

20 August 2004

Ref: F 2904

The General Manager  
Adjudication Branch  
Australian Competition and Consumer Commission  
PO Box 1199  
Dickson ACT 2602

Dear Sir

I refer to your letter dated 5<sup>th</sup> August 2004, regarding the application for authorisation (A90886) lodged by the Macarthur Councils (MACROC), and your request for any further submissions relating to this application.

Waste Service NSW would like to confirm its position regarding this application, which remains consistent with our previous submission, and the statements we have articulated at the pre-decision conference.

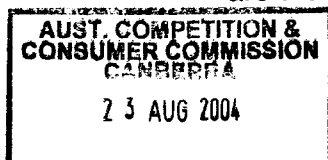
Our position is also consistent with our submissions relating to the applications from the Northern Sydney Councils (A30231) and the SSROC Councils (A90926)

We also draw the Commission's attention to the submissions and statements made by the Department of Environment and Conservation, and the Total Environment Centre, which are relevant to our case.

Our position regarding all of these applications is that Waste Service NSW strongly supports:

- (i) initiatives that encourage the introduction of Alternative Waste Technology (AWT) processing solutions that will provide superior and sustainable environmental outcomes to the residents of Sydney and NSW.
- (ii) awarding long-term contracts to the providers of genuine AWT solutions in order to remove some of the risk of making the initial capital investment in the necessary infrastructure.
- (iii) a competitive market for AWT.
- (iv) the waste policy of the NSW State Government, including its Waste Avoidance and Resource Recovery Strategy.

We are opposed to long-term joint regional tenders where the method of waste disposal is landfill (whether conventional or bio-reactor). We make this statement even though we are the largest operator of Class 1 landfills in Sydney.



**WASTE SERVICE NSW**

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When the Councils originally advised us of their interest in moving to a joint tender, we supported their process, because the Councils clearly indicated their interest in having their waste processed by an AWT facility. Also because new waste infrastructure would be required in the region due to the planned closure of the Jacks Gully landfill site.

Waste Service NSW has not changed its views, and our position remains as stated above. However, for clarity, we believe that if the ACCC is of a view to approve the application by MACROC, it should be subject to conditions, that

- (i) joint tenders for waste disposal services should specify whether the required method of disposal is landfill (conventional or bio-reactor) or AWT
- (ii) joint tenders for landfill (if allowed at all) should be limited to a period of 3 years
- (iii) joint tenders for AWT should specify the minimum level of waste diversion to be diverted from landfill. Waste Service NSW recommends that a minimum of 70 % diversion from landfill should be achieved for a process to claim to be a genuine AWT.

I trust that the comment provided above clarifies our position regarding the MACROC application for authorisation, however we would be happy to provide any further information as required.

Yours sincerely



Ken Kanofski  
**Chief Executive Officer**