

Incineration cheaper than landfill says business case

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DURHAM -- Although it would cost more up front, incinerating Durham's garbage is the best available long-term option, says the Region's business case for the project.

The business case, released today, compares energy-from-waste (EFW) to using a landfill site outside the region, somewhere in Ontario. The EFW project comes out ahead, according to the financial analysis by Deloitte and Touche, because it removes the risk and uncertainty surrounding fuel costs and the shortage of landfill capacity in the province.

The facility, which would be located in Clarington near Courtice Road and Hwy. 401, would cost \$198 million to construct with Durham Region picking up \$155 million of the tab and York Region paying the rest.

The annual operating and maintenance cost of the facility would be \$17 million with Durham paying \$13 million of that.

If federal gas tax funds are used to pay a portion of the up-front costs, the Region's debt related to the facility would be paid off in six years. That means by 2017 on, the cost of incineration would be lower than using landfill somewhere else, said the report. If the gas tax is not used and the facility is fully funded through debt financing, it would take until after 2031 for the cost of incineration to be lower than landfill.

The business case did not include potential revenue from district heating, however, the capability would be built into the plant.