



# Legislative Council Economy and Infrastructure Committee

**Inquiry:** Inquiry into the development and expansion of waste-to-energy (WtE) infrastructure in Victoria

**Hearing Date:** 08 May 2026

**Question[s] taken on notice**

**Directed to:** South East Metropolitan Advanced Waste Processing

**Received Date:** 18 June 2026

## 1. **David ETTERS HANK, page 15**

**Question Asked:**

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.

**Response:** The Business Case has been provided.

## 2. **David ETTERS HANK, page 16**

**Question Asked:**

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? ...

**David ETTERS HANK:** 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 ETTERS HANK:** 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.

**Response:**

A waste feedstock model was developed which forecast future tonnages of waste for the participating SEMAWP Councils. This considered key influencing factors including population growth, kerbside collection systems and their performance.

The model calculated low, medium and high generation levels of residual (red bin) wastes. These levels were largely informed by population estimates and collection system performance.

For the contract, Councils' individual minimum tonnages were aggregated as a 'collective', total minimum tonnage, with no obligation for individual councils to generate specific tonnages.

The tonnage calculations were not included in the business case, but were developed and agreed by Councils during the procurement process.

The precise numbers remain commercial in confidence.

**Questions on Notice from Rachel PAYNE, (who was absent on the day of the hearing):**

**3. Rachel PAYNE**

**Question Asked:**

How many years will your facility need to operate before you receive a return on investment?

**Response:**

Councils involvement in this project is based on the supply of waste – an ROI has not been calculated. However, prior to entering the contract a full analysis was completed and showed that the contract gate fee would be a lesser cost than continuing to use landfill as a disposal option.

**4. Rachel PAYNE**

**Question Asked:**

What independent financial, legal and strategic due diligence was undertaken before councils entered these agreements, including modelling of declining waste volumes, future recycling improvements, carbon policy risks, stranded asset exposure and potential long-term impacts to ratepayers?

**Response:**

The Procurement process was lead and funded by the State Government. The project team included legal, financial, commercial and advisors to ensure that all relevant factors were considered.

Advisors were:

Legal:	Norton Rose Fulbright
Technical:	Arcadis
Financial and Commercial:	BDO, PWC, Scyne Advisory

All relevant factors were addressed to ensure and risk exposure was identified and manageable.

**5. Rachel PAYNE****Question Asked:**

Is there an adaptability plan if waste volumes decline, regulations changes or a different technology emerges in that time period?

**Response:**

We are confident that the waste volumes as calculated are conservative, and balanced with the rate of growth in some of our shareholder Councils (Cardinia and Casey) the cross guarantees that Councils have given provide strong protection from any risk.

The procurement process was technologically agnostic. We went to market to find the optimal technology to serve our Councils needs.

As far as regulatory changes, as much advice and input was sought however there can be no guarantees. Notwithstanding this, the project does fit with both Commonwealth and State Government waste and recycling strategies.

**6. Rachel PAYNE****Question Asked:**

What contractual liabilities, penalties or financial obligations could councils face if future governments strengthen circular economy or emissions reduction policies that materially reduce residual waste volumes and future demand for combustion-based waste processing?

**Response:**

The tonnages calculated are conservative, and coupled with the growth in population, there is little risk that Councils will fail to meet the minimum tonnages as contracted.

I also note that EfW provides base load energy and as such is in fact recycling the waste that would otherwise go to landfill.

7. **Rachel PAYNE**

**Question Asked:**

Is there a risk that long-term contracts with operators lock councils into a linear waste model rather than enabling transition to a true circular economy?

**Response:**

There is always a risk with longer term contracts. However we believe, and as stated earlier, that the waste volumes calculated are conservative and there is very little risk to shareholder Councils.

I also note that without Councils commitment to longer term contracts, the financial viability of the development would be unlikely to be achieved.

8. **Rachel PAYNE**

**Question Asked:**

How does Maryvale and associated projects ensure that recyclable and organic materials are not diverted into the WtE stream?

**Response:**

The Waste Supply Agreement (WSA) that underpins the contract provides for councils to transport their waste to a central sorting facility (transfer station) where the waste will be sorted to ensure only residual waste is then transferred to the facility.

The WSA encourages Councils to strongly drive waste sorting at its source as penalties may apply if the contamination rates are high.

9. **Rachel PAYNE**

**Question Asked:**

As WtE requires constant feedstock, are there any contractual obligations that could disincentivise waste reduction?

**Response:**

No. Councils are free to pursue waste reduction strategies. As previously stated, the contractual waste tonnage calculations already include allowances for this.

10. **Rachel PAYNE**

**Question Asked:**

- (a) Have any consortium partners been subject to environmental or compliance breaches in Victoria in the past 10 years? If so, was this factored into the procurement decision?
- (b) What safeguards do you have in place to protect communities.

**Response:**

This is not something of which we are fully cognisant. While we are aware of some past matters, it would be best to direct this question to the consortium partners.

11. **Rachel PAYNE**

**Question Asked:**

What lessons did SEMAWP draw from overseas waste-to-energy overcapacity issues and international municipal financial failures linked to long-term incineration contracts — including Harrisburg, Detroit and the Claremont Wheelabrator communities — and what safeguards exist to ensure Victorian councils are not exposed to similar long-term financial or stranded asset risks?

**Response:**

SEMAWP commitment is for the provision of waste. It does not have any equity or investment exposure to the development and operation of the facility.

Should this facility fail for whatever reason, the contract provides that the consortium must provide another avenue for waste disposal.

12. **Rachel PAYNE**

**Question Asked:**

What modelling has been undertaken on increased truck movements to and from the Maryvale facility, and how have community concerns been integrated across project planning?

**Response:**

Councils currently deliver waste to landfill in their collection trucks. One of the advantages of this agreement is that waste is delivered to a central transfer facility, sorted and then loaded onto larger “walking floor” trucks to minimise traffic movements.

13. **Rachel PAYNE**

**Question Asked:**

On what basis do you claim that the Maryvale project has achieved a “social licence”?

**Response:**

The proposed facility has been through all planning, environmental and statutory permit processes. These processes involve extensive community consultation and community engagement processes.

Further, prior to entering in to contracts, SEMAWP engaged with the “host” council and was advised of the strong community support for the facility.

14. **Rachel PAYNE**

**Question Asked:**

How have you involved communities in the decision-making process?

**Response:**

Yes.

SEMAWP itself did not conduct any direct community consultation. It was left to individual shareholder Councils to determine the consultation they wished to do.

This varied from engagement with communities through Strategic Planning and Council and Annual Plan development to direct consultation on this specific matter through focus groups.