



3 World Trade Center
175 Greenwich Street
New York, New York 10007

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DEEP.MMCAPlanning@ct.gov *(submitted via electronic mail)*

Re: Comment on Bottle Bill Advisory Group Notice regarding the abbreviation “CTRV” for the purpose of identifying redeemable beverage containers

Dear Sir or Madam:

Diageo group of companies (Diageo) appreciates the opportunity to offer comments to the Connecticut Department of Energy & Environmental Protection’s advisory notice regarding Commissioner Dykes’ plan to revoke her 2022 Order allowing the use of “CTRV” for the purpose of identifying that covered beverage containers may be redeemed for a refund. As explained below, this change imposes costs and logistical burdens on producers of covered beverages, increases the likelihood that those costs will be repeated in the future, and is not the solution for increasing consumer awareness of redemption availability.

Background on Diageo

Diageo is a global leader in beverage alcohol with an outstanding collection of brands including Guinness and Smirnoff Ice, both of which are covered by Connecticut’s beverage container redemption program. Diageo is listed on both the New York Stock Exchange (NYSE: DEO) and the London Stock Exchange (LSE: DGE) and its products are sold in more than 180 countries around the world.

Through packaging innovation and circular strategies, Diageo and its brands are working to reduce packaging weight, increase recycled content, and reduce single-use packaging. Example initiatives helping to transform the company’s packaging footprint in North America include:

- Reducing weight in Diageo’s primary scotch portfolio by moving some of our bottles into standard, more lightweight formats.
- In 2023, Diageo removed 141 million cartons from our premium scotch portfolio across the world.
- Diageo transitioned all its plastic 50ml. formats to 100% recycled plastic bottles (rPET) in North America.
- Through recent investments in two cross-sectoral partnerships, the ‘Don’t Trash Glass’ program and the RecycWell initiative, Diageo North America has demonstrated its commitment to improving the availability of recycled glass around our production locations in Illinois and Kentucky.
 - In our first-year partnership with the Glass Packaging Institute and GlassKing Recovery & Recycling, the ‘Don’t Trash Glass’ program collected 2.2 million pounds of glass from bars and restaurants and local businesses in Illinois. Recently the program expanded to Kentucky.

- We have also partnered with industry peers in Kentucky to support local glass processing facilities that create jobs in West Louisville as part of the Workwell Industries 'RecycWell' initiative.
- Over the past several years, the company has removed over 600 tons of corrugated cardboard packaging by optimizing its carton dividers and shipping boxes in North America.

CT DEEP's Proposed Revocation of the "CTRV" Labeling Option is Overly Burdensome

Based on the Commissioner's 2022 Order allowing the use of "CTRV" for indicating a covered container has a redemption value, many companies, including Diageo, revised their containers accordingly, at a significant cost and logistical effort to manage updates to cans and bottle labels. Revocation of the 2022 Order will require that these costs be incurred again within a very short timeframe. Furthermore, to the extent the redemption value of 10 cents is updated again in the future, another label update and associated costs would again be imposed. If "CTRV" continues to be an allowable option, future changes to the redemption value would not necessitate additional label changes.

Other Options Exist to Increase Consumer Awareness of the CT Redemption Value

We think there is an important opportunity to improve CT's beverage container recycling rate by better educating consumers about the state's bottle bill program and the container refund value. We would recommend a multifaceted approach emphasizing consumer education campaigns and in-store signage, which could have a much greater impact than merely changing the on pack label. At this important stage for the CT program, we would welcome further opportunity to dialogue with DEEP about what such an approach might entail. The state may have an opportunity to blaze a trail by developing a best-in-the-nation bottle bill consumer education initiative that does not rely on the archaic on-pack approach.

Any Changes to Container Labeling Requirements Should Provide Sufficient Lead Time

Any required label update, including due to the revocation of the "CTRV" labeling option, should provide producers with fair and reasonable timelines for compliance. At a minimum, the timeline for any required label update should not be shorter than 2 years. In addition, the deadline should apply to products produced after a date certain, with no obligation to remove or update labels on products produced before that date. This will avoid costly and burdensome obligations to remove or update products that are in inventory, already been sold to a distributor, or on store shelves.

We appreciate the opportunity to provide input on this matter. Please do not hesitate to contact us with any questions regarding this comment.

Respectfully submitted,

Katherine Ritchie

Director & Senior Counsel, Regulatory
DIAGEO NORTH AMERICA