KEY CONSIDERATIONS PRIOR TO PROCURING AN EMERGING TECHNOLOGY PROJECT

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PROCEED WITH CAUTION:

- Emerging Technology = Minimum Operating History on Commercial Scale Utilizing Similar Feedstock = Risk

- Solid Waste Industry Has History of Failed Projects
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One Of The Newest, Most State-Of-The-Art, Large Scale Commercial Food & Yard Waste Composting Facilities in North America Fully Operational on Earth Day

Event Announcement Highlights:
- U.S. EPA Regional Administrator Shawn Garrin – EMTA/WORC Sustainability Agreement Signing
- DNREC Secretary Colin O’Mara – State of Delaware / WORC Organic Recycling Program Partnership – Pilot Effort with Schools
- City of Wilmington 4th District Council Member Hanifa Shabazz – Community Benefits Agreement
- Ellert Palmer Elementary School Students – Earth Day Ambassadors / Garden Beautification

WILMINGTON, DE - Peninsula Compost Company, LLC (PCC) takes great pride in celebrating Earth Day 2010 by introducing the fully operational Wilmington Organic Recycling Center (WORC). The Earth Day celebration is on April 22, 2010 at 10:00 a.m. at the 512 Christiana Avenue site adjacent to the Port of Wilmington in Wilmington, Delaware. Tours will be provided.
CLOSURE OF DELAWARE PROJECT

Odor-plagued composting facility halts deliveries

Jeff Montgomery, The News Journal  3:49 p.m. EDT September 30, 2014

Owners of a troubled and odor-plagued composting facility near the Port of Wilmington have halted new deliveries to the site, state regulators reported on Tuesday.

Officials with Peninsula Compost LLC could not be reached for details on the move, which came as the Department of Natural Resources and Environmental Control considers a company request to renew a key five-year permit for the 160,000-ton-per-year operation.


Residents have complained about lingering, garbagy-sweet odor for miles around the Christiana Avenue facility, including across the Delaware River in New Jersey and as far north as Claymont.

State officials said they have no information on the company’s current or longer-term plans.

“They have not said anything to DNREC one way or the other,” agency spokesman Michael Giobetti said. “They’ve not indicated to us anything other than proceeding” with the permit decision.

DNREC has repeatedly sanctioned and fined the operation and required the company to assure coverage of shutdown and cleanup costs. Officials with Peninsula have earmarked $405,675 for the work via a trust agreement and irrevocable standby letter of credit, a state official said.

The company was welcomed by state and local officials when it opened with a plan to divert huge amounts of food and compostable waste from area landfills, including large amounts of spoiled and unmarketable fruit from the port. Developers said the plant would use high-tech fabrics and careful ventilation and management to rapidly convert wastes into compost and custom-mixed soil substitutes.

On Tuesday morning, much of the plant’s receiving area off Christiana Avenue was clear, while a front-end loader moved huge scoops of apparently finished compost from the south side of the road to a storage area on the north.

Contact Jeff Montgomery at (302) 463-3344 or jmontgomery@delawareonline.com.

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OTHER EXAMPLES

- Bridgeport 1 – Waste-to-Energy (RDF)

KEY CONSIDERATIONS

- Level of Need/Nature of Relationship
- Likelihood of Success
- Ownership of Residual Value
- Level/Nature of Commitment
- Financing
- Legal Procurement Authorization
LEVEL OF NEED/NATURE OF RELATIONSHIP

- The Greater the Need, the More Intimate the Relationship
- Facilitate or Promote Policy (Monmouth County – Recycling Facility)
- Beneficial But Not Critical Component of SWMP (Wake County – LFGTE Project)
- Critical Component of SWMP (VI – RDF Facilities)
LIKELIHOOD OF SUCCESS

- Technically
- Regulatorily
- Commercially
KEY ELEMENTS FOR SUCCESS

- Site
- Experienced, Well Capitalized Vendor
- Permit
- Off-Taker
- Feedstock Supply
- Financing
OWNERSHIP OF “RESIDUAL VALUE”

- Likelihood That Facility Will Have Value at End of Term
- Tax and Other Incentives
- FMV at End of Term
- Financing Considerations
LEVEL/NATURE OF COMMITMENT

- Site
- Put-or-Pay
- Quality of Waste
- Service Fee
- Off-Take
- Residue Disposal
- Long Term
FINANCING CONSIDERATIONS

- Completion Risk
- Technology Risk
- Public v. Private (Equity)
- Tax-Exempt v. Taxable
- G.O. v. Revenue Debt
LEGAL PROCUREMENT AUTHORIZATION

- RFP v. Bid
- Value Based Selection
- Term
- Negotiations
WRAP UP

- Every Existing Technology Was “Emerging” At One Time
- Proceed Cautiously and Thoughtfully
- Those Who Forget History are Condemned to Repeat It
QUESTIONS OR COMMENTS

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