
From: Kurt Palmer
Sent: Wednesday, 7 August 2019 2:16 PM
To: Adjudication
Cc: Munro-Smith, Hayley;
Subject: HPE CM: RE: ACCC - Metropolitan Waste and Resource Recovery Group interim authorisation - interested party consultation [DLM=For-Official-Use-Only]

Hello Tessa,

In response to the below request for submissions please consider the following.

Waste service providers in Victoria have been hampered by small volumes, short (7-10yrs) contracts and below cost bids. While the commodity markets were high this was not a great problem but did limit investment in advanced technology in the sector and new state of the art facilities.

The coupling of councils under one tender process would allow the substantial investment required for improved service in this space by providing economy of scale in terms of waste volume.

However it would also potentially place a large percentage of the states waste in the hands of a single supplier. This as we have just seen has to potential to result in a major failure of services.

To mitigate the potential for this current situation to revisited I would recommend the ACCC place some restrictions on the way in which the tenders are evaluated to avoid a "race to the bottom" where the cheapest tender is accepted with no consideration for the actual service provided and the sustainability of that service given rapidly changing commodity markets.

In principal I would condone and support the Application but recommend continued oversight of the process to ensure the most sustainable outcome for all parties.

I would be very happy to discuss this with you or your anyone from your team and may be contacted via the below or the email in CC of this reply.

Kind regards,

Kurt Palmer | Business Development Manager – Environmental
Deputy Chair – Australian Industrial Eccology Network

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