

9 August 2019

**Metropolitan Waste and Resource Recovery Group application for  
authorisation AA1000448 – interested party consultation**

Thank you for the opportunity to provide comments on this application.

Since 2017, CPR has been working with international investors on establishing large-scale waste to energy facilities in Victoria. Our work has indicated that large scale W2E in Victoria can provide a sensible return on investment, as well as undoubted community and environmental benefits, particularly around dramatically reducing the amount of waste which goes to landfill.

While these types of facilities are well established elsewhere in the world, to date only one has reached financial close in Australia, the \$668 million Phoenix Energy plant in WA.

The work we have done has focussed on the construction of 1200 tonnes per day plants, using the most modern stoker grate technology, built to European Community standards. These plants are fuelled by metropolitan solid waste, augmented by construction and demolition waste.

To be clear, we will only be using waste that currently goes straight to landfill: our plans do not include using any waste that is now recycled, or capable of being recycled.

Facilities such as these cost approximately \$400 million, and have a life of 25 to 30 years.

The economics of these plants revolve around a revenue stream for receiving waste, together with the sale of energy (usually electricity and steam) and other residues.

In the course of our work, we have:

- Undertaken full financial feasibility studies, and design and transport work
- Visited existing W2E plants in England and Denmark, both well established and very new,
- Liaised extensively with government agencies, particularly around the required approvals processes
- Held discussions with the MWRRG, and many individual local councils, about entering into long term supply agreements for their waste streams

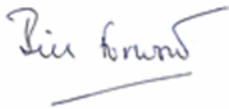
CPR has reached the view, and advised our investors, that the construction and operation of large scale W2E in Victoria is both financially and practically feasible.

We further advised that the single greatest impediment to bringing these investment plans to fruition is reaching agreement with Councils on obtaining long-term access to their waste.

No single Council has sufficient waste to justify the construction and operation of large scale W2E nor even sufficient, in our view, for an economically viable micro plant.

One solution, therefore, is for Councils to group together and aggregate their waste, as is proposed by the MWRRG.

CPR fully supports this approach. It is our view that this is a crucial step in enabling the development and operation of large-scale W2E facilities in Victoria.



The Hon. Bill Forwood  
Strategic Counsel  
CPR