

ABERDEEN CITY COUNCIL

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| COMMITTEE | Zero Waste Management Sub-Committee |
| DATE | 9 October 2013 |
| DIRECTOR | Pete Leonard |
| TITLE OF REPORT | Update on Energy from Waste Business Case |
| REPORT NUMBER: | ZWM/13/003 |

1. PURPOSE OF REPORT

The purpose of this report is to present work to date on the Energy from Waste Business Case.

2. RECOMMENDATION

That the Zero Waste Management Sub-Committee notes the report.

3. FINANCIAL IMPLICATIONS

The financial implications of the Zero Waste Project have been previously reported through report ZWM/12/005 Outline Business Case for Waste Treatment Facilities presented at the Sub Committee Meeting on 3 October 2012. The report identified that substantial investment is required to deliver these facilities and allocations have been made through the 2013/14 budget process, agreed at Council meeting of 14th February 2013.

4. OTHER IMPLICATIONS

None from this report.

5. BACKGROUND AND MAIN ISSUES

5.1 Energy from Waste (EfW) Business Case

Since the last meeting, the Council's Technical Advisors, AMEC, has been developing a data model that allows comparison of the development of EfW facility with combined Heat and Power output at two scales with the main alternative option available at present, long term Refuse Derived Fuel preparation and export.

The model is complex and makes use of extensive market intelligence held by AMEC on the cost of EfW in the UK and the markets for Refuse Derived Fuel.

It is not possible to identify a preferred outcome from the Business Case at this stage; the final report will be submitted to the Zero Waste Management Sub-Committee in December 2013. There are indications, however, that there is increased confidence in the price and durability of RDF outlets and this augurs well for short term adoption of this route as a cost-effective alternative to landfilling residual waste.

The report in December will consider the longer term implications of RDF (less price and outlet security) with construction of our own EfW plant (high investment but with energy revenue opportunities during the life of the facility) and will look at risk and opportunity issues as well as cost of operation.

6. REPORT AUTHOR DETAILS

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