



**Australian
Competition &
Consumer
Commission**

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Our Ref: A91087
Contact Officer: Susan Philp
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18 April 2008

Dear

**Central Queensland Local Government Association application for authorisation
A91087 - interested party consultation**

The Australian Competition and Consumer Commission (the ACCC) has received an application for authorisation from Central Queensland Local Government Association [CQLGA]. The ACCC invites you to comment on the application. Attached is a summary of the authorisation process including how to make a submission to the ACCC.

The proposed arrangements

In broad terms CQLGA is seeking authorisation on behalf of the Regional Councils of Rockhampton, Gladstone, Central Highlands and Isaac for a collective tender process for the provision of waste and recyclables collection and processing from all residential premises in their combined local government areas.

CQLGA advises that the tender and consequent contract will have a standard set of Conditions for Tendering and Conditions of Contract and other supporting documents and 5 separable portions:

- Specification A Waste and Recyclables Collection Services
- Specification B Recyclables Processing Services
- Specification C Bulk Waste Services
- Specification D Landfill Services; and
Specification E Liquid Waste Services

CQLGA notes that Tenderers may submit tenders for one or more of the separable portions and the successful Tenderer/Tenderers will be required to enter into separate contracts with each Council. CQLGA notes that the structure of the contracts is intended to allow parties to enter into one contract for each service group, separate contracts for each service group, or a combination of contracts.

Further details of CQLGA's proposed arrangement and its submission in support of the application for authorisation is available on the ACCC's website <www.accc.gov.au>. Alternatively, you can contact the writer on 02 6243 1347 to obtain a hard copy of the application and submission.

Interim authorisation

CQLGA has requested that the ACCC grant interim authorisation to:

- (i) allow the Councils to prepare tender documentation and invite tenders from interested parties wishing to provide waste and recyclables collection and processing services;
- (ii) evaluate tender submissions;
- (iii) prepare tender recommendations to the Councils' executives; and,
- (iv) for Councils' executives to endorse the recommendations of the Tender Panel and seek to enter into contractual arrangements pending the final determination of the ACCC.

CQLGA has submitted that as contracts will not be entered into under any grant of interim authorisation, should final authorisation not be granted, then the market would not be prevented from returning to substantially its pre-interim authorisation state. CQLGA submits that it would therefore be appropriate for the ACCC to grant the requested interim authorisation.

The ACCC endeavours to deal with requests for interim authorisation quickly. In making an assessment as to whether it is appropriate to grant interim authorisation, the ACCC is not required to undertake a full assessment of the benefit and detriment likely to arise as a result of the proposed conduct.

The ACCC decides whether to grant interim authorisation on a case by case basis. Should an applicant request interim authorisation, the ACCC will usually consider a range of factors, including harm to the applicant and other parties if interim is or is not granted, possible benefit and detriment to the public, the urgency of the matter and whether the market would be able to return to substantially its pre-interim state if the ACCC should later deny authorisation.

Request for submissions

The ACCC invites you to make a submission on the likely public benefits and effect on competition, or any other public detriment, from the proposed arrangements. In particular the ACCC would appreciate your views on the following issues:

- the likely situation that would occur in the Central Queensland local government region if the proposed arrangement is not authorised
- the impact of the proposed arrangements on competition, in particular the potential for new entry and/or investment in the provision of waste and recyclables collection and processing services

the potential for the proposed arrangement to result in cost savings in the provision of waste services

the public benefits that are likely to result from the proposed arrangements.

If you intend to provide a submission in relation to CQLGA's application for authorisation, please do so by **9 May 2008**. Submissions in relation to interim authorisation should be provided by **1 May 2008**.

Alternatively, if you would like to provide comments orally, please contact the writer on 02 6243 1347 to organise a suitable time.

Submissions, including oral submissions, will be placed on the ACCC's public register subject to any request for exclusion (guidelines are attached).

Timetable

The ACCC will progress its assessment of the application in a timely manner. An indicative timetable is set out below for your information.

17 April 2008	Lodgement of application and supporting submission.
17 April 2008	Public consultation process begins.
1 May 2008	Closing date for submissions on interim authorisation.
9 May 2008	Closing date for submissions from interested parties.
14 May 2008	ACCC decision regarding interim authorisation.
23 May 2008	Applicant responds to issues raised in the public consultation process.
July 2008	Draft determination.
July 2008	Public consultation on draft determination including any conference if called.
August 2008	Final determination.

Please advise if you do not wish to make a submission at this time, but would like to be informed of the progress of the application at the draft and final determination stages. If you are able to please provide a nominated contact email address for future correspondence.

You can also forward this letter to any other party who may wish to make a submission to the ACCC regarding the application.

This letter has been placed on the ACCC's public register. If you wish to discuss any aspect of this matter, please do not hesitate to contact the writer on 02 6243 1347.

Yours sincerely

Susan Philp
Director
Adjudication Branch

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- WSN Environmental Solutions
- Collex Pty Ltd
- Visy Recycling
- Amcor Australasia
- Metalcorp Recyclers Pty Ltd
- SITA Environmental Solutions
- Global Renewables Australia
- Rethmann Australia Environmental Services Pty Ltd
- SULO
- Veolia Environmental Services (Australia) Pty Ltd
- ASK Equipment Sales
- Norske Skog
- United Resource Management
- Remondis Pty Ltd
- J.J. Richards and Sons
- Cleanaway
- Wanless Wastecorp
- Recycling Design and Technologies
- Virotec Global Solutions Pty Ltd
- Waste Management Association of Australia
- Waste Management Association of Australia, Qld Division
- Australian Council of Recyclers
- Australian Local Government Association
- Local Government Association (Qld)
- Waste Management Pacific Pty Ltd
- Environment Protection Association (Qld)