**Submission No 149**

# INQUIRY INTO 'ENERGY FROM WASTE' TECHNOLOGY

**Organisation**: Wollongong City Council

**Date received**: 26 May 2017

WOLLONGONG CITY COUNCIL
Address 41 Burelli Street Wollongong • Post Locked Bag 8821 Wollongong DC NSW 2500
Phone (02) 4227 7111 • Fax (02) 4227 7277 • Email council@wollongong.nsw.gov.au
Web www.wollongong.nsw.gov.au • ABN 63 139 525 939 - GST Registered

To the Director
Legislative Council - Portfolio Committee No. 6
Parliament House
Macquarie Street
SYDNEY NSW 2000

Your Ref:
Our Ref: Z17/125124
File: IW-913.05.003
Date: 26 May 2017

Dear Sir/Madam

**RESPONSE TO THE NSW LEGISLATIVE COUNCIL'S 'ENERGY FROM WASTE' TECHNOLOGY INQUIRY – PORTFOLIO COMMITTEE NO. 6**

Please find herein Wollongong City Council's staff submission for the Legislative Council Portfolio Committee's consideration into waste disposal in NSW, particularly 'energy from waste' technology.

**a) The current provision of waste disposal and recycling, the impact of waste levies and the capacity (considering issues of location, scale, technology and environmental health) to address the ongoing disposal needs for commercial, industrial, household and hazardous waste**

The NSW Waste Levy "aims to reduce the amount of waste being landfilled and promote recycling and resource recovery" (NSW EPA). Wollongong City Council (Council) currently provides residents with a three bin domestic waste management system that successfully recovers approximately 50% of household waste materials. However, it is clear that the three bin system utilised and the Waste Levy together will not enable Council to reach its strategic goal of 70% resource recovery by 2022. Therefore Council is extremely interested in the appetite for NSW to consider energy from waste technology as an alternative to landfill.

Council recommends that as well as looking into the viability of alternative technologies such as energy from waste, the State Government should invest more of the Waste Levy into Local Government through the Waste Less Recycle More (or other suitable) program. Despite the Waste Levy continuing to increase State Government revenue ($675M in 2015/16, up $91M from 2014/15) including Wollongong's own approximately $1M per month contribution, reinvestment into Council to support reduction of waste to landfill and promotion of recycling and resource recovery continues to diminish and is now down to $18k per month. That is less than 2% of Council's levy contribution.

**b) The role of 'energy from waste' technology in addressing waste disposal needs and the resulting impact on the future of the recycling industry**

The generation of waste is an unfortunate by-product of our society. The disposal of these waste materials has traditionally been supported by landfill. Urbanisation has led to a reduced ability to locate new and suitable space to continue to landfill. This is highlighted by the fact that much of Sydney's waste now travels around 250-300km to the Woodlawn facility near Goulbourn.

Wollongong is no different, with new landfill opportunities anticipated at being increasingly difficult to secure into the future. Accordingly, an improved solution to waste management, such as energy from waste or other technology must be considered and supported.

The anticipated impact of energy from waste on the recycling industry should be reviewed by the State Government through the results of international learnings, which in numerous cases have had recycling and energy from waste running side by side for many years. The circumstantial evidence researched by Council suggests that the countries with the highest recycling rates have also embraced energy from waste technology.

From a local perspective, Council has provided its residents with a fortnightly recyclables collection since approximately 1994. The early performance gains of the recycling bin have since plateaued and now approximately 7% greater yield (max.) can be achieved. The price that Council pays to recycle these materials has steadily increased over time coinciding with a downturn in commodity values. It is therefore logical to suggest, that energy recovery of residual waste may not have a large impact on Council's existing recycling programs.

**c) Current regulatory standards, guidelines and policy statements oversighting 'energy from waste' technology, including reference to regulations covering:**

- **i. The European Union**
- **ii. United States of America**
- **iii. International best practice**

Council is not best placed to discuss the current regulatory standards relevant to energy from waste technology in Australia or elsewhere across the globe. However, Council notes that the NSW EPA has already developed an Energy from Waste Policy to encourage "the recovery of embodied energy from waste while offsetting the use of non-renewable energy sources and avoiding methane emissions from landfill". However, the lack of energy from waste infrastructure in NSW relative to other modern jurisdictions across the globe, suggests that this 2015 Policy has not stimulated growth in this sector.

Please note that Council is currently developing an expression of interest process to seek information about waste technologies, which may or may not include energy from waste, that are potentially able to meet the communities current and future waste management requirements.

**d) Additional factors which need to be taken into account within regulatory and other processes for approval and operation of 'energy from waste' plants**

Council would like to ensure that energy from waste plants are environmentally sound and perform on par or better than fossil fuel energy plants which this state is accustomed to.

**e) The responsibility given to State and Local Government authorities in the environmental monitoring of 'energy from waste' facilities**

Council suggests that energy from waste facilities would be a Scheduled Activity under the Protection of the Environment Operations Act 1997 and therefore regulated by the NSW EPA as per other Scheduled Activities.

**f) Opportunities to incorporate future advances in technology into any operating 'energy from waste'**

NSW policy should be rigid in regard to environmental outcomes, but also allow the opportunity for disruptive innovation and technology advancement.

**g) The risks of future monopolisation in markets for waste disposal and the potential to enable a 'circular economy' model for the waste disposal industry**

Council is progressing an expression of interest process to seek information about waste technologies, which may or may not include energy from waste, that are potentially able to meet the communities current and future waste management requirements. The goal of this process is to decrease the volume of residual waste that is currently placed into landfill. Therefore, Council's individual procurement process is not expected to result in a market monopoly situation. Additionally, by targeting the currently landfilled fraction of waste, the circular economy is not expected to be unduly diminished.

Further to Council's own processes, the State Government could consider thoughtfully permitting the advancement of local demand for engineered fuel to ensure competition is stimulated.

Council welcomes the opportunity to respond to the NSW Legislative Council's energy from waste technology enquiry, please contact the undersigned should you require further information.

**This letter is authorised by**

**Manager City Works and Services**
Wollongong City Council