



Niagara Bottling, LLC
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Testimony of Niagara Bottling, LLC
Regarding SB 506 and HB 5618

To Co-Chairs Senator Ted Kennedy, Senator Craig Miner and Representative Mike Demicco and all sitting members of the Connecticut Environment Committee:

Thank you for allowing Niagara Bottling, LLC to submit testimony on SB 506, an act concerning water usage and conservation during drought conditions; HB 5618, an act concerning an increase in the handling fee for bottle redemption centers; and SB 995, an act concerning the reduction of certain land-based marine and freshwater debris.

SB 506:

Niagara is a responsible, family-owned company with a strong commitment to conservation and sustainable practices. In each of the company's 26 world-class manufacturing plants, Niagara installs the most efficient bottling lines and ancillary equipment that allow it to be a leader in the beverage industry. A 2014 review of our equipment by the California Alternative Energy and Advanced Transportation Financing Authority (CAEAFTA) revealed Niagara's process equipment to offer a 10 percent reduction in water use relative to the industry standard manufacturing process.

SB 506, as drafted, raises a number of concerns. First, it permits individual municipalities who may not be knowledgeable in water management to override well-conceived water supply plans designed to ensure an adequate supply of clean, potable water which are developed by knowledgeable water company professionals which are currently reviewed and approved by state regulators.

Second, SB 506 is unclear as to who has the authority to declare either a water use restriction or to declare a drought advisory, watch, warning or emergency. The bill creates confusion for residential, commercial and industrial users as there is no clear delineation of authority for such notices between the local municipality, utility or the state.

Finally, SB 506 has the potential to create inconsistent requirements and restriction between the various towns which could have unequal and burdensome effects on businesses. For example, Bloomfield could implement certain restrictions whereas Hartford could implement different restrictions. To avoid this potential for disparate treatment among the various towns, for an issue that is regional in nature, the legislature should permit the WUCC and the State Water planning process address times of lower than average supply.

HB 5618:

Currently, Niagara pays two cents per container for handling fees in the state. This bill would increase that fee from 2.5 cents or 3 cents per container, depending upon the contents. Handling fees are

essentially a backwards way of taxing consumers in that those fees are not just attributed to the distributor, but the cost ultimately gets passed on to the consumer of the purchased product.

Niagara is not only a leader in sustainable practices within its manufacturing processes, product and packaging, but is also a huge proponent of recycling. Through its trade association, the International Bottled Water Association (IBWA), Niagara is engaged in The Recycling Partnership – which is comprised of a group of diverse backers who actively seek and fund efforts to increase recycling efforts across the country.

Despite the current bottle bill aimed at encouraging recycling, Connecticut as a whole has a fairly low percentage when it comes to recycling. Perhaps the State could look to models from other states, such as California, where recycling rates exceed 80%, for benchmarking opportunities to increase and encourage recycling as opposed to implementing additional taxes on consumers and cumbersome administrative policies for distributors.

Thank you.