

5 August 2019

Ms Tessa Cramond  
Merger and Authorisation Review Division  
Australian Competition and Consumer Commission  
Level 17/2 Lonsdale Street  
MELBOURNE VIC 3000

**General Counsel** Dan Pearce  
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**Our Ref** DSP 18480010

Dear Ms Cramond

**Metropolitan Waste and Resource Recovery Group - Advanced Waste Processing - Request for Interim Authorisation**

We refer to the Application for Authorisation lodged with the ACCC on 23 July 2019 (**Application**), on behalf of Metropolitan Waste and Resource Recovery Group (**MWRRG**), and to Dan Pearce's discussion with you on 31 July.

We confirm that MWRRG does seek a decision regarding its request for an Interim Authorisation within the 28 day period after the lodgement of the Application as contemplated by the Guidelines for Authorisation of Conduct (non-merger) March 2019.

Urgent Interim Authorisation is sought in order to commence the tender process for the project that is the subject of the Application (the **Project**), and in particular to allow for a Request for Expressions of Interest to be released to the market by the end of August 2019.

We make this request having regard to the following matters.

- (a) Commencement of the tender process for the procurement of advanced waste processing services is a matter of urgency given the scale and complexity of the procurement.

The challenges with existing solutions, and continuously growing waste quantities, mean that the contracts for the design, construction, operation and maintenance of an advanced waste processing facility need to be finalised by the second half of 2021. Working back from that time, the multi-stage procurement process set out in the Application requires that the first stage, Request for Expressions of Interest (EOI), be in the marketplace before the start of September 2019. This would allow enough time for evaluation of the EOI responses and the issue of a Request for Outline Solutions in November 2019. This will, in turn, allow the subsequent stages of Request for Detailed Solutions, and Request for Tenders to be progressed over the following 13 months.

This timeline is designed to allow bidders to have sufficient time to prepare appropriate responses at each stage of the process, while also seeking to address the numerous environmental and government objectives associated with the Project in a timely manner.

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There is significant complexity in managing these various stages on the MWRRG side of the process too. The requirements of the various councils involved in the Project must be co-ordinated, and a new contracting framework and corporate structure resolved. Each of these tasks will be informed by the responses from the potential suppliers, and so the need to keep to detailed milestone dates remains important throughout the process.

- (b) Granting Interim Authorisation urgently would produce a public benefit, namely enhancing competition by commencing the tender process amongst potential suppliers for the Project.
- (c) Granting Interim Authorisation will not alter the market status quo, as no formal arrangements will be made in respect of the Project until the Application is determined.

If Interim Authorisation is delayed, there will be flow on delays in the tender process which would increase pressure on potential bidders for the Project, as they would have less time to appropriately respond to each stage of the procurement process. A number of these stages are likely to entail the development (and assessment) of detailed and innovative solutions, and there is a concern to ensure that bidders not be rushed into submitting proposals that are inadequately developed. Such inadequacies will also detrimentally impact the overall purpose of the Project, and possibly adversely affect the Project's potential public benefits.

Please contact Dan Pearce on (03) 9321 9841 if you would like to discuss any aspect of the above.

Yours sincerely



**Holding Redlich**