

INQUIRY INTO ENERGY FROM WASTE FACILITIES

HEARING: 15 December 2025

CITY OF SYDNEY RESPONSE TO SUPPLEMENTARY QUESTIONS FROM MEMBERS

Question 1.

Councils gave evidence that waste should, where possible, be managed close to its source. What cost, operational and system impacts arise when residual waste is transported long distances from metropolitan areas to regional facilities?

Response to Question 1

The cost of collecting and transporting waste to final processing or disposal point is incorporated into the overall fee for service and these costs are, under Section 496 the NSW Local Government Act 1993, required to be charged to the owner of each parcel of rateable land for which the service is available. Where final processing or disposal facilities are located further than is considered reasonable (usually more than 15km from point of collection) for a domestic waste collection vehicle to deliver waste the City of Sydney will require the operator of the facility to nominate a waste transfer facility. The waste transfer facility will aggregate the waste, usually into larger vehicles or using rail connections where available to transport the waste to its destination. The costs of providing transfer facilities are also passed onto the City of Sydney as part of the cost of service. In the case of the Sydney metropolitan area, the availability and capacity of appropriate waste transfer stations is not consistent across the region and capacity is not guaranteed.

Question 2.

How does increased heavy vehicle waste transport affect councils' obligations and costs in relation to local road infrastructure, including maintenance standards and liability exposure?

Response to Question 2

The City of Sydney does not have specific data related to only heavy vehicle waste transport, particularly as much of the waste produced in the City of Sydney local government area is commercial or construction related waste services not provided by the council.

Question 3.

How does reliance on long-distance transport of residual waste constrain councils' ability to plan, justify or invest in local waste, recycling or landfill infrastructure over the life of existing and proposed EfW facilities?

Response to Question 3

The City of Sydney does not own or directly invest in residual waste processing infrastructure. Residual waste processing services are contracted to a commercial waste company. This is the case for many councils in the Sydney metropolitan area. The City of Sydney is not aware of any existing operational energy from waste facilities capable of accepting residual municipal solid waste in NSW. As referenced in response to Question 1 above where final processing or

disposal facilities are located further than is considered reasonable (usually more than 15km from point of collection) for a domestic waste collection vehicle to deliver waste the City of Sydney will require the operator of the facility to nominate a waste transfer facility.

Question 4.

How does the current level and structure of funding available to councils compare with the costs and responsibilities involved in managing residual waste, particularly where waste is transported long distances to regional facilities rather than managed locally?

Response to Question 4

Councils levy a fee for providing domestic waste services through a levy under Section 496 the NSW Local Government Act 1993. Councils are required to levy a charge to the owner of each parcel of rateable land for which the service is available. In addition, from time to time there may be some contestable grant funding available to councils and industry from the NSW Government for specific waste and recycling related projects. Typically, the grants will not cover operational costs of delivering services and grants available for infrastructure development would only cover a small proportion of the cost to develop new waste infrastructure. As documented in the 2025 NSW Waste and Circular Infrastructure Plan¹ there is an overall “lack of strategic planning for waste infrastructure – planning like that done for electricity and water” in NSW with the Greater Sydney region most severely impacted. Waste and recycling can only be managed locally if there are facilities constructed and permitted to operate locally.

Question 5.

Based on council experience with long-term waste contracts, how does reliance on a small number of regional EfW facilities affect councils’ exposure to contractual, financial or service risks if those facilities are disrupted or constrained?

Response to Question 5

The City of Sydney does not have any contracts with energy from waste facilities nor is aware of any existing operational energy from waste facilities capable of accepting residual municipal solid waste in NSW.

Question 6.

How does long-term reliance on regional residual waste facilities affect councils’ ability to respond to future changes in waste policy, recycling targets or emerging waste technologies?

Response to Question 6

Regional residual waste facilities do not directly impact councils’ ability to respond to future changes in waste policy, recycling targets or emerging waste technologies. Existing longer-term contracts for residual waste processing do not prevent councils from promoting and supporting services that deliver increased waste avoidance, reuse and recycling. While City of Sydney acknowledges the need for ongoing long-term need for residual waste treatment our priority is

¹ <https://www.epa.nsw.gov.au/sites/default/files/2025-09/25p4616-nsw-waste-and-circular-infrastructure-plan.pdf>

to reduce the amount of waste we need to send to these facilities through waste avoidance education and increasing the number of recycling services we provide to our residents.

Question 7

Councils gave evidence that landfill will remain unavoidable for managing residual waste, and that current waste reduction and recycling targets are not being met. Given the current waste strategy does not provide a clear pathway for maintaining or expanding landfill capacity, what elements would need to be addressed for the strategy to function as a complete and workable system rather than relying primarily on regional EfW facilities?

Response to Question 7

The City of Sydney believes that the NSW Government is yet to deliver an integrated statewide plan to accommodate and deliver long-term waste infrastructure needs. Planning for residual treatment alongside, rather than in isolation to, recycling and resource recovery infrastructure is vital to NSW achieving its circular economy goals. Additionally, it must be acknowledged that there is still a considerable disconnect between the waste generated by the community and their understanding of the need to manage it. It is essential that the community understands waste management is a shared responsibility. Without meaningful and enhanced community engagement the development of necessary infrastructure will continue to be opposed regardless of location.