

Chief Executive's Office

To the Mayor and all Members of South Dublin County Council

Re: Dublin Waste to Energy Project - Notification under Section 138 Local Government Act 2001

Dear Member

I am enclosing herewith copy Reports in the above regard which will be presented to Dublin City Council on Monday next 8th September. As Fingal and DLR County Councils are also having scheduled meetings they will also receive this information. I have agreed with the Mayor and Group Leaders to circulate this information in order that you will have it to hand at the same time as other local authority members within the Dublin region.

Mr. Keegan's Report together with the supporting documents attached set out the up to date position with regard to progress on the Dublin Waste to Energy Project. Fundamentally, the project is now clear to start having received EU clearance and the support of the National Development Finance Agency. In summary the key messages contained in the attached documentation are as follows:

- Complaints to the European Commission centred on alleged infringements of both state aid and public procurement have not been upheld. The Commission has determined that there has been no breaches in either regard.
- The National Development Finance Agency has issued a "Value for Money" letter confirming it is satisfied with the Project.
- A decision to abandon the project would give rise to an immediate loss to the Dublin local authorities of in excess of €100,000,000.
- The independent cost benefit analysis carried out by PwC has determined that the financial return to the four Dublin authorities over the life time of the project will be in the range of between €30,000,000 and €155.000,000 depending on the assumptions used.
- The attached Waste Market Assessment Report prepared by RPS for Dublin City Council confirms that there should be more than sufficient residual municipal solid waste available to the facility to operate at its contracted capacity of 550,000 tonnes per annum.
- The facility has the support of major operators in the waste industry.
- The proposed facility is entirely consistent with EU, National and Regional Waste Management Policy and is crucial if the State is to meet its landfill diversion targets under the EU Waste Framework Directive.
- The Project will generate approximately 300 construction jobs and 100 jobs directly at the facility once it is operational. It will generate electricity sufficient to meet the equivalent needs of circa 80,000 homes.

The Report concludes that on the basis of EU Clearance and the assurances given by various independent assessments including the NDFA a decision to proceed with the Project is by far the best option for the Dublin local authorities. In this context I anticipate this project proceeding in the immediate future.

Danny McLoughlin Chief Executive