

ZERO WASTE AND CLASS 2 WASTE DISPOSAL CONTRACT AT AUSTIN ENERGY



Background on Waste at Austin Energy



- Types of Waste generated by Austin Energy include:
 - PCB waste under Toxic Substances Control Act (TSCA 40 CFR 761)
 - Hazardous Resource Conservation and Recovery Act (RCRA) and 30 TAC 335 for State of Texas
 - Hazardous as defined in RCRA and referenced by 30 TAC 335

Background on Waste at Austin Energy



- Class 1 Industrial Waste (other than RCRA) deemed hazardous in Texas under 30 TAC 335
 - Class 1 Non-hazardous waste: from Industrial generators regulated in Texas, do not fall under RCRA Hazardous regulations:
 - e.g. metals at lower concentration, TPH > 1500 ppm, PCBs, friable asbestos, etc.. Shipped to Class 1 landfills in San Antonio or elsewhere (none in Austin).
- Recycle streams including reclaimed metals from wires & equipment, and used oil
- Refuse and Single Stream Recycling under City-wide Contract
- Class 2 (Non-hazardous under 30 TAC 335)

Background on AE Waste (continued) Class 2



- Class 2 waste at Austin Energy:
 - Rust that test negative for regulated metals
 - Weathered poles (test negative for regulated metals & organics)
 - Spent alkaline batteries
 - "Plant trash" composed of miscellaneous, non-hazardous plant activity waste including some packaging waste, wood or debris from warehouse and other wastes from plant activities (AE is recycling what it can)
 - Low-level contaminated soil or water (below hazardous and Class 1 thresholds).

AE Waste Exceptions that go to Municipal Landfill



- Austin Energy waste shipped to municipal landfill that are exceptions to municipal or Class 2 waste:
 - Soil contaminated with transformer oil from spills has a special waste exemption to go to local, municipal landfills even though the TPH is often greater than 1500 ppm. It is based on the relatively benign nature of mineral oil that makes up transformer oil (<50 ppm PCB).
 - Class 1 asbestos can go to local municipal landfills if manifested and coordinated with the landfill so proper handling conditions are met that prevent or minimize chances of exposure to airborne fibers.



Zero Waste & Austin Energy



- AE Environmental Services tracks and reports on waste performance, and trains and promotes principles of pollution prevention to AE staff.
- AE was recognized for high level of waste management practices in 2009 City Audit
- AE is collaborating with Austin Resource Recovery to combine hazardous waste contracts for efficiency and cost savings, at Council's request. Currently we are comparing scope of work and aligning contract end dates.
- Austin Energy waste is trending down, and diversion, relative to waste is trending up.
- Austin Energy Diversion Rate, including tree trimmings diverted to compost feed streams, is 87%

Zero Waste at Austin Energy – Recent P2 Improvements

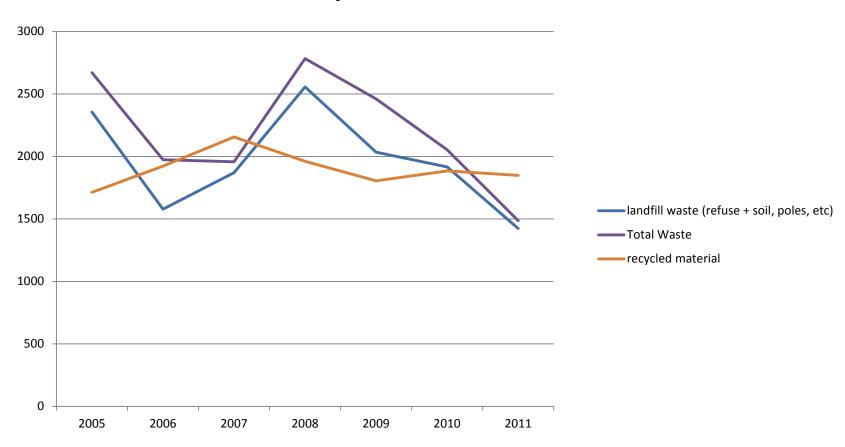


- AE started mechanically stripping insulation from wire to enhance recycling and revenue for sale of copper at AE's Reclamation division.
- Wood is now recycled at two Power Plants (SHEC and Decker) to reduce Plant Trash
- Single stream recycling was added in 2011 to enhance recycling at major.
 Austin Energy Offices and Service Centers
- Other P2 business cases reviewed include grinding up poles and baling cardboard for recycling.

Zero Waste & Austin Energy



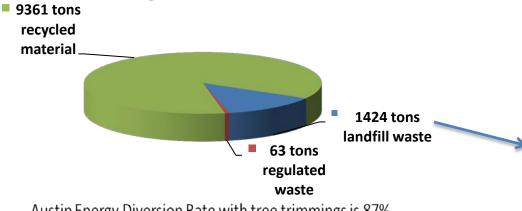
Waste & Recyclables in Tons 2005 to 2011



Zero Waste & Austin Energy - 2011 Austin Energy Landfill Diversion

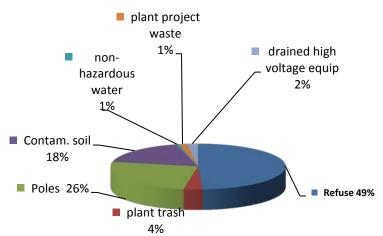


CY2011 Recycled Material and Land filled & Regulated Waste



Landfill Waste

Austin Energy Diversion Rate with tree trimmings is 87%



April 30, 2012



Waste Background Austin Energy



- Six waste contracts, five managed by Austin Energy
 - City-wide refuse and single stream contract through ARR
 - PCB (TSCA) disposal contract
 - Hazardous and Class 1 Industrial Waste Contract
 - Used Oil recycling contract
 - Scrap transformer reclamation contract
 - Class 2 Non-hazardous disposal contract

Class 2 Contract and Bid History



- The three multi-year contracts over the last twelve years have been awarded to all three local landfills: Texas Disposal Systems, Allied Waste and Waste Management.
- Since 2005, landfill volume has decreased 40% and costs have increased 105%.
- Waste Management has not bid Austin Energy contract the last two times.
- IFB was originally scheduled to Close on 12/19/12, extended to 01/9/13 and again to 01/16/13, and closed on January 16, 2013.
- Two bids submitted, one bid disqualified.
- Responsive bid received from Allied Waste for a total amount of \$264,820.

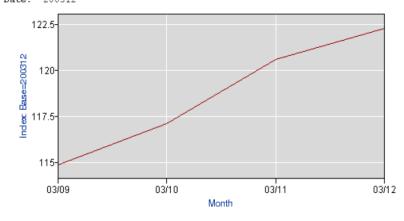
Current bid status



- Allied Bid represents is a 6% increase from 2009 bid prices. Original estimated increase was for a sample evaluation of most line items.
- Below is a line graph showing the increase over the last five years for commodity: Waste Industry (PPI performance from 03/2009 at 114.9 to 03/2012 at 122.3, reflects an increase of 7.4 %.)

Producer Price Index Industry Data

Series Id: PCU5621--5621-Industry: Waste collection
Product: Waste collection
Base Date: 200312



Concluding Remarks and Questions



QUESTIONS?