

NSW Energy from Waste - Draft policy statement for public consultation

Dear Ms Nancy Chang

Jerrara Power Pty Ltd is pleased to provide a submission to the NSW Environmental Protection Authority (EPA) on the NSW Energy from Waste – Draft Policy Statement. We have also reviewed the Energy from Waste Report from the NSW Chief Scientist and Engineer, May 2020 (with additional advice as at November 2020).

Jerrara Power is a privately-owned Australian company which has been established to create a commercial and sustainable alternative to waste landfilling with the added benefit of producing renewable energy from waste material. Jerrara Power is managed by a group of experienced executives with an extensive background in waste management, transport, infrastructure, resources and finance.

We are proposing to build and operate an energy from waste facility at Bungonia near Goulburn to process up to 330,000 tonnes of residual household, commercial and industrial waste each year to generate reliable baseload electricity. Residual waste, not suitable for recycling, would be sourced from the Southern Tablelands of NSW and from Sydney and transported to the facility where the waste would be thermally processed at high temperature using a moving grate combustion technology provided by Hitachi Zosen Inova (HZI). HZI is a world leader in energy from waste with more than 600 projects worldwide.

Once fully operational, the facility would generate about 30 megawatts of power. The net output to the grid would be enough electricity to supply 43,000 homes (based on an average residential home in NSW using 5,100kWh per year). The proposal has the potential to reduce greenhouse gas emissions by approximately 524,000 tonnes per annum. This is equivalent to taking 114,000 cars off the road.

We have engaged GHD Pty Ltd to complete the Scoping Report and Environmental Impact Assessment and have commenced consultation with State agencies including DPIE, NSW EPA and NSW Health as well as Goulburn Mulwaree Council, state and federal MPs and the local community. We are committed to engaging with the community and other stakeholders throughout the planning and assessment process.

We believe energy from waste is the missing link in Australia's waste reduction and landfill diversion goals and will help bridge the gap between the capability of existing recycling systems and future systems that will divert a greater proportion of wastes from landfill.

Jerrara Power welcomes the NSW Energy from Waste – Draft Policy Statement as an important step in providing clarity for the industry and the community. We will also be very interested in the release of the new 20-year waste strategy which will outline the role energy from waste will have in NSW over the next 20 years.



Jerrara Power shares what we believe are some of the underlying objectives of the draft policy statement, including:

- that waste to energy should complement and not compete with recycling and other higher order waste strategies
- transparency and disclosure of information to provide confidence to the regulator and the community
- environmental standards that are equivalent to and, where practical and affordable, higher than overseas standards.

Our substantive comments on the Draft Policy Statement do not seek to challenge the intent of the policy but only to ensure that the policy intent is practically achievable in a cost-effective manner.

Issue of practicality we wish to highlight include:

1. The need for reliable, comparable reference facilities processing similar waste streams is a sensible risk mitigation policy in the assessment processes for energy from waste facilities. This is the reason that Jerrara Power has selected HZI with more than 600 projects worldwide as its technology provider. Care needs to be taken when defining comparable waste streams during the project assessment process. Waste composition by its nature is variable between jurisdictions, over time and even on a day-to-day basis, therefore the requirement for similar waste streams needs to be interpreted in a practical way in the assessment process.
2. We support the policy objective of not building an oversupply of energy from waste capacity in the market to avoid commercial incentives that might favour energy from waste over higher order recycling. Likewise, contractual models that do not encourage customers to increase recycling or decrease waste generation should be avoided. This needs to be balanced with an understanding of how the competitive waste and recycling market operates and that different companies will have different commercial strategies in terms of the way in which they seek to contract supply to their facility and the length of those contracts. Similarly, different commercial or council waste customers have different strategies for how they seek to contract for that service. In these circumstances a nuanced approach to the issue of capacity in the market would be preferable to hard and fast rules about how much waste should be contracted to the facility prior to approval.
3. The policy intent of placing energy from waste percentage limits from various council bin configuration systems is acknowledged. However, where a council has separate collection systems for dry recyclables and food and garden waste, mixed MSW should not need to go through a processing facility before going to an energy recovery facility.
4. Removal of hazardous waste from the mixed waste stream is an objective of Jerrara Power, however, it can be difficult to guarantee absolute removal of every battery, light bulb and the like. Efforts should and will be made to remove such items in the upstream supply chain of the feedstock. However, the energy from waste process is robust enough to deal with small amounts of this material. The incidence of

this waste in the mixed stream is heavily influenced by the success of government sponsored or operated upstream removal strategies. We suggest that reasonable efforts should be made to ensure such material is absent from the waste stream and a requirements for a robust process will protect the community and the environment.

5. Achieving 100% compliance with emission standards under normal operating conditions is what all energy from waste facilities strive for. However, there are “other than normal operating conditions” where some minor exceedances cannot be avoided. The European standards deal with this via a 97% compliance regime. We understand that in NSW a 100% compliance regime is considered desirable. We think that this is achievable, provided that the definition of “other than normal operating conditions” are reasonable and tailored to the specifics of each plant.
6. The adoption of one hour emissions averaging is noted as is the desire for better than overseas performance. When implementing this system it is important that the relationship between the standard itself and the averaging regime is carefully considered and further that comparisons with international performance are readily calculable.

We are committed to working with the NSW EPA, the NSW Government and the community to successfully deliver a safe, sustainable and high-quality energy from waste facility. We thank you for the opportunity to comment and for the constructive tenor of our discussions. We would be pleased to provide more detail if required on any of the issues raised in this letter.

Yours sincerely



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