and Laura Pointek

### **EXPANSION CLARIFICATION – HB 6671**

- "Carbonated beverage" does not include any product that contains wine or spirits
- "Noncarbonated beverage" does not include any product that contains wine or spirits, any food for special dietary use, as defined in 21 USC 350(c)(3), or any medical food, as defined in 21 USC 360ee(b)(3)

### **OTHER BEVERAGES THAT MAY NOT BE CLEARLY IN / OUT**

Hard Ciders - What is the point of differentiation between a "hard cider" and an "apple wine"?

- Alcohol content?
- Whether or not it can currently be sold in a grocery store?

**Juice Drinks** – Are juice drinks that contain no actual fruit juice covered?

• For example, a beverage like Hi-C is essentially just flavored water, but it is not labelled as a flavored water.

**Concentrates** –

• For example, coffee concentrates.

Alcohol-Free Wines & Spirits – How does an alcohol-free wine differ from grape juice? Can it be sold in grocery stores?

#### **Open Discussion**



**Next meeting:** <u>Monday, August 21 @ 1:00 pm</u> **Topic:** Preparing for the deposit increase to 10 cents

**Planned future meeting dates:** 8/21, 9/18, 10/16, 11/20, 12/18 @ 1 pm

#### **DEEP encourages feedback on the following:**

- Any and all items discussed during Bottle Bill Advisory Group meetings
- Topic suggestions for future meetings
- Discussion topic suggestions for the 8/21 Preparing for the deposit increase to 10 cents meeting

#### Feedback, comments, and questions can be sent to <u>DEEP.MMCAPlanning@ct.gov</u>

To add your name to the email distribution list for the Bottle Bill Advisory Group, please go to <a href="https://www.surveymonkey.com/r/CTBottleBillStakeholder">https://www.surveymonkey.com/r/CTBottleBillStakeholder</a>