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March 10, 2010

Mr. Mark McDermid, Director CO/7
DNR Bureau of Cooperative Environmental Assistance
PO Box 7921
Madison, WI 53707-7921

Dear Mr. McDermid,

Please accept this attachment, designated as Attachment 2, along with Tosca Ltd.'s application for acceptance into Tier 1 Green Tier certification. This letter provides information on our intent to achieve certification under the Wisconsin Green Tier Act.

Background

Tosca Ltd. services and manages returnable and reusable containers. Tosca has been in business since 1960 and has been in its present location since 1990. During that time, we have made every effort to reduce our impact on the environment. Our entire business focus is on reconditioning and reuse of containers in the food industry, including containers that are used in production and/or transportation of cheese, meat products, pizza crusts and ingredients, and various other food products. In many instances, Tosca's reusable containers replace containers that are used only once and then must be disposed of in landfills. Many of our containers, which we own and rent to customers for their use, have been used dozens if not hundreds of times, and still provide our customers with environmentally friendly alternatives to single-use containers. Tosca is a member of the Returnable Packaging Association. Tosca's president, John Frey, serves as association treasurer and currently chairs a project team researching options for asset retrieval of less than truckload quantities.

Environmental Performance

Over the years, Tosca has implemented many improvements that have reduced our energy consumption, waste generation, and overall effect on the environment. These improvements include such things as:

- Developing a process of securing boxes used in cheese production which utilizes plastic stretch wrap instead of steel angle iron corner protectors and plastic banding. This has allowed us to reduce our steel component reconditioning (chemical stripping and repainting) by 1/3rd, reducing energy, chemical, water, and paint usage in the process by a similar amount. In addition, this change has allowed us to increase the number of containers that we ship to our customers from 363 to 401 per truckload, reducing freight costs and the resulting fuel usage by over 10%.
- Developing a system for reuse of water in our beer keg repair operation which conserves over 1,500,000 gallons of water each year.
- Reformulation of our paint in our cheese container reconditioning operation which has allowed for dramatic reductions in caustic chemicals used in the process. We now strip paint from our mild steel containers with a concentration of less than 1% sodium hydroxide whereas prior to the reformulation we needed to run at 30% sodium hydroxide.

- A second reformulation of this acrylic latex paint which reduced the VOC content from .479 lbs/gallon to .21 lbs/gallon in one formula and from .769 lbs/gallon to .18 lbs/gallon in another. Usage of these two formulas in 2009 was just over 30,000 gallons, so this reformulation resulted in a reduction of thousands of pounds of VOCs being released to the atmosphere last year alone.
- Installation of automatic boiler flame and auto-trim controls, which monitor exhaust gases and automatically adjusts burners for maximum efficiencies.
- Replacement of metal halide lighting with energy-efficient T-8 lighting, which has reduced energy consumption per fixture from 400 watts to 240 watts. We have replaced over 100 fixtures in our 225,000 square foot facility.
- Installation of variable speed drives on all exhaust fans and boiler fans, reducing electrical consumption and conserving heat.
- Reduction of the temperature from 180°F to 150°F in a dryer that is used to dry one of our products, with no increase in drying time.
- Implementation of regular, documented steam trap and compressed air leakage surveys with follow-ups and repairs as needed.
- Installation of motion detector switches and programmable thermostats in offices, break rooms, locker rooms, and rest rooms. Installation of energy efficient LED emergency lighting.
- Installation of compressed air storage tanks which maximize compressor efficiencies. Also reduced compressed air pressure by 5 PSI throughout the plant with no negative effects.
- Insulation of all steam and condensate pipes, resulting in less heat loss and lower natural gas consumption.
- Identification of a use for junked wooden components from our cheese containers. Damaged plywood boards from these containers used to be landfilled. These components are now used to manufacture bee hives when they are no longer serviceable in our application.
- Recycling of used oil, parts cleaner solvents, light bulbs, computers and other electronic wastes, batteries, aerosol paint cans, and cardboard.

See Attachment 2(A) for additional detail.

Future Performance

Tosca Ltd. is in the process of developing a Green Team which will formalize the process of researching, developing, and implementing continuous improvements that will carry on our tradition of maximizing resource utilization. Tosca Ltd currently monitors water, electricity, and natural gas consumption per container produced, as well as paint and wax usage on containers that uses those items. Our Green Team will work on ways to reduce each of these resources and document our progress on these reduction efforts.

In addition to the efforts of our Green Team, Tosca Ltd. has entered into a partnership with Dr. John Katers of the Environmental Management and Business Institute at UW- Green Bay. One of our objectives in this partnership is to perform a life cycle analysis on our primary product, the wood cheese container. With this valuable information we intend to demonstrate the long term feasibility of using renewable resources in the production of one of Wisconsin's most famous and popular products, American-style cheeses.

Over the next year, Tosca Ltd will complete an Environmental Management System. We will expand upon existing initiatives and attempt to identify new programs to further our progress in achieving Green Tier certification. We will continue to identify areas where we can reduce energy consumption and conserve utilities. We will research alternatives to landfills for some of the waste that we generate which could possibly have value as fuel sources. Through education, idea sharing, and teamwork, we intend to increase awareness and improve effectiveness of our waste reduction and utility conservation efforts, resulting in a significant reduction of natural resource usage and overall environmental impact.

For additional information, please contact Curtis Dhein at (920)-617-4005 or cdhein@toscaltd.com.

Attachment 2(A)
Tosca Ltd
Environmental Performance Summary

Process/Item	Change	Impacts	Benefits
Shipping	Replaced steel angle iron corner protectors and plastic banding with plastic stretch wrap.	Air emissions, natural resources	Reduces air emissions from mobile sources and usage of natural resources. Reduces fuel usage by over 10 percent.
Beer Keg Repair	Water conservation practices	Wastewater generation, natural resources	Reduces water usage (natural resources) and wastewater discharge by 1,500,000 gallons/year.
	Recycle scrap metal	Waste disposal, natural resources	Reduces usage and mining of natural resource along with associated environmental impacts.
Cheese Container Reconditioning	Reformulation of paint which allows for reduced caustic usage in metal preparation.	Wastewater generation, natural resource usage	Reduces chemical loading of wastewater and usage of caustics. Reduces caustic usage over 30 fold.
	Recycle scrap metal	Waste disposal, natural resources	Reduces usage and mining of natural resource along with associated environmental impacts.
	Recycle damaged plywood, used to manufacture beehives.	Waste disposal, natural resources	Eliminates disposal of plywood in landfill and allows for secondary usage of waste product.
	Reformulation of paints to reduce VOC content from 0.479 to 0.21 lbs/gallon and 0.769 to 0.18 lbs/gallon.	Air emissions	Reduces VOC emissions by almost 9,600 lbs in 2009.
Process & Facility Heating	Installation of automatic flame and auto-trim controls.	Air emissions, natural resources	Reduces air emissions and natural resource usage (natural gas).
	Installation of programmable thermostats.		
	Routine inspection of steam traps.		
	Reduced process drying temperature from 180 to 150 degrees Fahrenheit.		
	Insulation of all steam and condensate piping.		
	Installation of variable speed drives on exhaust and boiler fans.		Reduces air emissions and electrical usage.
Facility Lighting	Replacement of metal halide lighting with T-8 fluorescent bulbs.	Air emissions, natural resources	Reduces air emissions and natural resource usage for generation of electricity.
	Installation of motion detector switches and emergency LED lighting.	Air emissions, natural resources	Reduces air emissions and natural resource usage.
Compressed Air	Installed compressed air storage tanks to maximize compressor efficiencies and reduced air pressure by 5 psi.	Air emissions, natural resources	Reduces electrical usage and natural resource usage for generation of electricity.
	Routine inspection of compressed air lines/equipment for leakage.		
Recycling Program	All electronic waste streams, batteries, bulbs, used oil, cardboard, parts cleaner solvent are sent offsite for recycling.	Waste disposal, natural resources	Reduces natural resource usage and landfill disposal.