

TRANSCRIPT

LEGISLATIVE COUNCIL ECONOMY AND INFRASTRUCTURE COMMITTEE

The Development and Expansion of Waste-to-Energy Infrastructure in Victoria

Melbourne – Friday 8 May 2026

MEMBERS

Georgie Purcell – Chair

Richard Welch – Deputy Chair

John Berger

Gaelle Broad

Katherine Copsey

Moira Deeming

Tom McIntosh

Evan Mulholland

Sonja Terpstra

WITNESSES

James Stirton, Executive Director, City Infrastructure, and

Allana Bedggood, Manager, Waste Services, Greater Geelong City Council; and

Tim Frederico, Project Manager, and

Mick Cummins, Chair, South East Metropolitan Advanced Waste Processing.

The CHAIR: I declare open the Legislative Council Economy and Infrastructure Committee's public hearing for the Inquiry into the Development and Expansion of Waste-to-Energy Infrastructure in Victoria. Please ensure that mobile phones have been switched to silent and that background noise is minimised.

I would like to begin this hearing by respectfully acknowledging the Aboriginal peoples, the traditional custodians of the lands we are gathered on today, and pay my respect to their ancestors, elders and families. I particularly welcome any elders or community members who are here today to impart their knowledge of this issue to the committee or who are watching the broadcast of these proceedings. I also welcome any other members of the public watching via the live broadcast and in the public gallery with us today.

To kick off, we will have committee members introduce themselves to you, starting with Mr Berger.

John BERGER: Thank you. John Berger, Member for Southern Metropolitan.

David ETTERS HANK: Hi. David Ettershank, Western Metropolitan Region.

The CHAIR: Georgie Purcell, Northern Victoria Region.

Sarah MANSFIELD: Sarah Mansfield, Member for Western Victoria.

The CHAIR: Wonderful. Thanks so much for coming along and appearing before us today. All evidence taken is protected by parliamentary privilege as provided by the *Constitution Act* and further subject to the provisions of the Legislative Council standing orders. Therefore the information you provide during this hearing is protected by law. You are protected against any action for what you say during this hearing, but if you go elsewhere and repeat the same things, those comments may not be protected by this privilege. Any deliberately false evidence or misleading of the committee may be considered a contempt of Parliament.

All evidence is being recorded. You will be provided with a proof version of the transcript following the hearing, and then transcripts will ultimately be made public and posted on the committee's website.

For the Hansard record, could you all please state your full names and the organisation you are appearing on behalf of? We will start down here with Mr Stirton.

James STIRTON: James Stirton, Executive Director, City Infrastructure, City of Greater Geelong.

Allana BEDGGOOD: Allana Bedggood, Manager, Waste Services at the City of Greater Geelong.

Mick CUMMINS: Mick Cummins. I am the Chair of the South East Metropolitan Advanced Waste Processing group.

Tim FREDERICO: And Tim Frederico, Project Manager of the South East Metropolitan Advanced Waste Processing project.

The CHAIR: Awesome. We now welcome your opening comments but ask that they are kept to around 10 to 15 minutes to ensure plenty of time for discussion and questions from the committee. Are you going in groups?

James STIRTON: Yes, I think so.

The CHAIR: We can start with Geelong.

James STIRTON: Thank you. And thank you for the opportunity to appear today. From the outset, I would like to state that council's position is to acknowledge that waste-to-energy, like landfill, is a component of the waste hierarchy where residual waste cannot be avoided, reused or recycled. However, it must not undermine our core commitment to avoiding residual waste in the first instance.

Following a recent waste-to-energy proposal within the City of Greater Geelong, council has formed a current position of not supporting an incineration-based waste-to-energy facility within the Geelong municipality. I do note, though, that the city has invested in and presently engages in other non-incineration-based waste-to-energy initiatives that include extensive garden organic composting and electricity generation from gas capture at our Drysdale landfill. The foundation of this approach is prioritising the reduction of waste, reusing materials, recycling and recovering resources, with disposal, including energy recovery, playing only a limited residual role once all reasonable opportunities further upstream of the waste hierarchy have been exhausted.

I will briefly outline five components of the waste-to-energy rollout that concern council, being policy settings, business models, equity, regulation and financial considerations. From council's perspective the current policy settings of waste-to-energy proposals cannot be assessed without considering the place-based impacts and realities faced by communities. Local government authorities are responsible for protecting residential amenity, managing population growth and maintaining local and regional infrastructure. From recent experience, incineration-based waste-to-energy proposals have raised a range of concerns for communities, particularly health-based apprehensions in relation to proximity to homes, schools and growth areas. The cumulative impacts alongside other industrial uses and the significant increase in heavy vehicle movements associated with these facilities may further exacerbate congestion. Our council's strategy, which has been formed following consultation with our community, prioritises waste avoidance first in all forms and is then followed by reuse, recycling and resource recovery. We are concerned that incineration-based waste-to-energy infrastructure risks inadvertently promoting long-term residual waste generation, thereby undermining recycling and waste minimisation efforts by industry.

Council also shares concerns regarding the business models underpinning large-scale waste-to-energy facility investment. To support the large up-front capital investment and operating funding models, these facilities rely on long-term commercial arrangements, often requiring a steady, consistent stream of guaranteed residual waste volumes over multiple decades. What this inadvertently does is create a structural dependency within the system, where maintaining a consistent waste stream becomes necessary for financial viability. Over time this can reduce flexibility for the industry and limit the ability to respond to emerging technologies or improved waste reduction approaches.

From an equity perspective the current proposed locations of waste-to-energy infrastructure present challenges to regional and rural communities. The proposed facilities are largely concentrated around the outskirts of metropolitan Melbourne. For rural and regional communities this results in longer transportation distances, increased emissions and higher operating costs that are passed on to the ratepayer. Long-haul transportation increases pressure on road networks and exposes both waste systems and councils to fuel price volatility and supply risks.

From a regulatory standpoint, clarity for all players within the waste cycle is essential. The current framework is complex and multilayered, involving multiple departments and agencies relating to accountabilities, monitoring and enforcement. It is our experience that communities want assurance not only that the standards are met today but that emissions and residual waste will be managed safely over the entire life of a facility and beyond its decommission. From a financial perspective we are cautious about the implications of entering into long-term contractual arrangements which are necessary given the up-front cost of constructing such a facility. There is a risk that waste supply commitments are at odds with achieving waste reduction targets, creating potential misalignment between contractual obligations and policy settings. This may result in reduced flexibility, financial exposure or the risk of stranded infrastructure if waste volumes decline more rapidly than is anticipated.

In closing, the City of Greater Geelong asks the inquiry to prioritise first principles regarding the waste life cycle. Our belief is that a circular economy is not achieved by finding new ways to process waste; it is achieved by producing less residual waste in the first instance, recovering value where possible and protecting communities from potential long-term environmental risk and financial burden. If waste-to-energy has a role in Victoria, we contend that the policy and regulation settings must be consistent, the business models and

financial impost fair and the rollout and operations equitable. The City of Greater Geelong stands ready to work constructively with the state to deliver those outcomes. However, we equally must be clear that community trust, environmental integrity and long-term responsibility must come first. Thank you.

Mick CUMMINS: Thank you for the opportunity to speak about our experience in procuring a waste treatment solution on behalf of nine councils in the south-east of Melbourne. These councils represent around 2 million people – and that is growing quite rapidly – who are producing approximately 400,000 tonnes of waste per annum that is all currently going to landfill. The participating councils formed a proprietary limited company as a vehicle to accumulate a large volume of waste and to commence an expression of interest process seeking alternative waste treatment solutions. The approach to market was technology agnostic – we were interested in seeing any solution that would be commercially viable, environmentally responsible and affordable to our communities. We undertook a multistage and rigorous procurement process, and we engaged technical and commercial experts to assist.

It became clear that of the 32 expressions of interest we received from worldwide bidders the only viable options were based on waste-to-energy technology and that this technology offered a better alternative than continuing to rely on landfill. We subsequently entered into a waste supply agreement with a consortium led by Veolia and Opal, the operator of the paper mill in Maryvale. This proposal is based on high-temperature incineration and already has the relevant regulatory approvals in place. This outcome will deliver significant reductions in greenhouse gas emissions compared to landfill and lower gate fees over the life of the agreement compared to landfill. We have continued to engage technical advice on any emerging international trends and are comfortable that waste-to-energy remains the best option available to our councils. Of course we are happy to take any questions.

The CHAIR: Great. Thank you so much. We will move to questions, and we might start with Dr Mansfield, if you are ready to go.

Sarah MANSFIELD: Thank you. Thank you for appearing today. I might start with the City of Greater Geelong. You have said that the city has a position that you oppose any waste incineration facilities within the municipality. Does that include other technologies like waste gasification or pyrolysis, as opposed to just combustion?

James STIRTON: Our current council position only relates to incineration. We had a proposal for an incineration facility in Lara quite recently, so council's position is essentially relating to the Lara proposal and is incineration focused.

Sarah MANSFIELD: Okay. So other technologies that I think many would consider combustion methods of managing waste like pyrolysis and gasification could be acceptable for the city within your waste management framework?

James STIRTON: Yes, they definitely could be considered. The position of council at the moment is that whilst we are opposed to incineration in the City of Greater Geelong we are open to exploring further technologies, whether that be pyrolysis or gasification or other measures, or even other technologies that may present themselves in future. In full transparency, I do not think we know enough about these technologies yet to have a definitive position, so we have a position that we are continuing to explore and research other options that may be available to us.

Sarah MANSFIELD: While I understand that the city opposes having a facility located within the municipality, has the city developed any position about sending municipal waste to an incineration facility?

James STIRTON: No, we do not have a position on that at the moment. We do send residual waste at the moment to a neighbouring council's landfill – a portion of our residual waste – but we do not have a position on sending residual waste to waste-to-energy yet.

Sarah MANSFIELD: Because I think in your presentation you raised that there can be concerns with the contract arrangements, for I guess the potential financial exposure for councils entering into contracts with these sorts of facilities. But you have not got a position about whether it is something you would entertain?

James STIRTON: Not as yet, and the reason is that we have certainly had conversations with proponents at the moment, but we do not know enough yet to make a decision on signing up to an agreement without exploring further options, whether they be other technologies or reducing residual waste at the source.

Sarah MANSFIELD: It is interesting because we have heard from obviously a whole range of residents in communities that have very similar concerns to the Lara community. I appreciate the city has made a position that, 'Look, we don't want a facility like this in our municipality,' but as far as I understand it, the business cases for a lot of these facilities depend on securing contracts with providers of waste, including councils. So if the city were to enter into a contract with one of these facilities in another municipality, what makes such a facility more viable when it potentially puts those communities in a very similar position to the ones that the Lara community have been intent to avoid?

James STIRTON: I tend to agree. We are well aware that that could be perceived.

Sarah MANSFIELD: Yes, okay. I might ask a question just of SEMAWP, if I have got time. Is the contract that that consortium of councils signed in the public domain?

Mick CUMMINS: No. That contract is a commercial-in-confidence document between the proprietary limited company and the provider of the service.

Sarah MANSFIELD: Okay. Again, we have heard from a number of councils and communities concerned about long-term liability and financial risks for councils but also what it means when they have got an obligation to continue to supply a minimum volume of waste. Can you at least indicate whether there is anything within the contract that obliges the councils to provide a minimum volume of waste for a period of time?

Mick CUMMINS: Yes, I can. Through the procurement process it became very clear that there are sort of two models, potentially, around how waste can be placed into a facility like this. One is a guaranteed minimum quantity of waste, and the other is a waste-arising model, which you may have heard about in previous submissions.

In the current financial climate, all of the bidders to our procurement process indicated that the waste-arising model – which is essentially saying, 'We'll give you whatever waste we've got, and you deal with it,' with no minimum guarantee – would not provide the financial surety that would allow these projects to become commercially viable in the current context. There is a minimum waste guarantee in the agreement that we have with the consortium. But the way the councils have managed that risk is that we each thoroughly calculated the quantity of waste that the nine participating councils would be generating over the next 25-year period based on every single thing that we could do going right in terms of reducing the volume of waste going into the red bin and the intensity of waste, if you like, coming out of each household, bearing in mind that a number of the councils in this consortium are very large and getting much larger. Casey and Cardinia are growing rapidly, so the amount of waste being generated, even if the volume per household goes down, is going to go up significantly over time just because of the nature of population growth. To manage the risk, each council calculated what it thought, if everything went well in terms of waste diversion, its volumes would look like over the 25-year period. We then took a very conservative approach to providing any guarantee around that.

What we have essentially done is guaranteed a waste volume that is significantly lower than what is likely to be generated over the period of time. In terms of our detailed risk assessment, the risk of us not being able to maintain that guarantee is exceptionally low. A more significant risk probably is that we will generate too much waste and the facility will not be able to take it, and we will have to find another alternative for the excess.

Sarah MANSFIELD: You said you built in assumptions around everything going as well as possible with diversion and reduction in waste. Can you provide a bit more detail about exactly what assumptions you have made there? The concern I have is that by agreeing to this there is a reduction in the incentives to look at options that significantly reduce the volume of waste that potentially do not even exist as options at the minute because we have not invested in them. We heard a lot of evidence yesterday about the potential for pretreatment, really aggressive sorting and efforts around recycling, as well as things like product stewardship, packaging, regulations and covenants – things that would be big system changes that are not in place at the minute. What assumptions have you built into that best case scenario with waste reduction?

Mick CUMMINS: We have built in an allowance for all the things we know can be delivered at this point, so all councils implementing FOGO and changing the bin frequencies, maximising the diversion of green waste from the red-lid bin, maximising recycling efforts, ongoing community education, looking at all of the currently available options in terms of reducing the amount of waste going into that bin in the first instance. All of the participating councils are committed to implementing all of those things and new and emerging options as they become available. As I was trying to indicate, the guarantee we have provided is quite low in terms of the amount of waste going to this facility. Even if there were a range of other things that become available to us in the next 10, 15 years that are not on the table at the moment, the guarantee we have provided is so low that we should be able to confidently deliver that waste.

I guess this becomes an important consideration. We have got a landfill path. That is the only other path at the moment. If we want to move away from landfill, we have to accept that there are some market and commercial considerations that are required to produce an alternative method of disposing of waste, and if councils and other waste providers are not prepared to provide a minimum waste guarantee, then these facilities just will not be built.

Sarah MANSFIELD: Okay. Thank you. I am not sure where I am up to timewise, but I feel like I have probably exhausted my time.

The CHAIR: Yes, it has been used up, but we will go back around if there is time. Thanks, Dr Mansfield. We will now go to Mr Ettershank.

David ETTERS HANK: Thank you for your presentations today. It is much appreciated. I might start with a couple of questions for SEMAWP, if I may. You said that you are not in a position to release the contract and that it is commercial in confidence, and that is a term of the contract that you have entered into.

Mick CUMMINS: Yes, that is correct.

David ETTERS HANK: Is that equally binding on all of the councils?

Mick CUMMINS: Yes, it is.

David ETTERS HANK: Are you able to say how long this contract, this commitment to a minimum waste flow is guaranteed to Maryvale?

Mick CUMMINS: Twenty-five years.

David ETTERS HANK: Twenty-five years. Okay. Are you in a position to release the business case that sits around that? I presume that would not be commercial in confidence.

Mick CUMMINS: The business case was actually done by the state government through its metropolitan waste agency at the time. I believe it is a publicly available document, and we can provide a copy to the committee if it wishes.

David ETTERS HANK: If you could, that would be terrific.

Mick CUMMINS: I am happy to do that.

David ETTERS HANK: In the States there are a number of cities that entered into minimum flow – I am sure your research picked up – that resulted in their bankruptcies, and that included the City of Detroit, City of Harrisburg and 29 other towns. What provisions have you made to avoid your clients or the councils concerned not facing a similar fate if – as I am sure we would all hope – the ability to deal with waste is significantly reduced over the next 25 years?

Mick CUMMINS: As I was attempting to explain in the previous question, the way we have managed that risk is by guaranteeing a low volume of waste, which is dramatically lower than what we expect to actually produce. So from what we know, and based on information provided through our technical advisers about what is emerging in terms of other alternatives in the treatment of waste, we are comfortable and the participating councils are comfortable based on our risk assessment that the volume of waste we have guaranteed is significantly lower than what is going to happen, even if new and emerging technologies come to the fore.

There is always a risk; there is a risk in everything. But there is a risk of doing nothing too, and the risk of doing nothing is that we continue to have this 400,000 or 450,000 tonnes going to a landfill that is going to be a very long way from where it is generated.

David ETTERSHANK: Please do not imagine that I am suggesting there is a simple solution to the problem, nor is there a manifestly right or wrong answer.

Mick CUMMINS: Agreed.

David ETTERSHANK: I think the committee is keen just to try and understand exactly what is going on and how that might work. Are you able to share or take on notice how that methodology was employed to come up with the projected waste, and then your lower assessment of that and how that fitted with your contractual obligations, without actually breaching your commercial-in-confidence? Is that in the business case?

Mick CUMMINS: I am happy to talk to the process. All councils have a very good understanding of the current composition of their waste flows and where they are up to in terms of the implementation of various diversion approaches. Each of the nine councils went through a process of identifying markers of what is currently going to landfill, what are they expecting to see from a diversion from change of bin frequency, implementation of FOGO and ongoing community education, and made an assessment of what the likely rate of waste disposal would be into the future, and then the approach we took was to –

David ETTERSHANK: I appreciate this is a fairly complex question I am putting to you, so could I perhaps just ask you to take this on notice?

Mick CUMMINS: Sure.

David ETTERSHANK: And if you could put some real flesh on the bones for us, in terms of the numbers and how that looks, that would be terrific.

Mick CUMMINS: I am happy to do that. The actual numbers may well cross over into some sort of commercial-in-confidence arrangement. I just need to take some advice about that.

David ETTERSHANK: Of course. That is entirely reasonable. If I could just put a couple of questions to Geelong council, if I may. There is a question in my mind, and clearly it has been raised by a number of constituents, looking at your community engagement policy, which seems very progressive and a good document. I am wondering why for the December report 'Energy from waste: navigating future waste operations and circular economy opportunities' there was no consultation with the community around that, and why council deemed that to be, and I quote:

Community engagement ... not required.

James STIRTON: That particular report was in direct response to a notice of motion that was put forward I believe at the January 2025 meeting. So if it was, for instance, a strategy document, whether that is the plan for nature strategy, an environmental strategy or waste and resource recovery strategy, which we had adopted I think around 2020, it undertook significant consultation, but that particular report was in response to a notice of motion, which ordinarily would not require consultation. If council were to form a policy position or a strategy in regard to waste-to-energy, that would be a component of work that we would look to engage with the community on.

David ETTERSHANK: And you do not think that this has a direct impact on the community, and they would have a significant interest in exactly the topic of that report?

James STIRTON: No, the community definitely does. I guess that that report, as I mentioned before, was more a procedural report responding to a notice of motion, and ordinarily in itself we would not conduct consultation or engagement on that. It was responding to a councillor's request, so not in that instance.

David ETTERSHANK: Can I ask, in terms of your submission: you talk about how the Victorian state government, through Recycling Victoria, have indicated that they want no more new landfills. Putting aside the question of whether that is a good approach or not – because I have yet to meet in this process anyone who is a landfill advocate or lover – on what basis did you form the view that there was particular regulation or

otherwise that gives the state government the power to tell you as a council that you cannot do new landfill or expand existing landfill?

James STIRTON: From the state government policy position?

David ETTERS HANK: Yes. Your point 2 says the state government said you cannot do any more landfill, and I am just trying to understand how they can actually say that to you legally. What regulation or laws give them that power?

James STIRTON: You can correct me if I am wrong, Allana, but our landfills are heavily legislated and require state government approval through the environmental protection agency and other agencies et cetera. The indication that we have had from the state government is that no further approvals for new landfill or new landfill cells were going to be approved, and then we would not be able to obtain the appropriate licences et cetera to be able to operate those. Where we do operate a landfill within the City of Greater Geelong, in Drysdale, we are expecting that that has a space life until about 2030, and so post that closure we do not foresee any further landfills being available to be opened within the city.

David ETTERS HANK: So effectively everything that is not reusable will have to be incinerated as it stands currently. Is that where you are going?

James STIRTON: We pick up 10 million bins a year. We are a large municipality. A portion of our waste goes to the Drysdale landfill, and the remainder goes to a landfill within the City of Wyndham, which has a much longer shelf life. And agreed – I would like to say that we are well aware that if we are opposing incinerating waste, burying it is not a great alternative option. We are certainly working towards minimising that as much as possible, and hopefully another emerging technology comes around, whether that is clean incineration or other options, that we would be able to look at. Once the Drysdale landfill closes, we have alternate options nearby for us.

David ETTERS HANK: Thank you. Thank you, Chair.

The CHAIR: Thanks, Mr Ettershank. Mr Berger.

John BERGER: Thank you, Chair. And thank you all for your appearance this morning. I might direct this question to the City of Greater Geelong. We have heard some evidence this morning from a number of witnesses about prevention, and I am interested to understand what the City of Greater Geelong is doing in relation to prevention.

Allana BEDGGOOD: Prevention of waste generation?

John BERGER: Yes.

Allana BEDGGOOD: We have a number of community education initiatives. We have a team dedicated to waste education. I think the challenge with that is that large-scale community behaviour change is bigger than a local government initiative. What we would really like to see is statewide approaches to really reducing waste generation from the source in conjunction with the local government initiatives of reducing waste as much as possible. In addition to that, to really try and avoid contamination within our recycling bins and our green-waste bins, we have a dedicated team that audit behind our kerbside trucks and directly engage with the local community to provide education on what should go into which bin. Across our offices we have a no-plastics policy, and we are also exploring additional ways that we can really undertake further diversion from the material that is going into the red bin.

John BERGER: So has the introduction of the purple bin, say, in the Greater Geelong area, been a success in terms of being able to sort out the right ones going into the purple bin and the right ones going into the yellow bin?

Allana BEDGGOOD: We do not have a purple bin at the moment. We are part of the glass advocacy campaign advocating against the rollout of the purple bin for Geelong. The rollout of the bins would cost \$8.6 million and add an additional \$5 million annually to our service costs, and what we have really seen is a significant decrease in the weight of our yellow bin recycling post the introduction of the CDS, and what we believe that is due to is the volume of containers that are being put into the CDS rather than going into our

yellow bin. So we are currently advocating for optimisation of the CDS, as many other states are doing, as opposed to rolling out a purple bin that would, in addition to the costs, also see emissions increase. From municipalities who currently do have a purple bin, we understand that they are seeing kerbside presentation rates of between 20 and 30 per cent, but the truck still has to drive along every single street to pick those bins up.

John BERGER: So can you give me an indication of the contamination in your yellow bin and how that contributes to not preventing what we are trying to prevent?

Allana BEDGGOOD: Sure, and I think it is really the behaviour change. Certainly when we have the service standards released and there is standardised material for every single council in terms of what can go into your various bins, that will be really helpful and that will increase the education that we can achieve across the state. Where we are seeing a lot of success is the interaction with households who are inadvertently putting the wrong thing in their bin; for example, in one of our areas where we do have quite a diverse community we have seen percentage reductions from almost 20 per cent contamination in the bins down to just under 10 per cent contamination. So that individual action and engagement has been demonstrated to be really successful.

John BERGER: A broad question that could apply to anybody: I am interested to understand, if there is a waste-to-energy facility built, do you think it would undermine recycling as a general proposition?

Mick CUMMINS: No, I do not, and I say that for a few reasons. One is that there is legislation that regulates what material can be put to a waste-to-energy facility.

John BERGER: I am thinking more in terms of the public.

Mick CUMMINS: I am not sure that your average member of the public would – and I say this with deep respect, but I think their thinking stops about the time they let go of the container and which bin it goes into, maybe. How it gets treated after the event, I do not think your average resident has a mind to or even understands where it goes at the moment. I think the councils, and I am particularly talking on behalf of the nine councils I represent, are all absolutely committed to maximising the recycling and other diversionary methods to take waste out of that red bin. The fact that we have signed up to this agreement does not change that, because we know that we are going to generate more waste than we can get rid of, and we have to maximise diversion. For the path we have gone down to work requires us to maximise diversion, regardless of the fact that we have got a waste-to-energy treatment plant to deal with what is left. So I do not see how it does that. I think the legislation does heavily regulate what can go into that process in any case.

John BERGER: Thanks, Chair.

The CHAIR: Thanks, Mr Berger. Dr Mansfield has a couple more questions, and then I think Mr Ettershank. Dr Mansfield.

Sarah MANSFIELD: Thank you. Just going back to the City of Greater Geelong, you have indicated before that council has a position that they do not support any waste incineration facilities within the municipality. Has there been any consideration of planning scheme amendments to, for example, the industrial areas like the one out in Lara, to prohibit that specific use of the land?

James STIRTON: We are going to have an industrial land use strategy that will come before council shortly. The zoning of prohibiting waste-to-energy would not fall within the planning scheme, so that has not been a consideration, to my knowledge, at this point in time.

Sarah MANSFIELD: Sorry, can you explain that for me? You are saying that you could not specifically exclude waste incineration from any kind of planning scheme?

James STIRTON: No, sorry. That could be proposed, but ultimately the planning scheme would be adopted by the state government. In our current industrial planning, excluding waste-to-energy within an industrial zone at the moment has not been considered.

Sarah MANSFIELD: Okay. So at the moment it is really just a policy position that the council does not support any facility within the municipality.

James STIRTON: An incineration facility – that is right. But also there is a policy position that we want to explore other technologies further and research and understand what could be available to us outside of an incineration facility within Geelong.

Sarah MANSFIELD: Okay. I am just going to go to some questions that I asked some councillors yesterday. We know that there is a landfill levy that it is collected and goes into a sustainability fund, which we know has been accumulating over a number of years now. If every council was genuinely committed to the circular economy principles, where would you like to see that money being spent so that we could achieve a circular economy and a significant reduction in waste and potentially avoid the need for even consideration of some of these combustion technologies – you know, incineration or landfill for that matter?

James STIRTON: I think in the first instance, it would be broad-scale education. Secondly, trying to reduce potential residual waste at the source in terms of working with industry around packaging et cetera. And then thirdly, investigating potentially cleaner technologies to deal with residual waste further downstream.

Sarah MANSFIELD: We heard evidence yesterday about how it seems like we could go a lot further in terms of, say, if we have hopefully dealt with that education and packaging side of it – accepting that we are not there yet – there is still a long way we could go in terms of better pre-sorting and treatment of waste. But we do not really have great facilities to do some of that work anywhere. Has the city given any consideration to creating some sort of circular economy precinct or supporting something like that, which would allow for things like better pre-sorting and pre-treatment of waste so that you really remove all potentially recyclable waste or waste that could be repurposed?

James STIRTON: I think it probably depends on the stream. I would say that the City of Greater Geelong has invested an enormous amount of resources, both human and money, into the processing of garden organics. We collect that ourselves, we decontaminate the garden organics ourselves, we shred it, bulk-haul it to a composting facility, and then we return that compost to our community gardens, our Geelong Botanic Gardens. Recently we have had it graded commercially and are now bagging it and selling it in Mitre 10 and other retail stores. We are up for the challenge of being able to do this. As Allana mentioned earlier, the way that we decontaminate and process our yellow bins has been really effective, both through the recycling component and using the container deposit scheme.

Sorting and decontaminating red-bin residual waste would be something else to consider. But we are looking at a current upgrade at the moment. It is in our long-term financial plan to further upgrade the introduction of food organics into our garden organics processing so we can continue to compost that material. We are upgrading our facility where we are also decontaminating and processing our yellow-bin waste as well.

Sarah MANSFIELD: Do you feel –

The CHAIR: Sorry, Dr Mansfield, I think there was just one more addition to that.

Mick CUMMINS: Through the procurement process that we have been through, this issue about pre-sorting the material that is in the red-lidded bin has come up multiple times. The difficulty is that once something goes into that red-lidded bin, the chances of it being contaminated are extremely high because of the materials that the red bins take. Trying to extract organic material that has been in a red bin is highly problematic because of the nature of the potential contamination that cannot be sorted out once it has already happened in the red bin, if you know what I mean. In fact in some jurisdictions you are not allowed to use organic material that has been pre-sorted from a multicontainer such as a red-lidded bin, just because of the contamination that cannot be resolved. Likewise, containers that end up in the red-lidded bin become coated and contaminated with other materials. What has come through in our procurement is that the costs of decontamination of material once it has gone into the red-lidded bin make it uneconomic. The only way that that process could happen would be to have some sort of government intervention in terms of the cost of doing so, because the commercial viability of extracting that material just is not there. There is no market for it.

Sarah MANSFIELD: Surely that is something that could be considered for the Sustainability Fund. I mean, it was set up to support circular economy initiatives, and potentially funding some of those things that are not currently commercially viable necessarily in a private market could be made possible through that.

Mick CUMMINS: That is potentially true.

Sarah MANSFIELD: Thank you.

The CHAIR: Thanks, Dr Mansfield. And just a few more from Mr Ettershank.

David ETTERS HANK: Thank you, Chair. Just a quick one for the south-east on the decision on Hampton Park transfer station, will that have an impact on the rollout of this proposal with Maryvale?

Mick CUMMINS: Yes, it will.

David ETTERS HANK: What do you see as the response that will need to be made to respond to that? Or more particularly, is it somebody else's problem?

Mick CUMMINS: I think it is everyone who lives, works or generates waste in the south-east of Melbourne's problem. It is everyone's problem. The landfill there is going to close in the middle of next year, I believe, on current estimates, and there will be no further landfills granted in the south-east, according to the government policy we just talked about. So every piece of waste generated in the south-east of Melbourne is going to have to find a home somewhere else very soon. Without a transfer station in the south-east, that looks highly problematic. A very large slice of Melbourne's population will not have immediate access to a waste disposal facility of any sort. There are some small transfer stations in the south-east, but they are not capable of being expanded to meet the volumes available. So it is a huge problem, and I think the state government needs to get itself engaged in what the solution to that looks like.

In terms of our project in particular, because of the location of the waste-to-energy facility, we cannot operate without a transfer station in the south-east of Melbourne. For the consortium we are dealing with, it is their obligation to find a transfer station site and commission it as part of the agreement. If they cannot, the agreement lapses. The obligation is on them to solve this problem, but if they cannot solve the problem, we do not have a project.

David ETTERS HANK: So what is the timeframe before you end up with some sort of force majeure on your contract if there are problems getting a transfer station?

Mick CUMMINS: We do not need to rely on force majeure, thankfully. There are specific clauses in the agreement that trigger the ability for the councils to walk away under certain circumstances if certain things are not delivered as part of their contract, and the transfer station is one of them. The potential impact is that another site needs to be found and approvals need to be granted for the transfer station. That can be a two-year process.

David ETTERS HANK: In terms of the timeframes that the councils and you have worked out, as well as obviously with Veolia and Opal, I think it is, what is the window that is available to actually get that sorted, if you pardon the pun?

Mick CUMMINS: Given that that decision was only made a number of weeks ago, there are currently negotiations going on between the parties as to how this gets resolved or not, so I guess that is probably all I can say at this point. There are specific dates. They can be extended by agreement. We are working through a process at the moment about what the time delay means and whether councils are committed to staying in the agreement or not. I guess that is probably all I can say.

David ETTERS HANK: Okay. Thank you so much. Appreciate that. Could I just ask about Geelong – have I got a few minutes?

The CHAIR: Yes, of course. Go for it.

David ETTERS HANK: Thank you so much. Has there been much in the way of direct negotiations with the proponents of the Lara incinerator? I mean with council, sorry.

James STIRTON: To my knowledge, no. In full transparency, we have been approached by other proponents who are looking at waste-to-energy facilities, but not the proponents of the Lara facility, no.

David ETTERSHANK: Given the failure of the Lara proposal to get a waste cap licence from Recycling Victoria, is it council's view that that project is now dead, or is there a view that there may be caps that are transferable from other locations?

James STIRTON: My understanding is that the seven licences that were granted were certainly the first tranche. I believe the Lara group are following us at today's inquiry, and I know that they certainly believe that it is not a dead prospect yet. Certainly from council's perspective, as far as we are aware there is no appetite from the state to proceed the Lara facility, which is our current understanding. We have not had any conversations with those proponents either.

David ETTERSHANK: Amazing what being in a marginal means. Could I just ask you in terms of declarations – and sorry, this might be out of your wheelhouse – have any of the councillors made declarations of interest with regard to potential conflict of interest with other waste providers or potential incinerator operators?

James STIRTON: Not that I am aware that have been disclosed. So when we are briefing councillors about a whole range of waste items, whether that is in briefing or council meetings, be those policy positions, strategies or tender awards, no conflict of interest has been disclosed.

David ETTERSHANK: Okay. Just one more?

The CHAIR: Just one more.

David ETTERSHANK: In the discussions with different people who have come and pitched to council about supporting incinerator contracts, have you been provided with any gate charge-type numbers or any sort of actual specific hard data with regard to what the cost per tonne would be for incineration?

James STIRTON: No. The conversations that we had were quite preliminary around interest, which is not surprising; given Geelong's size, we would be quite appealing in terms of having a waste agreement with us. So we have had conversations, but it has not got to the point of what gate fees would look like, price per tonne et cetera.

David ETTERSHANK: Okay. Thank you so much. Appreciate that.

The CHAIR: Thanks, Mr Ettershank. That is right on time. Thank you so much for coming along and appearing before us today and speaking to the committee. I do have some questions on notice from Ms Payne, who is unwell today, so they will come through from the committee staff.

Witnesses withdrew.