

Council Report RES/19/197

Joint Energy from Waste Project Contract Award

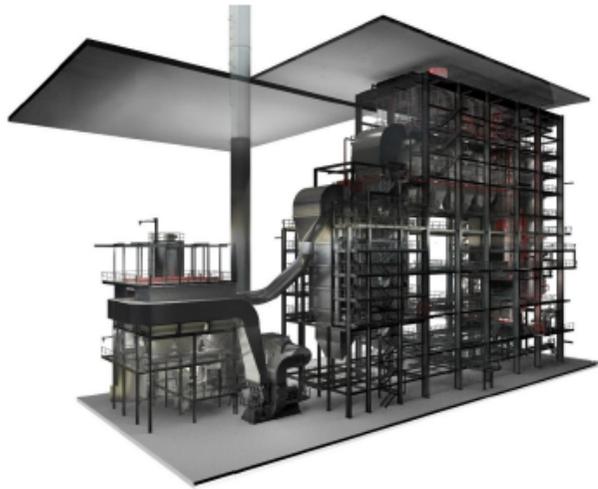
Appendix A: Summary of Bid

The preferred bidder is a consortium of international companies led by Acciona, a Spanish-based, global construction company. Acciona and their subsidiary company Acciona Industrial have experience of building large Industrial projects around the world including several Energy from Waste facilities (EfW's) in Europe and have recently been awarded a contract to build a 400,000t EfW plant in Western Australia. Acciona and Acciona Industrial will form an Special Purpose Vehicle to deliver the construction of the facility within the three year works period. Acciona will then subcontract the operation and maintenance of the facility to Indaver, an experienced waste company, for the 20 year services period. Indaver currently operates EfW plants in Eire, Belgium and the Netherlands.



The facility is designed to accept 150,000 tonnes of Council residual municipal waste (waste remaining following all efforts to recycle) in line with the existing planning consent. The facility will generate sufficient energy to provide heat to the proposed Torry Heat Network and deliver electricity to the National Grid. It is anticipated that the facility will be accepting waste for commissioning by August 2021 and fully operational by April 2022.

Compliance with the existing planning permission was a key evaluation criteria. The plant is therefore recognisable from previous papers and project material. The preferred bidder has proposed a number of small improvements to the design. These improvements include changing the layout to accommodate two weighbridges to speed up entry for vehicles, an extended entrance to prevent road congestion and a new fourth floor within the admin block allowing an improved visitor experience. A larger bunker is also proposed which will allow Council deliveries to continue during plant shut-downs, minimising disruption to collection services.



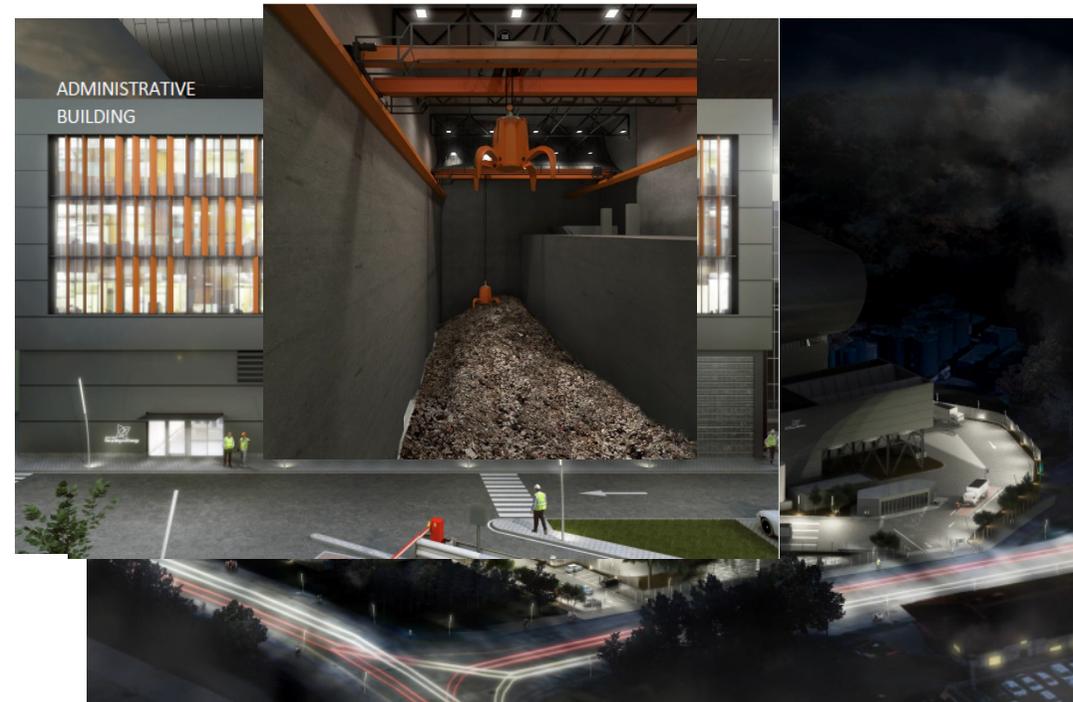
Acciona's EfW design also improves emissions performance from the basic design developed for the planning application. The Environmental Impact Assessment (EIA) that accompanied the Planning

Application assumed the facility would operate within the current European Emissions standards which were then considered against local baseline data to ensure no significant environmental harm would be caused. Due to the poorer air quality experienced on Wellington Road, the basic plant design already incorporated an improved emissions treatment system that would meet a lower Nitrous oxide (NOx) level to that required by the current environmental legislation. Since 2016, new tighter emissions standards have been developed and are due to come into force later this year. To ensure future compliance, the Councils required the final two bidders to improve their designs to be able to meet the forthcoming standards, thereby future proofing the EfW facility.

The Acciona solution includes numerous community benefits throughout the Construction and Operational Phases. These include:

- recruitment of apprentices;

- work placements for unemployed/those not in education and students;
- site visits and lectures, improving the image of the sector (STEM) and increase awareness of career opportunities in the industry
- local development events and workshops aimed at sharing information with a business audience
- 3rd Sector and SME targetted Procurement events covering subcontracting opportunities
- volunteer ambassador's programme and timebank for assisting local organisations



The cost of Acciona's proposals is in line with expectations developed for the previous business cases. The financial proposals allow the Councils to move away from landfill in a stable and affordable manner with the protection of a major global construction company in the event of unforeseen circumstances.

The contractual terms for the Project Agreement were developed by the Councils and largely accepted by Acciona meaning the risk profile for the Councils is fully understood and considered acceptable for the size and scale of the project being developed.