

To Whom it may concern,

Please see below responses that were taken on notice;

1. Seeking further information on current or upcoming landfill contract extensions and whether and in what way these could jeopardise waste to energy viability (page 18)

As per attached, please note the request from MWRRG and Suez response. As detailed in the enquiry; based on current volume and current permit conditions the Hallam Road Landfill is scheduled to be filled by January 2025. The concern is more focussed on the delayed alternate waste treatment which is not scheduled to be awarded until July 2021.

With financial close of the EfW facility and immediate construction post this would leave a **NO DISPOSAL OPTION** for >550,000 tonnes of waste p.a. in the South East of Melbourne for a period of at least one year based on proposed timelines.



Notice from MWRRG below

The procurement will be structured to complement other MWRRG initiatives including the procurement of Alternative Waste Infrastructure and Recycling Services. Participating councils will also be encouraged to enter into waste disposal arrangements with more than one supplier.

The primary focus of the tender will be to seek rates from landfill operators, however the specification will be structured to enable submissions from companies that are in the process of establishing transfer arrangement, waste sorting and alternative waste disposal facilities and wish to gain access to municipal waste.

It is anticipated that the MWRRG will be seeking tender submissions for a **four year term commencing on April 1 2021**. The contract will provide an opportunity for a price reset and a contract extensions once the initial contract term expires.

It is proposed that the residual waste services contract will include rise and fall clauses that enable prices to be adjusted by CPI over the initial four-year term (2021 to 2025). **In 2023** successful tenderers will be provided the opportunity to **submit a revised pricing schedule for the first year two year extension period (2025 to 2027)**. Councils will have the option to either agree to a price reset or not exercise the option to extend the contract and **commence a new tender** process. A similar opportunity for a price reset will be available in 2025 if the contract extension option is exercised in 2023.

The timing of the procurement will be dependent on ACCC approvals and is scheduled for the later part of 2019.

2. Seeking data that provides an emissions comparison between landfill sites and waste to energy plants (page 23)

Please see below as detailed by MWRRG in **Scenario 2**.

MWRRG’s business case for AWT states that a 300,000 tpa plant will have a reduction of 170,300 tpa of CO2 equivalent over a BAU landfill. I note the proposed plant from SUEZ/AP in Maryvale is 650,000tpa meaning the emissions savings would be over double the benefit mentioned below.

Outcomes

Councils will need to decide their preferred balance of financial, social and environmental outcomes, so it is not the intention of this business case to recommend an option.

Instead, the scenarios illustrate whether advanced waste processing can achieve objectives and deliver better environmental and community outcomes compared to landfill.

	Limit waste to landfill (2016 levels)	25% recovery of residual waste	\$ (over 25 years)*	CO ₂ e emissions reduced (tpa)	Power produced MW**	Jobs created
Scenario 1 FOGO only	X	X	\$211m cost	122,700	0	55
Scenario 2 Combustion only	✓	✓	\$119m saving	170,300	17 37% renewable	300-445
Scenario 3 FOGO + combustion	✓	✓	\$92m cost	287,770	18 35% renewable	400-500
Scenario 4 Mechanical biological treatment + gasification	✓	✓	\$45m cost	173,970	17 37% renewable	455
Scenario 5 Mechanical biological treatment only	X	X	\$36m cost	92,806	0	455

Based on one facility to process around 300,000 tonnes of residual waste each year
 *Additional costs or savings compared to Business As Usual (in today's dollars)
 **Power generation capacity

Should you have any further questions please do not hesitate to contact me on the below.

Kind Regards

Nat Bryant

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