

OXFORDSHIRE WASTE PARTNERSHIP JOINT COMMITTEE

24 OCTOBER 2008

WASTE TREATMENT PROJECT UPDATE

1 Purpose of Report

- 1.1 To update the OWP on progress on the residual waste treatment procurement project.

2 Background

- 2.1 Diversion of waste from landfill is essential to reduce the risk of fines for exceeding targets for limiting the amount of biodegradable waste that is landfilled under the Landfill Allowance Trading Scheme (LATS). It is also essential to reduce the amount of methane gas produced. Methane gas is a greenhouse gas over 20 times more powerful than CO₂. The County Council is proceeding with the procurement of waste treatment capacity for residual waste.
- 2.2 The County Council received submissions from the Invitation to Submit Outline Solutions (ISOS) stage of the competitive dialogue process last year. After thorough evaluation of the ISOS solutions, two leading solutions emerged, and two participants were invited to submit detailed solutions. These were:-
- Viridor Waste Management Ltd, with a solution based at Ardley landfill site
 - Waste Recycling Group Ltd, with a solution based at Sutton Courtenay landfill site
- 2.3 The technical solutions being offered are very similar. Both are incineration with energy recovery with a capacity of approximately 300,000 tonnes per annum. Both use established technology providers with a proven track record in incineration. Both are investigating the possibilities of providing combined heat and power solutions which could deliver environmental and cost benefits.
- 2.4 Both participants are allowing capacity to treat commercial and industrial waste. This will provide cost benefits to Oxfordshire and mean that even less waste will be sent to landfill and therefore increasing the environmental benefits delivered.

3 Progress and future actions

- 3.1 The procurement process is currently proceeding to timetable. Detailed solutions were submitted on 25 July and have been subject to a detailed evaluation against financial, technical (including environmental) and legal criteria. This was completed to schedule and it is clear from this that overall there are robust and deliverable solutions available and that competition remains strong. However, a series of issues for further discussion and resolution through the dialogue process has emerged for each Participant.
- 3.2 Detailed dialogue with both Participants has now commenced with the objective of developing the best solution from each Participant from the options proposed. The call for final tenders is expected to be issued in December and this will require all outstanding issues to have been resolved. A preferred bidder will then be selected, and a contract is expected to be awarded in spring 2009.
- 3.3 Detailed dialogue will cover a waste acceptance protocol which will describe the wastes that can and cannot be processed by the residual waste treatment facility. This agreement will form part of the contract documentation for the project and it is important that this is agreed by all district councils.

