

UK Country Report (England)

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Local Partnerships is jointly owned by

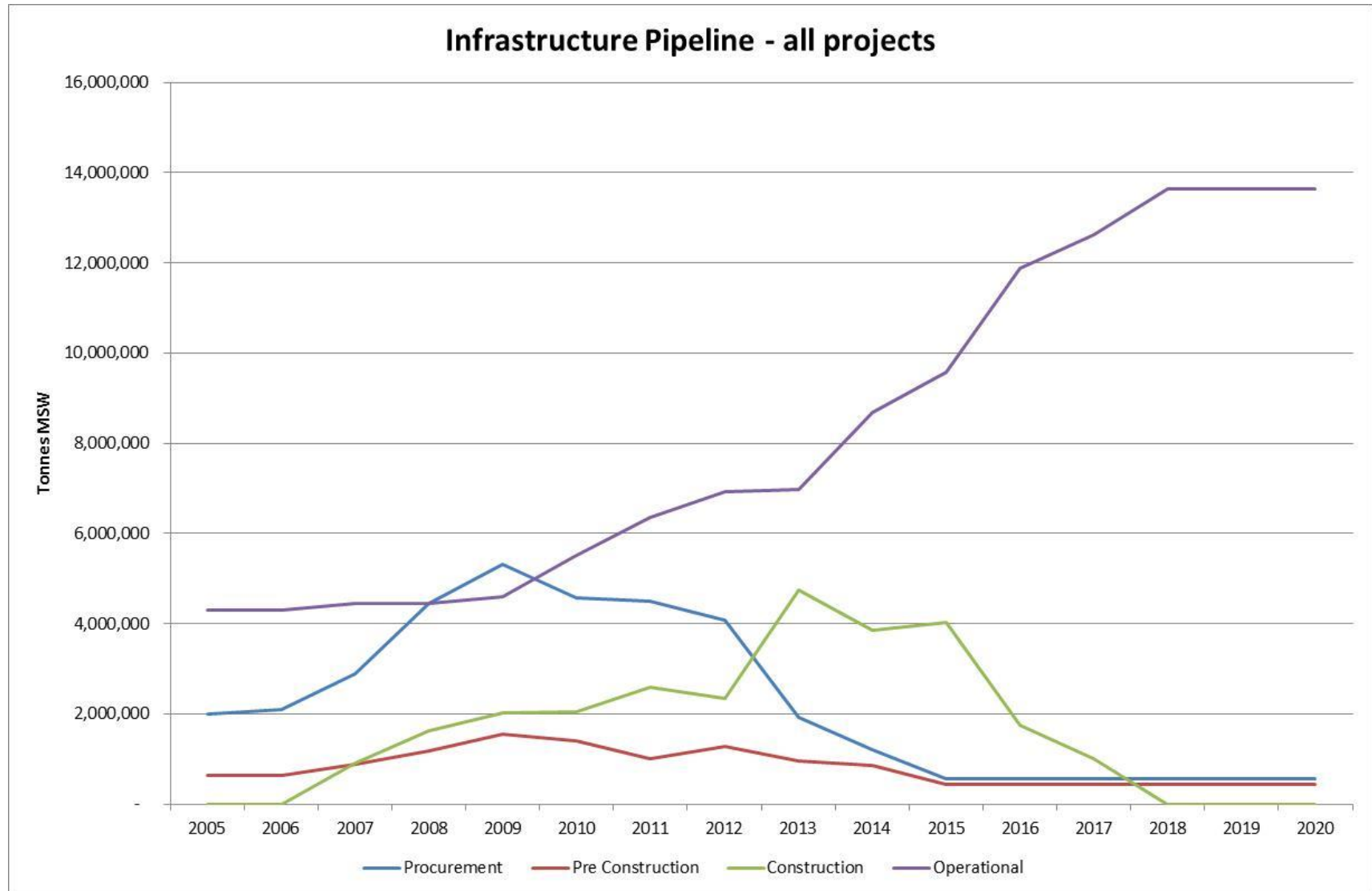


HM TREASURY

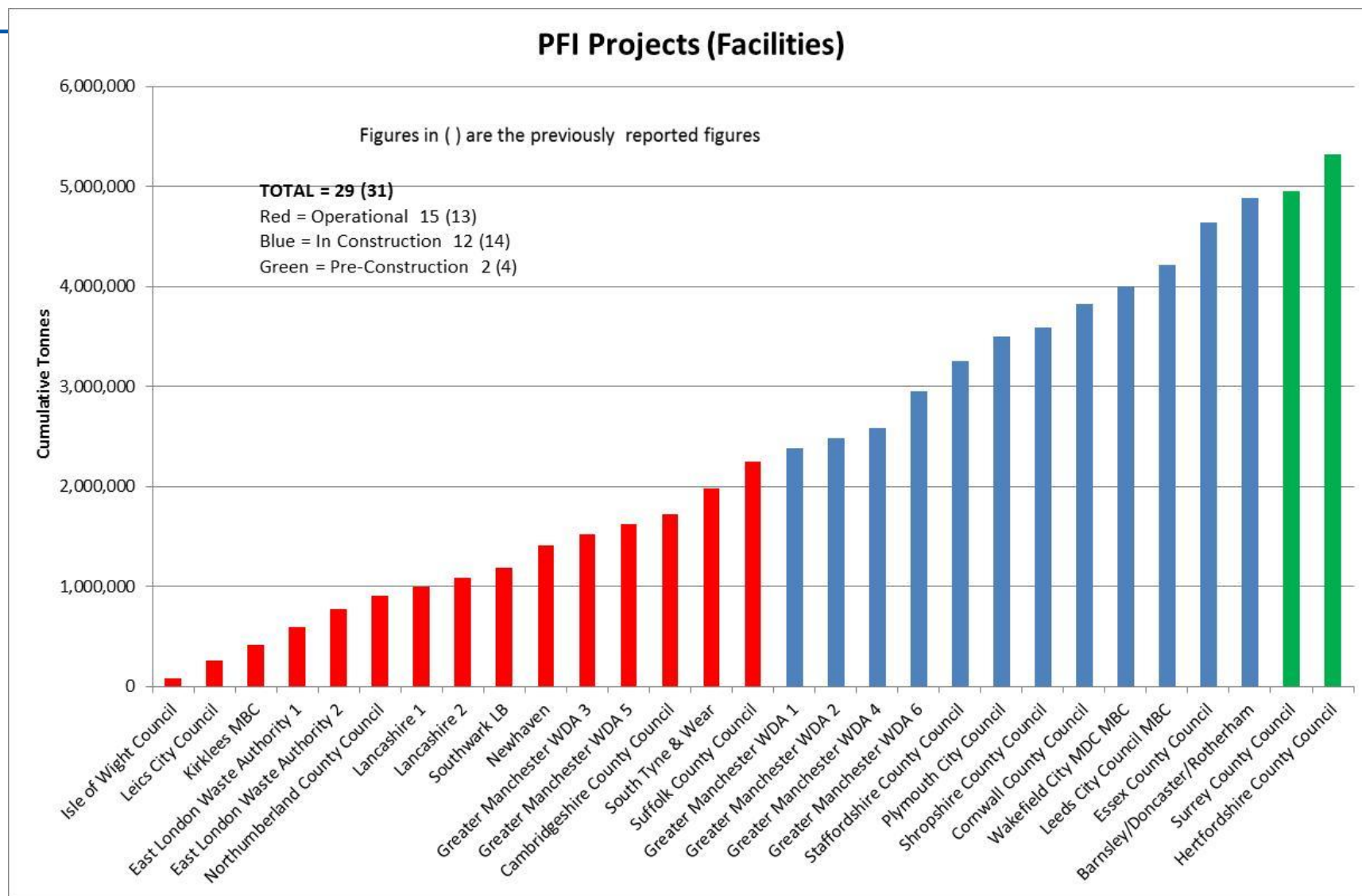


- Infrastructure Update
 - Plants in Operation/construction/development
- SRF and Export Issues
 - (Acknowledgement to Essex CC for use of some of their information on SRF)

Infrastructure – Delivered Capacity

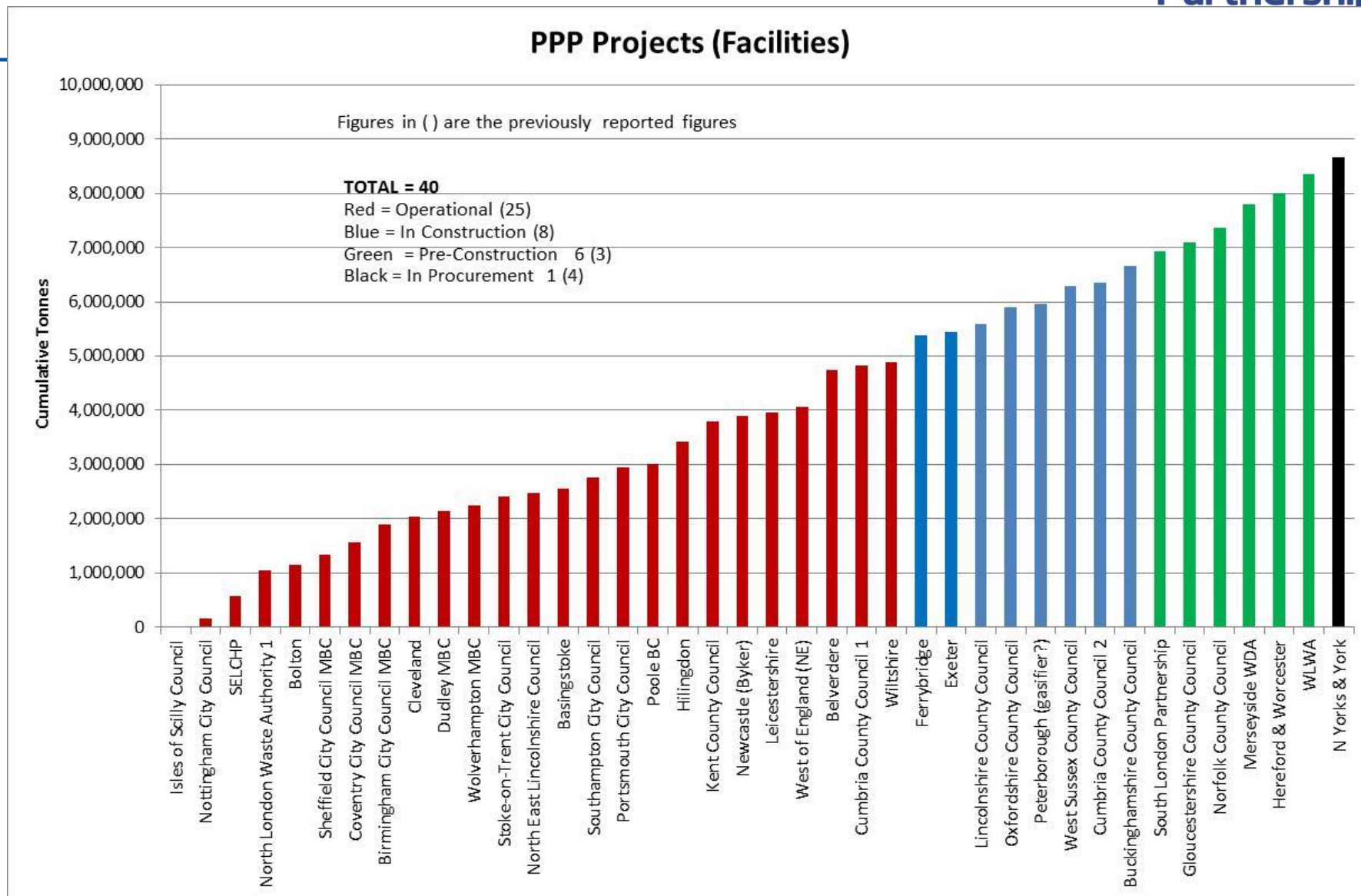


PFI Facilities



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PPP Facilities



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SRF Production & Exports

- MBT Plants (Producing SRF with no secured outlets)
 - Cambridgeshire (40 kt SRF)
 - Essex (180 kt SRF)
 - Lancashire (150 kt SRF)
 - ELWA (180 kt SRF)
 - Wiltshire (30 kt SRF)
 - Total ~ 600 kt

- SRF Exports
 - 272 kt (2011), 892 kt (2012) & 1,587 kt (2013)

Essex – 7.5 ha site in Basildon



European Demand

Country	Demand	Typical Gate Fees
Netherlands	12 EfW plants Total capacity c7.5 m tonnes and overcapacity c 1 m tonnes	€40 – €50 per tonne (no incineration tax)
Denmark	29 EfW plants Total capacity c3.5 m tonnes and overcapacity c 0.5 m tonnes	€84 – €110 per tonne (including €52 incineration tax)
Germany	102 EfW plants Total capacity c23 m tonnes and overcapacity c 4 m tonnes	€40 – €70 per tonne (no incineration tax)
Sweden	32 EfW plants Total capacity c5.1 m tonnes and overcapacity c 0.6 m tonnes	€30 – €60 per tonne (no incineration tax)
Latvia	Limited EfW capacity; main recipient likely to be cement kiln (Broceni) co- incineration plant	????????

Other recipient countries include Norway, Estonia and Ireland

Note: Based 2012 data and include both RDF, SRF and cement kilns

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- Germany – greatest demand but higher gate fees and transportation costs.
- Sweden – less demand but higher quality feedstock for CHP/DH plants but accept lower gate fees for the higher quality material
- Current overcapacity will increase slightly over next two years as new plants in Sweden and Germany are completed
- Over capacity is likely to remain until at least 2020 when older plants/lines are decommissioned.
- The overcapacity created the tipping point for export of RDF/SRF to become competitive against landfill
- Nevertheless export costs remain closely aligned to UK landfill disposal cost movements.
- Government perhaps considering more demanding specification for SRF export

Export Market

Country	2011 '000 t exported	2012 '000 t exported	2013 '000 t exported
Netherlands	310	692	1177
Germany	17	55	180
Denmark	48	69	120
Sweden	19	17	103
Latvia	20	53	16
Estonia	15	-	-
Portugal	0.5	-	-
Spain	0.5	-	0.1
Norway	-	6	32
Ireland	-	1	0.1
France	-	-	4
Finland	-	-	2

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- Increased from 26 to 43 during 2013
- With eight main players:
 - » SITA
 - » Biffa
 - » New Earth
 - » Senaco
 - » Shanks
 - » Andusia
 - » FCC
 - » Greenway

- MBT Gate fee ~ £80/t
- SRF Costs
- Additional handling (baling/dock side arrangements) ~ £10/t
- Transport £8-15/t
- Plant gate fee £25 – 95/t
- Total Cost (SRF) £43 – 120/t
- Landfill (of SRF) £85 - £105/t
- Currently seeing prices for minimal processing and export of less than £80/t