

**Submission
No 168**

INQUIRY INTO 'ENERGY FROM WASTE' TECHNOLOGY

Organisation: City of Canterbury Bankstown

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Legislative Council
NSW Parliament

Portfolio Committee No. 6 – Planning and Environment

Attention Chair: The Hon. Paul Green MLC

Submitted via NSW Parliamentary website

<https://www.parliament.nsw.gov.au/committees/inquiries/Pages/inquiry-details.aspx?pk=2436#tab-submissions>

Re: Parliamentary Enquiry into the role of 'energy from waste' technology for NSW

Thank you for the opportunity to provide comment and a submission on the important issue of waste disposal in NSW.

On Tuesday 23 May 2017, Canterbury-Bankstown Council resolved to;

- Endorse the submission to the NSW Parliamentary Enquiry into the Waste Disposal Industry
- Forward a copy of the submission to the NSW Legislative Council

Please find attached the City of Canterbury Bankstown's submission addressing the matters raised in the terms of reference.

Should you wish to discuss any of the above comments, please contact Daniela Santucci on _____ or via _____

Yours faithfully,

Daniela Santucci
Manager, Sustainable Future
City of Canterbury Bankstown



CITY OF CANTERBURY BANKSTOWN

Inquiry: Report on matters relating to the waste disposal industry in New South Wales, with particular reference to 'energy from waste' technology

Thank you for the opportunity to provide comment on the waste disposal industry in New South Wales. This submission is provided using the available data and information regarding the disposal of household waste in the Sydney Metropolitan Area (SMA).

The City of Canterbury Bankstown was proclaimed on the 12 May 2016 and has the largest local government resident population in NSW.

Currently Council provides domestic waste services to over 124,000 households, and the number of services and amount of waste collected will increase due to the proposed growth for the city. The Department of Planning predicts an additional 142,500 residents living in the City by 2036.

This submission highlights the current waste infrastructure deficit in Sydney SMA, which should be considered for long term waste management planning for the SMA.

Current provision of waste disposal and recycling to address household waste

There are a lack of adequate waste facilities in the SMA to process household waste now and into the future. There is also a lack of adequate waste transfer stations/network for the assistance with transport of waste for Local Government. Further to this there is a monopoly in the Waste processing industry. These factors combined are resulting in driving up the cost of collecting and processing of waste in the SMA.

The SSROC 2014 *Regional Waste Avoidance and Resource Recovery Strategy* highlighted that a key concern for the region is the lack of planning at a state level with respect to identifying and setting a side suitable sites for major waste infrastructure of state significance.

From a local government perspective, the City of Canterbury Bankstown currently only has one available option for the processing/disposal of the 80,000 tonnes of waste collected annually from households. The landfill site at Lucas Heights, operated by SUEZ environmental solutions. This is the only landfill site in the Sydney metro area with the licence, capacity and availability to take this material.

There are a number of alternative waste treatment facilities in the Sydney Metropolitan area for the municipal waste stream. However, all these facilities are at capacity. The former Bankstown Council did go to market in 2007 to have the household waste treated by an alternative technology. A tender was awarded for a facility to be built, but for a number of reasons outside Council's control, such as planning, legislation and land ownership; the facility was never built. This has left Council landfill dependant.

The City of Canterbury Bankstown sends the recycling collected from households to VISY (Smithfield Facility). This facility is now the only option for Councils in the Sydney metro area, after SUEZ (former SITA), ceased operating the Chullora MRF in 2015. This business decision now sees that VISY has a monopoly over the Sydney Metro Area.

The City of Canterbury Bankstown also collects large quantities of garden organics from households, approx. 31,000 tonnes per year. In 2016, Council went to the market for a short term contract for the processing of 20,000 tonnes of organic waste per annum (former Bankstown area only), as a measure to align contracts between the newly formed Council. There were (4) submissions, two facilities were not operational, and only one facility was located in the SMA. However all facilities were greater than 30km from the centre of the former Bankstown Council, not making direct drop off of material efficient (from kerb to facility), therefore requiring Council to store the product, for a bulk collection.



With the lack of required waste facilities in the Sydney metro area, combined with no network of waste transfer stations, and a lack of competition in the market, the collection and transport of waste is becoming more difficult and costly for Councils and ratepayers.

Considerations including location

Further to the lack of planning for sites, comes the NIMBY phenomenon. Community acceptability varies greatly between waste infrastructure projects, as it is dependent on type of facility, scale, technology, location, perceptions and media involvement.

Individual councils have limited power and resources to secure suitable sites and address these issues. Even regional groupings are somewhat limited in their power and capability to drive the procurement and protection of appropriate sites for sensitive waste infrastructure including new landfills and large-scale processing facilities that will ultimately service the Greater Sydney population.

Unlike other states, the NSW Government does not participate in the selection and development of sites for waste disposal and resource recovery infrastructure, but instead relies on market forces to deliver those services where there is a demand. Other states including Victoria and Western Australia have or are developing, infrastructure planning strategies which support the higher level waste and resource recovery strategies and provide confidence to industry to invest in new facilities.

The lack of local waste processing and disposal facilities imposes additional collection costs on Councils and ratepayers, due to the long distances that collection vehicles must travel to deliver waste materials. It also imposes significant traffic impacts on local and regional road networks.

In 2006 the Productivity Commission Waste Management Report outlined (pg XXXVIII) that the State and Territory Governments should consider;

- declaring major waste and resource recovery facilities to be projects of state or regional significance, where this is not already the case; and
- passing the responsibilities for waste disposal to appropriately-constituted regional waste authorities, particularly in those larger urban centres where the majority of local governments do not have the scale or resources to efficiently and effectively handle such roles.

The collection of waste and correct disposal/processing is an essential service, therefore should be managed, legislated and planned for accordingly.

Considerations including technology

There is no single waste management practice, treatment technology and disposal technique that can handle the full array of waste sources. This has been documented over the years.

In August 1999 the NSW Minister for the Environment commissioned an Inquiry into alternative waste technologies and practices for NSW. The final Inquiry report, released in June 2000 examined a wide range of waste technologies and practices from around the world and labelled the report a blueprint for future waste management in NSW.

The report outlined that there 'is no one technology that offers a complete solution. Rather, each can form a part of an integrated management system.

The Waste Inquiry Recommendation 4.1 was

Inclusion of integrated waste management as part of the strategic policy framework for waste management in New South Wales so that it becomes the accepted way of organising activities.



In 2010, the Government commissioned a review into progress towards achievement of WARR waste targets. The steering committee chaired by David Richmond, released the Richmond Report, recommending a number of Enhancements, including

Enhancement 5 – Best practice for managing municipal waste. This included establishing systems to maximise recovery of food waste and organics waste from households...and /or alternative waste treatment

Enhancement 15 – Energy from waste
Actively support energy from waste applications in line with international best practice

Enhancement 20 – Waste Infrastructure Strategy
Encourage development of waste management and recycling infrastructure through development of a whole-of-government Waste Infrastructure Strategy by providing waste infrastructure and services procurement guidance and support to councils.

This is supported in the NSW Waste Avoidance and Resource Recovery Strategy 2014-21 which outlines (p17) that *Reuse and recycling will remain the main avenues for diverting waste from landfill with energy recovery providing a new means of future diversion from landfill*

The landfill option is the least preferred option in the waste hierarchy, yet it's the only available option for the City of Canterbury Bankstown. There should be more options available in the region for councils to have waste processed, now and to cater for the future growth of the city.

Impacts of waste levy

The levy is a legislated instrument under the Protection of the Environment Operations Act 1997. It has a key objective to drive waste avoidance and resource recovery and stimulate investment and innovation in resource recovery technologies.

In January 2012, the Minister of the Environment announced an independent review of the Levy, resulting in specific recommendations for the provision of waste infrastructure strategy and investment. In 2013, the NSW EPA announced the four (4) year \$250M waste and recycling infrastructure package, funded from the Levy.

This was a positive step, and over the last four years, \$85M has been allocated to waste infrastructure projects. At a local level, the City of Canterbury Bankstown is still landfill dependant, as the levy funding has not yet provided additional waste processing facilities in the SMA.

One recommendation from the review that was not adopted was that the levy should be fully hypothecated for waste management. As part of this review, this recommendation should be considered to address the current and future waste processing needs in NSW.

The levy should only be continued for materials disposed in landfill, and exempted on other waste processing technologies such as Energy from Waste technology.

The role of 'energy from waste' technology in addressing waste disposal needs and the resulting impact on the future of the recycling industry and the opportunities to incorporate future advances in technology into any operating 'energy from waste' facility

The NSW State Government recognises that there is a role for Energy from Waste technology. The NSW Waste Avoidance & Resource Recovery Strategy 2014-21, outlines the role that 'energy from waste' technology can play in addressing the waste disposal needs in NSW.

This is supported by the release of the NSW Energy from Waste Policy Statement in 2015.



The opening paragraph of the Policy outlines (pg 1)

“The Environment Protection Authority (EPA) recognises that the recovery of energy and resources from the thermal processing of waste has the potential, as part of an integrated waste management strategy, to deliver positive outcomes for the community and the environment. Energy from waste can be a valid pathway for residual waste where: further material recovery through reuse, reprocessing or recycling is not financially sustainable or technically achievable

On a regional level, modelling of technologies on household waste stream (composition and tonnages) have indicated that a range of technologies are required to meet state government targets.

As part of the development for the SSROC Regional Waste Strategy 2014-21, a number of technology scenarios were modelled to gain an understand of how best to achieve the State targets for the region. This found that no one technology can be used to reach the target. Instead a range of technology types is needed, including dry recycling, composting, mechanical and biological treatment and Energy from Waste technology.

On a local level, there is no simple solution for how the City of Canterbury Bankstown can increase the diversion rate, as the solution must consider a range of factors, such as waste composition, the current output streams and values, community compliance, ease of use for services and cost of services/technology. The factors applicable to the City of Canterbury Bankstown would be different to other LGAs, as the community demographics and population, density and growth are unique to the area.

The City of Canterbury Bankstown is committed to diverting waste from landfill. The NSW WARR strategy encourages diversion through two State Targets

1. To increase the waste diverted from landfill to 75% across the MSW, C&I and C&D streams
2. To increase recycling rate of MSW to 70%

Looking at the three bin system provided to households, the city is recycling 42% of the collected waste. This leaves a gap of 33%.

Achieving the NSW waste target will require an integrated waste management approach, using a range of technologies, with the availability of local facilities from a range of market players.