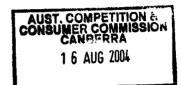


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The General Manager Adjudication Branch Australian Competition & Consumer Commission PO Box 1199 DICKSON ACT 2602



12 August 2004.

Dear Sir,

Application for Authorisation No. A30231

I am writing on behalf of the Northern Sydney Regional Organisation of Councils to address a number of issues that have been raised as part of submissions from various parties to the Australian Competition & Consumer Commission in respect of the draft Determination.

I acknowledge that the Working Party Chair, Mr Anthony Reed, has forwarded comments dated 27 July 2004 and also addressed representatives of the ACCC at the pre-decision conference held in Sydney on 27 July 2004. The Professional Officers Group of the NSROC Waste Managers met on Thursday, 5 August 2004 and discussed the issues raised at the pre-decision conference.

The Group was concerned that the request by Waste Service NSW did not properly address the issue in respect to the need to require a 15 year contract period. As argued in the original application for authorization, and again in the submission from the Working Party Chair, the critical aspect for new entrants to be able to enter the waste industry market to provide this service is the need for a contract to have sufficient length of contract period and sufficient value in order to permit capital recovery of infrastructure.

The Waste Service proposal places a restriction on the capability of other parties to enter the market by requiring that the proposal be limited to what they determine to be alternate waste technology. It is noted that Waste Service NSW is the only participant in the marketplace at this point in time, currently constructing a waste processing plant that they maintain meets their definition of alternate waste technology.

Pre-empting the evaluation process, by placing different contract periods associated with different technologies, is flawed. It will actually restrict the opportunities available to various suppliers to service the contract. The way the information contained in the Tender documents is expressed, allows for a broad response from the marketplace.

As detailed in the response from the Working Party Chair, the evaluation process itself addresses in detail the environmental aspects and technical aspects of each proposal as well as the other important community issues of social impact and financial impact.

It is NSROC's position that the existing draft Determination is appropriate.

Yours faithfully,

Dominic Johnson Executive Director

Northern Sydney Regional Organisation of Councils