

06 May 2013

Energy from Waste Policy
Environment Protection Authority
PO Box A290
Sydney South NSW 1232
By email: energy.waste@epa.nsw.gov.au

Dear Sir/Madam,

NSW Energy from Waste Draft Policy Statement for Public Consultation

EDO NSW welcomes the opportunity to comment on the NSW Energy from Waste Draft Policy Statement for Public Consultation (**Draft Policy**).

As stated in our recent submission to the Draft NSW Renewable Energy Action Plan,

NSW is Australia's most populous State, and consumes more energy than any other State or Territory. In NSW, the Stationary Energy sector (mainly electricity generation) accounts for almost half of total net greenhouse gas emissions. These facts reinforce the need for the NSW electricity sector to increase renewable energy generation and to reduce emissions.¹

EDO NSW recognises that generating energy from waste constitutes an opportunity to both reduce the quantity of waste going to landfill and broaden the State's energy mix. We are therefore generally supportive of thermally treating waste in order to produce energy (**waste-energy**) – on the basis that it can be undertaken in a sustainable manner.

Notwithstanding this general support, EDO NSW is concerned about several aspects of the Draft Policy. These are discussed in turn, and followed by series of recommendations.

1. NSW waste and environment levy

The current NSW waste and environment levy (**Levy**) "aims to reduce the amount of waste being disposed of and promote recycling and resource recovery."² As such, it provides an important financial disincentive for disposal. However, the Draft Policy

¹ http://www.edo.org.au/edonsw/site/pdf/subs/121026draft_renewable_energy_action_plan.pdf

² <http://www.environment.nsw.gov.au/wr/index.htm>

has the potential to minimise the incentive for industry to reduce waste and to identify more sustainable reuse and recycling options.

We note that the Draft Policy requires consideration of the “most efficient use of a resource”.³ In order to prevent perverse outcomes (i.e. undermining the Levy), “most efficient use” should be based on a lifecycle analysis of the environmental impacts of each relevant reuse option for that resource.

2. List of eligible waste fuels

EDO NSW strongly opposes the inclusion of the following materials in the list of “eligible waste fuels” (**List**) in the Draft Policy:

- any form of wood waste, forestry residue or paper pulp materials. Wood waste removes carbon sinks, encourages native logging, impacts on biodiversity or contributes to particulate pollution.⁴
- coal washery rejects. In addition to greenhouse gas considerations, the chemical composition of rejects varies depending on their source and the washery process used.⁵ Consequently, they have the potential to create a variety of different emissions under thermal treatment, including high levels of sulphur dioxide.⁶

The Draft Policy further notes that the “EPA may update the list of eligible waste fuels from time to time.”⁷ However, the Policy does not include any procedure that must be followed when adding a particular waste material to this List. Listed eligible waste fuels are subject to less stringent assessment requirements than other waste facilities. We therefore strongly recommend amending the Draft Policy to require the EPA to undertake community consultation before it seeks to add any new forms of waste to the list.

3. Energy recovery facilities – increased monitoring for certain chemicals

EDO NSW supports the proposal for continuous monitoring of listed chemicals. We further support the requirement to make this information publicly available in real-time. However, we recommend increasing the level of monitoring for heavy metals,

³ *NSW Energy from Waste Policy*, p. 1.

⁴ <http://www.edo.org.au/edonsw/site/policy/renewenergbill070727.php>

⁵ Nauze, R. and Duffy, G. (1985) Coal rejects- a wasted resource? *Environmental Geochemistry and Health* 7(2): 69-79.

⁶ Jia, L., Anthony, E., and Talbot, R. E “Combustion of Coal Washery Rejects in Circulating Fluidised Bed” *CANMET Energy Technology Centre, Natural Resources Canada*. Accessible online at:

http://web.anl.gov/PCS/acsfuel/preprint%20archive/Files/45_3_WASHINGTON%20DC_08-00_0485.pdf

⁷ *NSW Energy from Waste Policy*, p. 4.

polycyclic aromatic hydrocarbons, chlorinated dioxin and furans over the first 12 months of operation. We further recommend that formal assessment of these emissions be undertaken after 12 months to determine whether a pollution reduction program is required.

4. Resource recovery criteria

The 2012 Review of the NSW Waste and Environment Levy⁸ generated 17 recommendations for improving the application of the Levy, most of which were supported by the NSW Government. These recommendations included “supporting initiatives and programs to improve the recovery of waste from the commercial and industrial sector.”⁹

While the “resource recovery criteria” (**Criteria**) for energy recovery facilities outlined in the Draft Policy go some way to encouraging increased separation of materials prior to thermal treatment, they do not explicitly require industry to find alternative, higher order re-uses for dry recyclables, food and garden waste, and residual waste (**Specified Materials**). Indeed, the Policy envisages that at least some percentage of Specified Materials would be used in thermal treatment facilities.¹⁰ EDO NSW is therefore concerned that the Draft Policy may divert Specified Materials away from more sustainable reuse options. We therefore recommend excluding such materials from use in thermal treatment facilities.

5. Summary of recommendations

The Draft Policy should be amended to reflect the following recommendations:

- a. The Draft Policy should include a definition of “most efficient use” of a resource. This definition should specify that “most efficient use” is based on a lifecycle analysis of the environmental impacts of each relevant reuse option for that resource.
- b. The following materials should be removed from the list of eligible waste fuels:
 - i. All forms of wood waste, forestry residue and paper pulp material; and
 - ii. Coal washery rejects
- c. The EPA should be required to undertake community consultation before adding any new forms of eligible waste to the List.

⁸ <http://www.environment.nsw.gov.au/resources/waste/WasteLevyRevRpt.pdf>

⁹ <http://www.environment.nsw.gov.au/waste/levyrecommendations.htm>

¹⁰ *NSW Energy from Waste Policy*, p. 8.

- d. Monitoring for heavy metals, polycyclic aromatic hydrocarbons, chlorinated dioxin and furans in energy recovery facilities should be increased over the first 12 months of operation. We further recommend that formal assessment of these emissions be undertaken after 12 months to determine whether a pollution reduction program is required.
- e. With the exception of incidental materials (which are the product of inefficient sorting practices), dry recyclables, food and garden waste, and residual waste should be explicitly prohibited from use in thermal treatment facilities.
- f. If recommendation 'e' is not implemented, the Criteria should be reassessed on a bi-annual basis to determine whether scope to use dry recyclables, food and garden waste, and residual waste in thermal treatment plants is discouraging the take-up of other, more ecologically sustainable reuse technologies. Again, "ecologically sustainable" should be based on a lifecycle analysis of the environmental impacts associated with each relevant reuse option.

Please do not hesitate to contact us if you require any further information on (02) 9262 6989 or rachel.walmsley@edonsw.org.au.

Yours sincerely,

EDO NSW



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