



Environmental Committee Testimony
By Hal Brown, Price Chopper Supermarkets
February 28, 2014
Testimony in Opposition to SB No. 67

Chairwoman Linda Gentile, Chairman Edward Meyer, and Members of the Environmental Committee, my name is Hal Brown, I am a District Manager with Price Chopper Supermarkets, I would like to thank you for the opportunity to speak with you regarding Senate bill No.67, "An Act Concerning the Inclusion of Juices, Teas, and Sports Drinks under Connecticut's Bottle law". I am also a resident of Bristol Connecticut.

Price Chopper currently operates 8 stores in the state with a new store slated to open in Storrs in the spring. We currently employ over 1,300 full and part-time teammates.

We believe serious issues will result from expanding the coverage to include, juices, teas, fruit and sports drinks.

1. Consumers find it more convenient to do curbside recycling than to redeem their containers at the supermarket. Curbside recycling is an efficient and effective way to handle the volume of beverage containers.

It cost \$150 per ton to recycle curbside vs. thousands of dollars to handle thru the bottle bill system. The current system causes severe hardship for residents who rely on public transportation, the elderly, the disabled and parents shopping with young children.

2. All Food Retailers sets very high standards to ensure a clean and safe environment for their guests and store teammates. Good sanitation is critical to the operation of a successful store and the health and safety of our teammates and guests.

In an environment that dictates a very high level of sanitation in handling a variety of food products, All Food retailers unfortunately are required to handle a tremendous volume of dirty and unsanitary containers resulting from the current redemption system.

An increase in the number of containers all of us would have to handle would substantially increase the health and safety risks involved as well as the costs associated with maintaining a clean and safe store environment.

There is a greater exposure risk and potential for all Supermarkets to have incidents of rodent and pest infestation.

3. The current reverse vending machines are not capable of handling the increased variety of containers covered under the expanded bottle bill.

Any type of new machine technology developed to handle the additional sizes and new types of containers would create additional costs, and would likely require time before it could be available in the marketplace. Some of our stores must use storage trailers to handle these containers.

The issue of keeping storage trailers in our parking lots is governed by local zoning boards, many of which impose tight restrictions on the number of storage containers a store is allowed to have on its property.

Based on the number of items (SKUs) we carry in our stores, if the bottle law in Connecticut were to be expanded, the number of bottles and cans that were redeemed would grow substantially. The resulting storage and handling problem would then grow significantly. I strongly believe our current system cannot handle an increase to the amount and type of bottles being redeemed especially at those stores with space constraints. The current system cannot be maintained effectively without making significant improvements to system and possible structural changes to the building.

4. Please realize that our industry has a bottom line profit of 1 to 1.5%. Connecticut is already one of the highest cost states and we are competing in one of the most competitive marketplaces in the country. We can ill afford to incur any additional cost.

As evidenced by the expansion to water, in which we lose a ½ cent per bottle, costs of the newly covered categories would be increased by the manufacturer to us and then passed on to consumers. Costs associated with complying with the expansion of the bottle bill would put further pressure on our margins and result in higher grocery prices. In today's tough economic climate, now is not the time to add to consumer's food bills.

A reminder, Price Chopper is strongly committed to being a sustainable company and protecting the environment.

Our initiatives include:

We are committed to reducing the use of paper and plastic bags. We encourage our guests and teammates to use reusable bags.

- We encourage our guests to recycle plastic and paper bags and provide collection bins to accept plastic bags at each store location.
- We are a Member of the U.S. Green Building Council and have been awarded Leadership in Energy and Environment Design (LEED) Certification for numerous stores.
- More than 50% of our cardboard, paper, plastic and other waste is recycled from our stores.
- New stores are built to reduce their energy consumption by 20%.
- Our Middletown store is powered by a fuel cell that provides electricity.

Finally, we believe that the issue would be best addressed through a comprehensive solution to the solid waste management system as outlined in Governor Malloy's bill No 27-An Act Concerning Connecticut's Recycling and Materials Management Strategy.

This proposal offers a comprehensive sustainable system that will address the litter and solid waste issues of Connecticut. On behalf of Price Chopper Supermarkets and myself being a consumer in Connecticut, I urge you to please oppose the passing of SB#67.

Sincerely,

Hal Brown