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U.S. company tapped to build Clarington incinerator **Plan for New Jersey firm to run power generator requires final approval**

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North America's largest generator of electricity from waste has been tapped to build and operate an incinerator in Clarington that will burn 140,000 tonnes of garbage every year from Durham and York regions.

A Durham Region staff report has recommended that Covanta Energy Corp., which is based in Fairfield, N.J., and operates 35 facilities in the United States, be approved to construct the \$236-million plant. It will be capable of generating 20 megawatts of power from residual municipal waste – material that can't be recycled or turned into compost – once the facility begins operating in 2013.

The recommendation is expected to go to Durham council on April 22 – Earth Day – and a final vote is expected June 24.

The project is also contingent on completion of a provincial environmental assessment.

Roger Anderson, Durham's regional chair, said the new incinerator, the first to be built in Ontario in nearly 20 years, will not affect existing recycling and organics programs or the future expansion of those programs.

"Durham is the highest recycler in the province and we don't intend on losing that," he said.

If approved, Covanta and its industrial partners would design, get the necessary permits, build and operate the new incinerator under a 20-year contract, with two options for five-year extensions. The plant will also be built with the option to expand to 400,000 tonnes per year, if necessary.

In return, Covanta would be paid \$14.7 million a year to run the facility. Aecon Group Inc. would lead the construction effort, the total cost of which would be paid for over the next seven years by federal gas tax revenues that both regions have collected since 2007.

Covanta has guaranteed that the facility will be able to produce 767 kilowatt-hours of electricity for every tonne of waste processed, the equivalent of how much a small household uses every month.

At full operation, that's enough to power nearly 12,000 households for a year.

In December, Energy and Infrastructure Minister George Smitherman directed the Ontario Power Authority to purchase electricity from Durham-York's proposed incinerator for 8 cents per kilowatt-hour.

Based on this rate, the regions stand to earn \$8.59 million a year on top of the sale of any recovered metals. It will also avoid paying more than \$15 million a year in landfill-tipping fees and the cost of transporting residual waste to a landfill.

A future source of revenue could also come from capturing heat from the facility and selling it to surrounding businesses, industry and households as part of a district heating system.

The incinerator has its critics, who warn of excessive emissions and the likelihood it will stifle expansion of recycling programs. Pennsylvania's environmental protection department fined Covanta last October for exceeding emission limits, while Michigan residents are pushing for the closing of a controversial Covanta plant in Detroit.

But proponents say plant emissions will be well below provincial standards.

They also argue the facility eliminates emissions associated with trucking the waste to landfills and that the electricity it produces will offset some fossil-fuel generation in the province.

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