

**Submission
No 156**

INQUIRY INTO 'ENERGY FROM WASTE' TECHNOLOGY

Organisation: Sutherland Shire Council

Date received: 26 May 2017

Response to: Parliamentary Inquiry into 'Energy From Waste' technology

Please note that due to time constraints there has not been time for this submission to be formally endorsed by Councillors prior to the inquiry submission deadline. As such this submission must be considered a draft submission until it has been formally endorsed by Council. It is anticipated that Council will consider and endorse this submission in late June and we will formally advise the committee if this submission has been formally endorsed.

Thank you for the opportunity to provide a submission to the Parliamentary Inquiry into Energy from Waste (EfW) technology. In addition to this submission Sutherland Shire Council supports the submission made through SSROC.

Sutherland Shire Council is one of the largest local government areas by population in NSW with some 226,000 residents. Each year council collects and disposes over 50,000 tonnes of residential waste and 24,000 tonnes of recycling. This waste is disposed of at the Lucas Heights Waste Management facility and the Visy materials recovery facility in Taren Point by way of direct haulage. There are no domestic waste transfer stations in the Sutherland Shire.

In broad terms Sutherland Shire Council is supportive of EfW technology and we feel it has a crucial role to play in the Waste Management hierarchy for NSW.

Current Provision of waste disposal and recycling facilities:

Waste management in the Sutherland Shire has been shaped by successive State Government decisions relating to the operation of the Lucas Heights landfill facility. Historically the primary landfill facility in the Sutherland Shire was a government owned and operated landfill facility and as such Council did not invest in alternative waste management facilities, or invest in land suitable for transfer stations.

The Lucas Heights waste management facility is now privately owned and operated by SUEZ and is the only viable landfill option for municipal waste disposal in the Sutherland Shire. This was not an issue while the tip was in public ownership, but now the tip is privately operated Council is captive to a virtual monopoly for residual and organic waste management services.

We note that SUEZ, the operator of the tip has recently gained approval to extend the operating life of the landfill facility. The recent closure of Eastern Creek Landfill has resulted in a large proportion of the landfill waste that is generated in much of metropolitan Sydney being disposed at the Lucas Heights facility, significantly increasing the movement of heavy vehicle waste trucks across the Sutherland Shire.

While SUEZ has access to significant landfill capacity at Lucas Heights the approval to extend the life of the facility included the future construction of an Advanced Waste Technology (AWT) plant. The plant is anticipated to produce approximately 40,000 tonnes per annum of Processed Engineered Fuel (PEF), from high calorific value non-recyclable residuals. Advanced resource recovery and Energy from waste is one of the core requirements for the new facility and should be encouraged.

Recycling services in the Sutherland Shire are provided by Visy operating a Materials Recovery Facility (MRF) at Taren Point. There are no alternative MRF's in or near the Sutherland Shire. The lack of a transfer station or alternative materials recovery facilities in close proximity to the shire means that Sutherland Shire Council is reliant on Visy for co-mingled recycling services.

The inability to access Waste Levy funds for the purchase of land to establish waste recycling and other waste recovery facilities has further inhibited a regional cooperative approach in developing shared facilities.

The implementation of Energy from Waste (EfW) in NSW will help stimulate competition in the market place by providing alternative waste disposal and treatment options. If the implementation of EfW follows a similar model to that observed in Europe and Japan, it is likely that in the medium term smaller scale EfW facilities will be viable at a local scale and be able to provide direct competition to the landfills whilst also simplifying the logistics of transporting waste through our congested road networks.

Role of Energy from Waste technology.

EfW technology has a crucial part to play in the waste management hierarchy. It is an accepted and trusted technology around the world, and in particularly Europe and Japan.

It is noted that EfW may have an impact on recycling. However, currently a very large amount of potentially recoverable material is being buried in landfills. Any EfW facility that captures some or all of this material that is currently being landfilled is preferable to the current situation. Furthermore through the landfill levy the State Government already has in place suitable mechanisms to influence the market should EfW technologies unduly distort recycling markets.

Current regulatory standards, guidelines and policy statements.

The current regulatory standards adopted in Europe are appropriate to apply to EfW facilities in NSW. It is noted that under the current planning regime it is currently a simpler process to gain regulatory approval for a landfill than it is for an advanced waste technology. This represents a significant impediment to the implementation of alternative waste management systems in NSW. In part this situation could be improved by adopting the approach used in Victoria where waste management facilities are recognised as essential infrastructure and providing streamlined approval processes for these facilities.

Responsibility given to state and local government authorities for monitoring

The monitoring of EfW facilities is a highly technical activity that requires trained staff and specialist equipment. Environmental impacts from EfW facilities also impact on multiple council areas. It is appropriate that the licencing, regulation and monitoring of EfW facilities remain with the State Government, consistent with the State Government's Waste to Energy Policy. Monitoring should be performance based with new unproven and problematic facilities subject to a higher level of monitoring than proven facilities. It may be appropriate to use funds from the Waste Levy to fund monitoring and compliance activities.

Opportunities to incorporate future advances in technology

Approval to build and operate EfW facilities should be based on merit, with appropriate incentives to promote EfW technologies that maximise resource recovery outcomes. Where it is apparent that a particular EfW technology with perhaps lower resource recovery outcomes than is desirable is causing an unwanted distortion of the market it may be appropriate to use market levers such as a partial or full waste levy on specific waste streams to rebalance the market. However it should also be noted that use of such mechanisms must be used with care in order to maintain sufficient market certainty to encourage long term investors in EfW infrastructure.

Risks of future Monopolisation in markets

With reference to large scale facilities it is unlikely they will monopolise the market in the medium to long term. Rather in the short term they will add much needed competition and diversity to the waste management market in Sydney. Internationally smaller scale EfW plants have been proven to be viable. Due to the large geographic spread of metropolitan Sydney and high levels of traffic congestion it is likely that smaller scale EfW plants will also become viable in NSW and able to compete directly with large scale facilities. This is on the proviso that the land use planning and environmental approval regime support the construction of smaller scale EfW facilities at a sub-regional scale.