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**MINUTES OF THE ENVIRONMENT STRATEGIC POLICY COMMITTEE  
HELD ON 29<sup>th</sup> June 2016.**

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1. Minutes of the meeting held on 27<sup>th</sup> April 2016.

**Order: Agreed**

2. Chairpersons Business.

The Chairperson advised that he has to attend to a personal matter and will have to leave the meeting early. Councillor Ciaran O'Moore to chair the remainder of the meeting.

3. Correspondence.

- (i) Email from Councillor Claire Byrne advising of her intention to resign from the Environment SPC and the Climate Change Strategy Subcommittee
- (ii) Email from Hugh Fitzpatrick, Head of Internal Audit advising that having considered the request to evaluate the calculation of the Community Gain Fund the Audit Committee determined that this does not fall within its area of responsibility / remit.

**Councillor Flynn queried why the Audit Committee has decided not to deal with the request from this Committee to advise on the amount of the Community Gain fund. If it does not come within the remit of the Audit Committee independent auditors should be sought.**

- (iii) Email from Oliver Douglas, Chief Executive's Department in relation to the uploading of archived Meeting webcasts to DCC's website.

**Mr. McCarthy endorsed the suggestion that archived meetings are to be retained on DCC's website.**

**Order: Correspondence Noted.**

4. Fill vacancy of the Chairperson of the Climate Change Subcommittee.

Councillor Claire Byrne has stepped down temporarily from the Climate Change Strategy Subcommittee. Councillor Ciarán Cuffe was nominated by Councillor Michael O'Brien and seconded by Councillor Ciarán O'Moore.

**Order: Climate Change Subcommittee vacancy to be filled by Councillor Ciarán Cuffe**

5. Minutes of the Special Committee on Waste Regulations meetings held on 13<sup>th</sup> April 2016, 27<sup>th</sup> April 2016, 19<sup>th</sup> May 2016. (Attached)

**Order: Noted**

6. Consolidation of DCC depots / services. (Verbal Report)

The Director of Traffic gave a verbal report on this matter and made the following points.

- There are in excess of 37 depots across all City Council Departments citywide.
- Many of the depots are in poor repair and require substantial work.
- Some depots are not working to optimum efficiency.
- A group was established to examine the Council's depot network.
- It does not sit fully within the remit of this SPC as it is a corporate initiative on how to make best use of the properties involved to address staff welfare, operational efficiencies, optimum land use etc
- If there are surplus depots they could be sold or used for other purposes.
- It was the plan to develop 2 super depots, one on St. Margaret's Road, Ballymun and the other at Marrowbone Lane Dublin 8.
- These depots will accommodate cross departmental services which should achieve efficiencies.
- Tenders issued to procure a multi-disciplinary team to draw up plans for the sites.

Members raised the following concerns.

- Will there be staff reductions.
- Staff being considered supernumery by the Council.
- There should be a strategic plan for all Council owned lands / properties.
- Is there a report recommending that 2 super depots is the best use of lands and any such report should be presented to the SPC
- What will happen to surplus lands.
- Will staff identified as surplus be redeployed.
- Cromcastle Depot is an example of the benefits of consolidation – accommodation was made available for allocation.

The Director of Traffic responded.

- There is no plan to make any staff redundant. Any staff becoming available through operational synergies will be reassigned.
- A presentation was due to be given to Corporate Planning Group at its April meeting but owing to time constraints this item was not reached and will be dealt with at an upcoming meeting.

**Order: Report Noted. Relist as an item for the September meeting. Any questions Members may have to be forwarded to Ciaran McGoldrick.**

## 7. Introduction of Pay by Weight for waste collection.

Members had a discussion about the introduction of the Pay by Weight charging mechanism and raised the following concerns.

- Waste operators are registered in the Isle of Man and it was queried what taxes, if any are being paid in this jurisdiction.
- Companies are skimping in terms of staffing.
- There is a substantial staff turnover in the industry owing to poor wages and the intensive nature of the work regime.
- There is a case for the re-municipalisation of the waste collection service.
- The offshore ownership of these companies is not satisfactory.
- Greyhound advised that waste will be charged at €0.35 per kilogramme which equates to €350.00 per tonne. Taking a gate fee at the incinerator of €100 / tonne and allowing a reasonable amount for labour and other costs, it is a huge profit.
- This SPC appears to be the only forum where issues in relation to the Waste industry can be discussed formally and this should continue at future meetings
- The Minister was correct in temporarily freezing the charges.
- Condition of the refuse collection vehicles.
- There is a good deal of public annoyance and confusion.
- It does not square up that the industry is intensely competitive yet charges for the services are on the increase.
- The standing charge penalises those households that recycle – A household which presents a bin for collection monthly will pay almost as much as a household that avails of a monthly collection.
- Waste operators should be invited to present to this committee in relation to charging structures, margins and issues surrounding where the companies are domiciled.

**Order: The lead operators (Panda, Greyhound, City Bin & Thornton's) to be invited to the next meeting to present on charging structures, margins, where they they are domiciled.  
The companies are to be requested to submit charging structures.**

## 8. Dublin Waste to Energy Project update report.

Mr. James Nolan, Executive Engineer advised that construction commenced in October 2014 and is scheduled for completion in the 3<sup>rd</sup> quarter 2017.

Members discussed the report and raised the following points in relation to the project.

Quoting from a Canadian newspaper report the following issues were raised.

- A Covanta incinerator construction project in Durham, Canada has failed it's stack test (JMCC)
- The emissions of dioxins in one of the lines exceeded the limit by a factor of 12. (JMCC)

- The line has been shut down and Covanta are paying a fine of CA\$10,000 per day which has been running for some time so up to a couple of million in fines (JMCC)
- Covanta does not generally build incinerators, they operate them. They are building 2, 1 in Canada which has failed on 1 in Dublin which may fail. (JMCC)
- The regulatory requirement set by the EPA for monitoring emissions is very narrow, 4 tests in the 1<sup>st</sup> year and 2 tests thereafter. In Canada's case it drops to 1 test every 3 years. (JMCC)
- Tests are expensive to run but are essential to human health and should be run on a continuous basis. (JMCC)
- In the SPC's formal role of oversight of the project, the committee should have sight of the measurement mechanisms to be submitted to the EPA which will then be used during the commissioning of the plant. (JMCC)
- Members of the Committee in conjunction with the officials should observe technically and scientifically what Covanta is doing inside the plant using the test plan. (JMCC)
- Will the test plan and test results be made available to the SPC and the public and who decides that all is in order. (JMCC)
- There is a consistent thread running through the reports (from Durham) about Covanta. (JMCC)
- At the plant in Durham the operator stated that it was a single exceedance and further stated that the exceedance was an interference with the measurement mechanism. (JMCC)
- The incinerator is greatly exceeding its limits
- A subsequent measurement conducted by an independent laboratory showed an exceedance of 12 times the limit. (JMCC)
- It is dangerous to allow Covanta to carry out the measurements on the plant that they run. (JMCC)
- What they are doing should not be trusted, we should not trust them
- The most recent Covanta report to shareholders (In April) stated that there is a material weakness in the control systems for building & commissioning the Durham plant. (JMCC)
- There is remediation work required, they have to rebuild the boiler, and they presumably have to rebuild parts of the cleansing systems. This had to put in Covanta's filings(JMCC)
- This is the first time that I could get real information on a real problem that is inherent in the incinerator industry(JMCC)
- This had to be put in the filings to the SEC
- In their admission (Covanta's) of the construction problem and construction accounting(JMCC)
- The report says that the estimates of construction costs for the Dublin project are not sufficiently accurate. They are rebuilding their cost and accounting management systems (JMCC).
- There is an existing material weakness in their internal controls over financial reporting(JMCC)
- These costs redound on us as we are expected to share in the profits of this project. (JMCC)
- Covanta have provided a €75m contingency commitment to keep the project going if the revenues are not up to the expected levels(JMCC)
- Dublin City Council's contingency exposure under the authority contingent obligation is €105m(JMCC)

- In Covanta's filings they address how they are going to deal with the accounting challenge, (JMCC)
- This may impact on DCC's profit share. (JMCC)
- The interest is being capitalised. \$38m of a \$50m loan has been drawn down. Of the \$38m, \$13m is going into the building with the balance (\$25m) going on interest. Covanta state that interest capitalised (JMCC)
- Interest capitalised on the 4 months to the end of March 2016 is \$6m
- The \$250m has not been drawn down yet, when it is, the full bulk of the interest will be capitalised. (JMCC)
- Will the waste energy arising be used in the waste water treatment plant (C.C)
- The faults described in the construction process of the Durham Plant – how does this correspond with the stage of construction that the Dublin Plant is at. (MOB)
- Could the faults detected at the plant in Canada be already built into the project at Poolbeg and should tests be carried out now to ensure that similar problems do not arise (MOB)
- Is intervention required now to ensure checks are run rather than waiting until the plant is running only to discover faults then.(MOB)
- Mr. McCarthy's papers in relation to the Durham plant should be circulated to all members of this Committee (MF)
- Why the Audit Committee has decided not to deal with the request from this Committee to advise on the amount of the Community Gain fund. If it does not come within the remit of the Audit Committee independent auditors should be sought. (MF)
- The tests to be carried out on the stacks must be made public and the standards being applied must be made available to the committee. (COM)
- I raised the matter of the interest some time ago on foot of an article in the Irish Times and I can't understand why the finance committee has not picked up on this(COM)
- Assurances should be sought from Covanta that have learnt from the Canadian problems which can be applied to the Dublin project (MOB).

James Nolan, Executive Engineer responded

- In relation to the plant in Durham, DCC is not aware of the problems mentioned; it is not DCC's remit. The Dublin Waste to energy plant is DCC's responsibility
- The Poolbeg plant will be operated under an industrial emissions license. The license has a clause that requires all emission data to be published on line, in real time.
- Discussions are ongoing between Covanta and the EPA on how this information is to be calibrated and published on line.
- The EPA is the statutory body responsible for managing and monitoring the license
- Dublin City Council's share of the profit is not linked, in any way to the financing of the project. If there is an overspend it is an issue for the private partner (Covanta)
- DCC has an ongoing role in relation to the design and installation on the Dublin facility and will have a hands on role during the commissioning phase.

- A procurement process for a district heating network has commenced.
- The facility is designed to supply district heating and will have the potential to supply the Waste Water treatment Plant.
- Independent testing is matter for the EPA

Mr. McCarthy raised further questions

- Will sludge from the Waste Water treatment Plant be accepted by the incinerator
- What connection will there be between the Incinerator and the Waste Water plant for the supply of heat.

James Nolan, Executive Engineer responded.

- DCC has not had discussions with Irish Water to supply sludge to Waste to Energy facility.
- Discussions are ongoing with Irish Water in relation to the utilisation of heat from the district heating network to dry sludges.

In relation to the financing and the profit share of the project Mr. McCarthy responded.

- In this PPP the partners (Covanta and the Dublin L.A.'s) share the costs
- The risk is being shared
- If there is an overrun in costs as happened in Durham the money must be found which will impact on the revenues that DCC expects to receive.

James Nolan, Executive Engineer responded.

- Any construction costs overruns will be borne by the private partner and the revenues that DCC expects to receive are not based on profit but on the revenue of the plant.
- The private partner is responsible for the financing of the build
- Restated the DCC's share is based on revenues of the plant and not the profit.

Mr. McCarthy responded

- He will examine the profit share arrangements and reply at the next meeting.

#### **Order: Report Noted**

#### 9. Plastics Recycling.

Councillor Ciaran O'Moore pointed out that there is a lack of facilities for recycling plastic items such as garden furniture, childrens' swings etc.

The Director of Traffic advised that the Regional Coordinator of the Eastern and Midlands Region waste plan will engage with the industry to ascertain if an initiative can be developed.

**Order: Item to be included on the September Agenda.**

10. A.O.B.

Councillor Ciarán Cuffe queried the effectiveness of the Bulky household waste collection service and that householders can be waiting up to 10 days for the service to be provided.

The Director of Traffic advised that the service is proving quite popular and that householders generally know in advance when bulky items need to be removed.

Councillor Flynn referred to the condition of refuse collection vehicles in terms of the odours. He also referred to the problems with seagulls feeding on food waste presented for collection and the litter problem it creates.

The Director of Traffic advised that in relation to odours emanating from vehicles we will follow up with the waste companies if specific details are provided (registration number, company name)

In relation to the problems with seagulls, the DOT advised that the introduction of bins in areas deemed suitable will have some impact. Culling of seagulls is not a matter for DCC.

**Order: Noted**

**Attendance**

**Members**

Councillor Ciarán Cuffe  
Councillor Hazel DeNortúin  
Councillor Mannix Flynn  
Councillor Andrew Keegan  
Councillor Edel Moran  
Councillor Michael O'Brien  
Councillor Ciaran O'Moore  
Councillor Naoise Ó Muirí (Chairperson)  
William Brennan – Dublin Community Growers  
Joe McCarthy - An Taisce

**Apologies**

Robert Moss - Dublin City Community Forum

**Absent**

Councillor Declan Flanagan  
Nicholas Cloake, Dublin Docklands Business Forum

**Officials**

Declan Wallace, Director of Traffic  
James Nolan, Executive Engineer  
Edel Withers, Senior Staff Officer  
Ciarán McGoldrick, Staff Officer  
Owen Sweeney, Staff Officer

**Councillor Naoise Ó Muirí**  
**Chairperson, 29<sup>th</sup> June 2016**