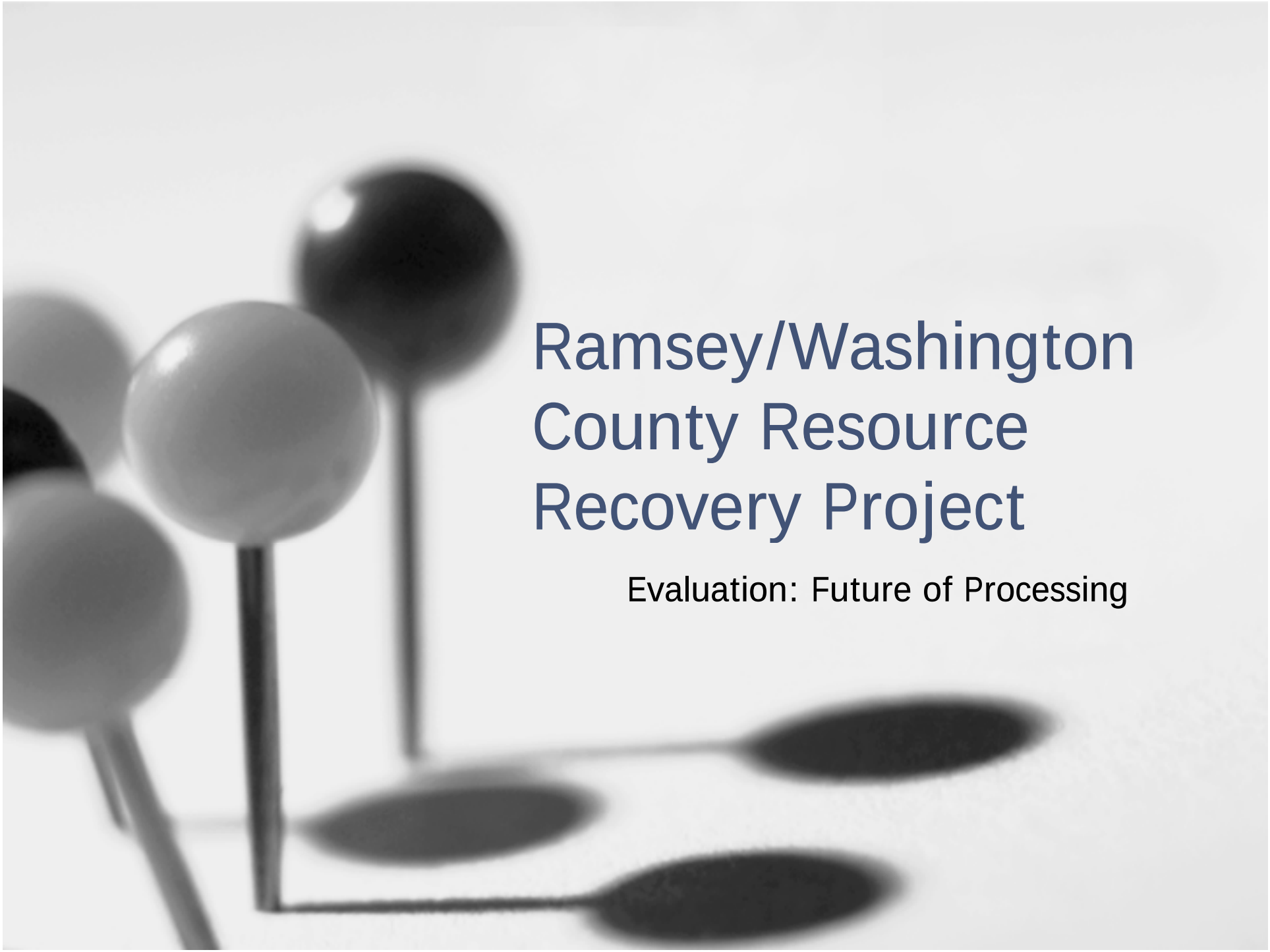


Ramsey/Washington County Resource Recovery Project

Evaluation: Future of Processing

6 Key Points

- Waste is complex – there are many types of waste and how it is handled has environmental and public health consequences
- Waste is inefficiency: reducing waste in our communities and recovering resources can help the East Metro area be more competitive and resilient
- The system is accountable, primarily through solid waste master plans
- An effective and integrated waste management system is working in the East Metro area
- Reducing risk to health and the environment is a key element of the system
- The system is operated by a combination of private sector and public sector participants

History

1975 JPA to operate the Lake Jane Landfill, SW-1

1982 JPA to explore waste to energy, then to implement: focus on waste-to-energy only.

1986 JPA revised to prepare for Facility operations; slight realignment of the Project Board

1994 Supreme Court decision Loss of flow control

2006 RRT purchases facility from NRG; new processing agreement put into place, 2007-2012

2006 New JPA put into place, purpose of Project extended beyond waste processing to other joint county work

2007 Supreme Court decides flow-control is allowed under public ownership

2012 New processing agreement with RRT, 2013-2015, eliminates processing fee, adds option of purchase

Solid Waste System Results

- 1988 – 2012:
  - Recycling rates move from near 0% to **41%**
  - Organics recovery moves from 0% to **6.9%**
  - Development of extensive system to handle yard waste by public and private sector
  - Processing
    - 9.1 millions tons of MSW delivered to Facility
    - 6.8 millions tons of RDF converted to electricity (**75%** of MSW)
    - 294,000 tons of ferrous metals recycled
  - Significant development of risk reduction activities related to hazardous waste regulation and household hazardous waste management

Metropolitan Area MSW Management Objectives: 2010-2030

Management Method	Ramsey County 2012	Washington County 2012	Combined Ramsey/ Washington 2012	2015	2020	2025	2030
Source Reduction	-	-	-	1-2%	2-4%	3-5%	4-6%
Recycling	41.1%	41.9%	41.3%	45-48%	47-51%	49-54%	54-60%
Organics Recovery	7.3%	5.9%	6.9%	3-6%	4-8%	6-12%	9-15%
Resource Recovery	36.9%	42.5%	38.3%	32-34%	32-33%	30-31%	24-28%
Landfill	12.5%	6%	11%	20%	17%	15%	9%

Waste Quantity Projections

Year	Estimated Tons of MSW
2012	390,591
2017	410,000
2022	430,000
2027	450,000
2032	470,000
2037	490,000

Assumes MPCA targets are met for recycling and organics at the high end of the range; projections reflect population growth

Policy Evaluation

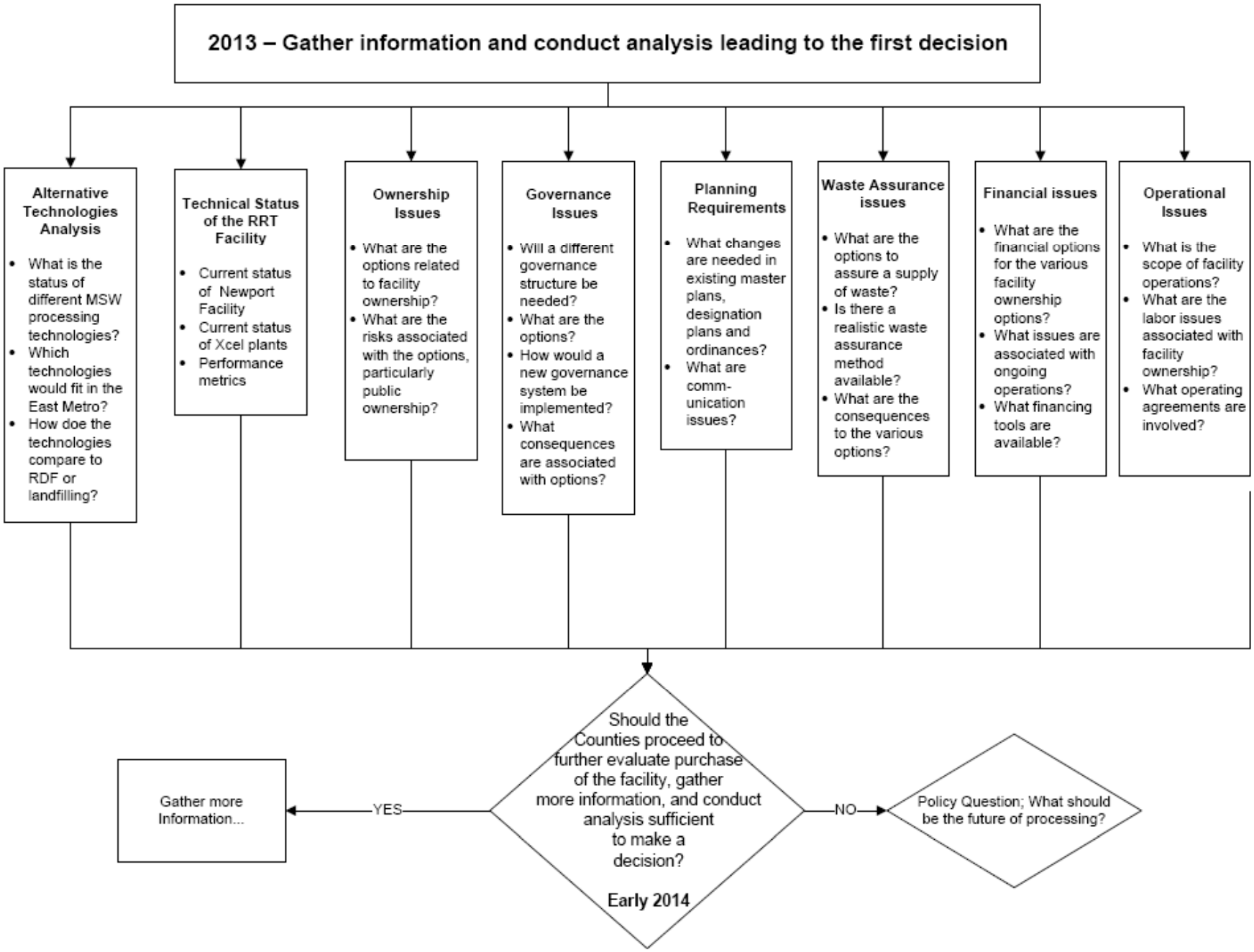
- Two Phased process

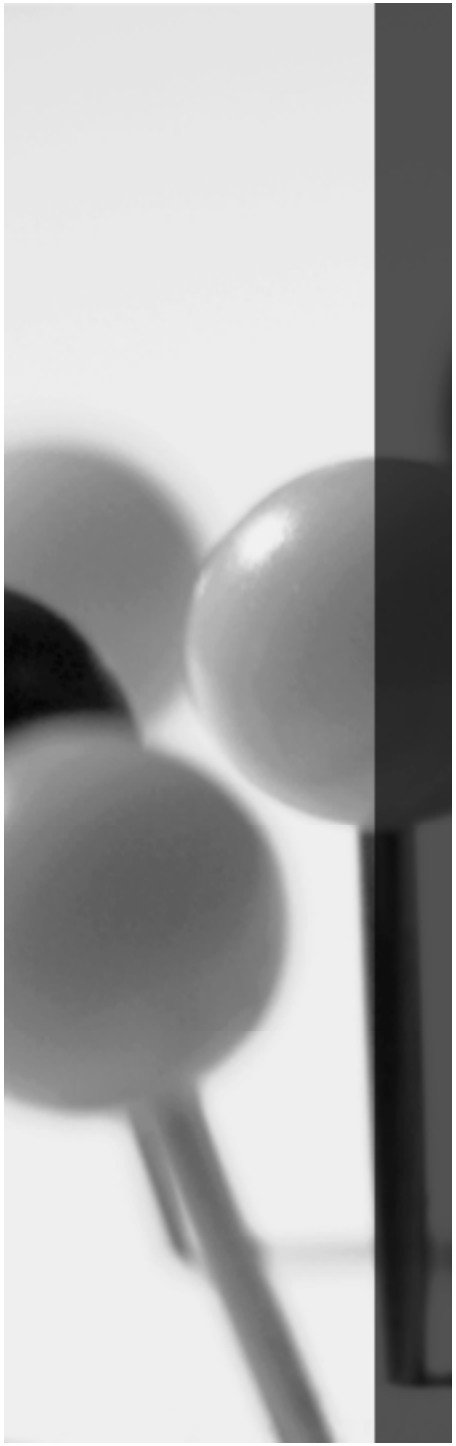
  Phase 1: 2013 - Information gathering, preliminary analysis, leading to first decision point

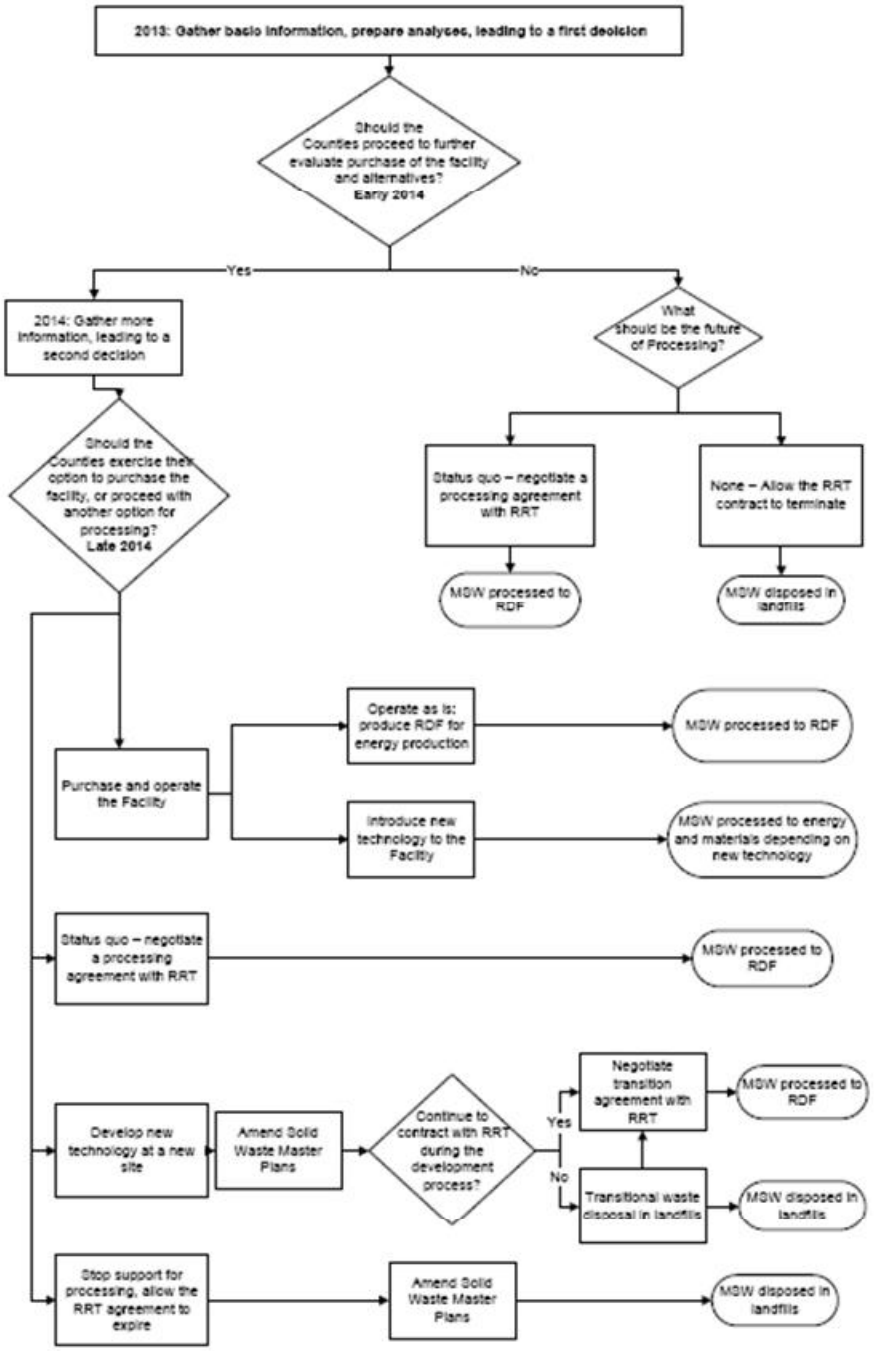
  Should the Counties proceed to further evaluate purchase of the facility, and conduct analyses sufficient to make a final decision?

  Phase 2: 2014 – Detailed and more specific analysis, leading to a second decision point

  Should the Counties exercise their option to purchase the facility, continue to contract with a private facility operator, or pursue other processing alternatives?


2013 – Gather information and conduct analysis leading to the first decision
Alternative Technologies Analysis
• What is the status of different MSW processing technologies?
• Which technologies would fit in the East Metro?
• How doe the technologies compare to RDF or landfilling?
Technical Status of the RRT Facility
• Current status of Newport Facility
• Current status of Xcel plants
• Performance metrics
Ownership Issues
• What are the options related to facility ownership?
• What are the risks associated with the options, particularly public ownership?
Governance Issues
• Will a different governance structure be needed?
• What are the options?
• How would a new governance system be implemented?
• What consequences are associated with options?
Planning Requirements
• What changes are needed in existing master plans, designation plans and ordinances?
• What are comm-unication issues?
Waste Assurance issues
• What are the options to assure a supply of waste?
• Is there a realistic waste assurance method available?
• What are the consequences to the various options?
Financial issues
• What are the financial options for the various facility ownership options?
• What issues are associated with ongoing operations?
• What financing tools are available?
Operational Issues
• What is the scope of facility operations?
• What are the labor issues associated with facility ownership?
• What operating agreements are involved?
Should the Counties proceed to further evaluate purchase of the facility, gather more information, and conduct analysis sufficient to make a decision?
Early 2014
YES
Gather more Information...
NO
Policy Question; What should be the future of processing?




2013: Gather basic information, prepare analyses, leading to a first decision
Should the Counties proceed to further evaluate purchase of the facility and alternatives?
Early 2014
Yes
No
2014: Gather more information, leading to a second decision
What should be the future of Processing?
Should the Counties exercise their option to purchase the facility, or proceed with another option for processing?
Late 2014
Status quo – negotiate a processing agreement with RRT
None – Allow the RRT contract to terminate
MSW processed to RDF
MSW disposed in landfills
Purchase and operate the Facility
Operate as is: produce RDF for energy production
MSW processed to RDF
Introduce new technology to the Facility
MSW processed to energy and materials depending on new technology
Status quo – negotiate a processing agreement with RRT
MSW processed to RDF
Develop new technology at a new site
Amend Solid Waste Master Plans
Continue to contract with RRT during the development process?
Yes
No
Negotiate transition agreement with RRT
MSW processed to RDF
Transitional waste disposal in landfills
MSW disposed in landfills
Stop support for processing, allow the RRT agreement to expire
Amend Solid Waste Master Plans
MSW disposed in landfills

Phase 1 Progress Report

- Establishing a purchase price – separate report
- Analysis of technologies beyond RDF – separate report
- Technical Status of the RRT Facility – fall 2013
- Overarching Policy Issues –
  - Work underway
  - Seek feedback today

Policy Issues Outline

Up next...

- Update: Establishing a Purchase Price.
  - Methodology set forth in Processing Agreement
  - December 31, 2013 Deadline
  - Stoel-Rives is lead entity on this work
- Alternative Technologies for MSW – Task 1 – Technology Scan
  - Foth Infrastructure and Environment is lead entity
  - First of three reports
  - A look at “what’s out there”