Submission No 182

INQUIRY INTO 'ENERGY FROM WASTE' TECHNOLOGY

Organisation: Waste Contractors and Recyclers Association of NSW

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Submission to the NSW Upper House Parliamentary Inquiry into the Impact of the proposed Eastern Creek Incinerator & 'Energy from Waste'
As per the Media Release dated 6th April 2017 from Ms Penny Sharpe MLC, Shadow Minister for Environment and Heritage

By e mail as PDF file to Portfoliocommittee6@parliament.nsw.gov.au

On behalf of our Members the Waste Contractors & Recyclers Association of NSW (**WCRA**) welcomes the opportunity to provide a submission to this Inquiry.

WCRA was established as an employer association in 1948 and is registered with the NSW Industrial Relations Commission. Whilst continuing to maintain our state registration, WCRA has successfully transitioned to a federal level with Fair Work Commission registration. WCRA has 198 Members who operate across NSW & the ACT. These Members own, operate or control an estimated 95% of the vehicles and equipment used in commercial waste & recycling activities in these jurisdictions.

WCRA has consulted with Members in relation to the matters before this Inquiry and we specifically sought views on the following (and our submission follows these headings) -:

- The impact of the current waste levy on the lawful & sustainable disposal of general waste & recycling in NSW;
- General views on energy-from-waste(EfW);
- Specific views on the proposal for an energy-from-waste(EfW) facility at Eastern Creek;
- Any other matters that Members wanted WCRA to consider raising in an industry submission.

The impact of the current waste levy on the lawful & sustainable disposal of general waste & recycling in NSW

- The NSW waste levy was designed to promote the lawful & sustainable diversion of waste from landfill and to support and encourage recycling and processing technologies;
- With a Metropolitan Area waste levy of $135.70 per tonne resulting in higher landfill pricing, this has created many positive waste management opportunities & significant investments in recycling & a broad range of processing technologies;

- In 2014 NSW achieved recycling and diversion rates from landfill 66% (municipal), 63% (commercial & industrial) and 76% (construction & demolition). These rates are the best diversion rates of any Australian jurisdiction;
- Whilst the majority of the Waste Levy remains with NSW Treasury, an estimated $800 million has been hypothecated back to the EPA via the Waste Less Recycle More (**WLRM**) initiative. The WLRM funding is a nine year NSW Government commitment (to 30 June 2021) to assist with a broad range of better waste management outcomes;
- However, these positive initiatives and the waste levy intentions of the NSW Government are now being significantly undermined by the transport & disposal of an estimated 65,000 to 70,000 tonnes per month of waste from the Metropolitan Levy Area to SE QLD, where landfill rates are as low as $30 per tonne;
- In the main, this access to cheap landfill disposal discourages further investment in NSW processing & recycling infrastructure;
- Further, these long-distance movements to interstate facilities are costing NSW Treasury an estimated $115 million pa;
- 70,000 tonnes per month equates to 2,300 truck movements north on the Pacific Highway (and 2,300 southbound on the return trip). Some of the equipment used has proven to be poorly maintained & 'not-fit-for-purpose' whilst the grapevine is abuzz with concerns about poorly remunerated drivers, fatigue management breaches & chain of responsibility concerns. Consequently, this activity poses a very serious danger to all road users (refer to the semi-trailer accident on the Hexham Bridge, Sunday 5^{h} March 2017. WCRA would be happy to appear before the Inquiry & detail all aspects of this incident);
- If the purpose of the waste levy is to encourage recycling, many in the waste industry are of the view that the waste levy should not apply to recycling facility residues, nor should the waste levy apply to the landfilling of asbestos;
- WCRA has also long argued that a rebate should be provided to encourage & support recycling activities. The amount of the rebate required would vary depending on the type of recycling material (WCRA would be happy to appear before the Inquiry to provide this detail)**.**

General views on Energy from Waste

- The essential component of waste-to-energy feedstock is that waste inputs have a certain calorific value (paper, cardboard, plastics, rubber, timber, wood are the type of materials that have a high calorific value).
- WCRA supports the NSW EPA's Energy from Waste (**EfW**) policy. We therefore recommend that it be made a mandatory condition of all EfW plants that a processing system be in place to extract and process organic waste and all traditional dry recyclable material prior to being used as infeed for EfW. Without this constraint, the added processing cost will result in this waste being sent to energy recovery rather than recycled. WCRA's position is that reusable material & recyclables should be removed from input materials into waste-to-energy plants;
- NSW has failed to provide, plan & designate dedicated areas for waste infrastructure that will house facilities such as waste-to-energy, metal recycling, concrete recycling, alternative waste treatment plants, etc. Consequently, it is a difficult & challenging process to plan, submit, gain approval & then commit to invest in the required waste infrastructure;
- WCRA supports a better regulatory regime for the waste industry and has often asked the question of Government: "is the EPA adequately and suitably resourced to enable fair & proper regulation of waste activities?"
- The NSW waste levy ($135.70 per tonne, Metropolitan Area) allows an EfW facility to price competitively with Sydney landfills. However, an EfW facility will not be able to compete on price with cheap SE Qld landfill pricing;
- EfW should not be seen just as an alternative to current NSW landfill practices. NSW regulators have a once-in-a-lifetime opportunity to get this right and mandate in the operating conditions of any proposed EfW facility that recoverable and recyclable material be removed from the feedstock for EfW plants.

The NSW Government should take great care to ensure that -:

- Operating conditions are carefully worded to prevent the loss of potentially recoverable and recyclable material to EfW plants;
- We don't allow Councils and other waste generators to adjust their current or future recycling collection systems (or their green waste collections), to divert recoverable waste to feed an EfW plant;
- We don't allow the disposal by incineration of wastes which have little or no Net Calorific Value;
- We don't allow the intentional or accidental incineration of wastes of a hazardous nature with potential implications on emissions to atmosphere (and in the disposal of residual incinerator ash).

Specific views on the proposal for an Energy from Waste (EfW) facility at Eastern Creek

- The proponents of the proposed TNG Waste to Energy Plant are also the owners of Dial-a-Dump Industries (DADI) (a valued Member of WCRA). The decision by DADI to propose a state-of–the-art EfW facility is to be applauded and WCRA offers the comments in this section to not only protect the interests of the industry but also to assist in protecting the substantial investment by TNG;
- One Member has submitted the view that it would be better to have an EfW facility in Eastern Creek than to allow thousands of tonnes to travel north to SE Qld landfills (although a modern Eastern Creek facility would not be able to compete with the $30 to $35 / tonne pricing of SE Qld landfills). However, WCRA submits that the issue of interstate transportation of waste needs to be resolved independent to the determination of any single proposal;
- The TNG proposal is a much larger scale than any EfW facility ever considered in Australia and is amongst the largest EfW proposals in the world;
- Therefore, if this proposal is approved, it is vital that provision be made for sufficient regulatory resourcing from the principal regulatory public authorities i.e. NSW Environment Protection Authority and NSW Department of Planning & Environment to assess the on-going performance of the proposed TNG EfW facility. The reason for this is two-fold. Firstly, to ensure that proper compliance with the relevant statutory approvals, authorisations and licences are lawfully maintained. Secondly, to ensure that public community confidence in the relevant regulatory authorities' abilities to monitor the TNG EfW facility is robust and transparent;
- The proposal for real time reporting on emissions requires a significant investment of extra technical resources from the EPA;
- Whilst the EPA will presumably have direct access to view this live data on a 24 hour basis, the need for extra expert resourcing to monitor and action any exceedances is of key significance. The EPA as the key relevant regulator, needs to ensure that sufficient resourcing is provided for the TNG EfW facility, (which will be the first of its kind on NSW) – and for subsequently proposed EfW facilities;
- It is proposed that 50% of the input tonnes will be derived from the NSW C&D waste stream. Members have suggested this amount of residual C&D waste suitable for feedstock for EfW (after removal of all recoverable & recyclable materials) is not available;
- Furthermore, members have suggested they are not aware of any other EfW facility internationally which relies so heavily on the C&D waste stream for its feedstock;
- The TNG proposal relies heavily on wood waste for a significant portion of the Net Calorific Value. Treated wood waste can contain CCA, PCB, fire retardants and paints. It is vital that TNG details proposed screening procedures which limit or eliminate these contaminant materials;
- The proposal states approximately 1.4 million tonnes pa of C&I waste is available for EfW input. Members have suggested this amount of residual C&I waste suitable for feedstock for EfW (after removal of all recoverable & recyclable materials) is not available.

Other matters that Members have requested WCRA to raise in our industry submission

When assessing large scale projects (with a high demand for significant volumes of waste inputs), planning regulators should take care to not close the door on opportunities for new, future and emerging technologies. In a market where volumes are locked-up under contract, future technologies that provide a higher level of recovery and recycling may never be able to be developed.

Members have expressed a concern that TNG will introduce an ongoing need for the generation of waste feedstock. In assessing the market need for a disposal facility of this magnitude, WCRA is concerned at the lack of an integrated, co-ordinated plan for the future of waste management in NSW.

In closing, thank you for the opportunity to make this submission. Should you require any further details please contact the undersigned.

Yours faithfully,

Tony Khoury
Executive Director