
Frequently Asked Questions

July 2024



INTRODUCTION

The Tees Valley Energy Recovery Facility (TV ERF) is an important infrastructure project for the North-East which will allow the seven participating councils (Darlington, Durham, Hartlepool, Middlesbrough, Newcastle, Redcar & Cleveland and Stockton) to have full control over the management of waste from across the region that is left over after recycling (known as “residual waste”) - ensuring it is managed locally, sustainably and safely over the long term.

Please note that all information in this document is correct at the time of publication (July 2024) but may be subject to change as the project progresses.

FREQUENTLY ASKED QUESTIONS

What is it the Tees Valley Energy Recovery Facility (TV ERF)?

The TV ERF is a critical and essential piece of infrastructure for the North-East and will provide a local, secure, reliable and affordable treatment solution for “residual” waste (the rubbish left over after recycling), helping move towards the goal of sending zero waste to landfill.

Where will it be located?

The facility will be located at the *Teesworks* site in Redcar, on the former British Steel works at Grangetown, and will support the regeneration of the local area – creating hundreds of jobs during the construction period and up to 50 permanent positions once operational.

Why this location?

This site is allocated for waste management infrastructure in the local development plan and has excellent connections to both the National Grid and the local road network. This location also offers potential for the TV ERF to export heat, as well as electricity, to future nearby users and, in the longer term, the possibility of connecting to the Northern Endurance Partnership (NEP) carbon capture and storage (CCS) infrastructure as part of the East Coast Cluster.

Who will the facility serve?

The TV ERF will serve more than one and a half million residents living in Newcastle, Durham and the Tees Valley by generating energy from the rubbish left over after people have recycled all they can. This leftover rubbish is known as “residual waste”. Treating rubbish this way avoids the need to send it to landfill.

How much residual waste will the facility treat each year?

Each year, it is envisaged that the new facility will process up to 450,000 tonnes of residual waste from the region and use it to generate up to 49.9MW of electricity – enough to power the equivalent of 60,000 homes.

How is this facility being procured?

Seven local authorities (Darlington, Durham, Hartlepool, Middlesbrough, Newcastle, Redcar & Cleveland and Stockton) are working in partnership on the TV ERF project to select an experienced operator through a competitive procurement process.

The selected operator will be awarded a 29-year contract to design, build, finance and operate the facility, with the potential to extend by a further eleven years.

The existing residual waste treatment solutions of six (of the seven) partner authorities are due to expire in 2026 and this provides an excellent opportunity for the joint procurement of a new, long-term, resilient, solution within the full control of the partner authorities that will deliver economies of scale to each of the partners.

Hartlepool Borough Council is leading the tender process and this work is being overseen by a governance board representing all seven councils.

What stage is the project at?

The project partners have been engaged in a two-stage *competitive dialogue* tender process to find an experienced operator to design, build, finance and operate the TV ERF.

The tenderers that remain in the procurement process are Viridor, and Green Recovery Projects Ltd, both of whom are experienced energy recovery facility developers and operators.

Final Tenders from both tenderers were received in March 2023 but the project partners stopped the evaluation of these Final Tenders owing to market uncertainty related to electricity offtake (explained further later in this document).

During this period, the two participating tenderers had their respective Reserved Matters planning applications (for their specific proposals) considered and each were granted planning permission on 20th July 2023 by Redcar and Cleveland Borough Council (in its role as the Local Planning Authority).

Additionally, Green Recovery Projects Ltd made an application for an Environmental Permit to the Environment Agency (EA) which was accepted as *duly made* in December 2022. In July 2024, the Environment Agency published its draft decision that it was minded to grant the permit subject to considering the content of final consultation responses.

Viridor has submitted an application for an Environmental Permit to the EA more recently and this was pending acceptance as *duly made* at the time of publication of this document.

Following a period of uncertainty surrounding the date of a future grid connection for the facility, two connection offers were received from Northern Powergrid in 2024. Under these offers the timing of a future connection now aligns with anticipated construction timescales which would allow the facility to export electricity during testing and commissioning, and on to full operation.

As a result, it is anticipated that Optimised Final Tenders will be received in late 2024. Following the evaluation of these, a Preferred Tenderer will be appointed with the aim of achieving Contract Award / Financial Close with the successful contractor in 2025. This will be followed by construction, testing and commissioning, which is anticipated to take approximately four years. The facility is therefore expected to commence commercial operations in late 2029.

The existing residual waste treatment contracts of six of the partner councils are currently due to expire in 2026 and so the councils are currently considering their options regarding the provision of interim waste services. The tenderers have been requested to propose and include interim waste treatment solutions within their Final Tenders.

Why can't waste going to the TV ERF be recycled?

The TV ERF is designed to only treat the waste left over after recycling has taken place or, in other words, everything discarded as general rubbish. Even under the most ambitious future local recycling performance scenarios there will still be a proportion of left-over "residual" waste that needs to be treated through energy recovery – which provides a more sustainable alternative to landfill. The partner authorities will continue to help residents recycle all they can, but everyone has a role to play to help recycle more, including manufacturers, consumers, local authorities and the recycling sector.

What are the wider benefits of the facility to the area?

In addition to providing an essential sanitation service and a sustainable means of treating the region's residual waste, the TV ERF project will contribute towards the regeneration and development of the local area.

The specific section of the site allocated for the TV ERF is a 22-acre plot known as Grangetown Prairie 2. Locating the facility here, alongside other new circular-economy infrastructure, will contribute to the regeneration and development of the site and support the local economy.

The TV ERF project will also create several hundred jobs during the construction period and up to 50 permanent positions once operational.

How will the project deliver value to the local area?

In addition to creating employment opportunities, and of course providing an essential public sanitation service, it is anticipated that the plant's ability to export heat and electricity to the wider Teesworks site could serve as a catalyst for attracting other operators to the site.

Furthermore, through the procurement process, the partner authorities have asked the short-listed tenderers to consider how their specific proposals will contribute towards social value, sustainability and regeneration for the seven partner authorities. This has been given a significant weighting in the decision-making process and will likely to be a key differentiating factor between bidders.

Will the ERF require planning permission?

Outline planning permission for the TV ERF had previously already been granted, but Tenderers were required to obtain full planning consent from Redcar and Cleveland Borough Council (as the relevant planning authority) for some "reserved matters" prior to the contract being awarded.

The two tenderers participating in the procurement had their respective Reserved Matters applications determined, which were subject to public and statutory consultation, and were both granted planning permission on 20th July 2023.

How does this facility fit within the seven Councils' individual waste strategies?

The TV ERF project is a critical and essential part of the waste management strategies of the partner authorities and will provide a local, secure, reliable and affordable residual waste treatment solution from 2028 – ultimately contributing towards the councils' shared long-term goal of sending zero waste to landfill.

Prior to initiating the tender process, the respective waste strategies for the Tees Valley authorities, Newcastle City Council and Durham County Council were subject to consultation – both with the public and statutory consultees.

Will recovering energy from waste prevent further recycling by the seven Councils?

Recovering energy from waste only takes place after recycling and is an important component of the waste hierarchy – the policy framework which determines the best environmental solution for dealing with waste. It is therefore complementary to efforts to recycle, re-use and reduce as much as possible.

What is 'residual' waste?

Residual waste is the waste left over after residents and businesses have separated all they can for recycling (through their kerbside collection services and household waste recycling centres for example), so this is typically anything which goes in the general rubbish bin. The waste hierarchy determines that it is preferable, from an environmental perspective, to treat this residual waste by generating energy from it instead of disposing of it in landfill.

Is recycling important to the seven Councils?

Improving recycling performance and championing waste avoidance are key priorities of the partner local authorities involved in the TV ERF procurement and these services are operated individually by each local authority. The partner authorities anticipate that recycling rates will continue to improve in the region as new national and local policies are introduced, so the TV ERF will not impact upon the pursuit of this higher recycling performance – indeed this has been factored in when specifying the capacity of the new facility.

Why can't more waste be recycled now?

Improving recycling performance to minimise the volume of residual waste is a complex task and everyone has a part to play in achieving this – from manufacturers to retailers, consumers, local authorities and waste management companies. New national measures introduced under the Environment Act and the Government's Resources & Waste Strategy are likely to result in significant changes to all council recycling and waste management services over the next decade with the aim of getting to a national average municipal recycling rate of 65% by 2035. However, implementation of the Resources and Waste Strategy has been significantly delayed and most aspects of these reforms have yet to be implemented.

With or without these reforms, not everything can be recycled though and, even under the most ambitious future local recycling scenarios, there will still be a proportion of residual waste (representing hundreds of thousands of tonnes a year from the region) that will need to be treated through energy recovery to avoid sending it to landfill.

Will the facility emit carbon dioxide?

Waste treatment and disposal is vital for maintaining a sanitary environment and protecting public health but treating residual waste, like most industrial processes, does create greenhouse gas emissions. These are very challenging emissions to avoid but, as part of the tender specification, the tenderers are required to demonstrate how they will reduce carbon emissions from this operation year-on-year over the duration of the contract. This will be achieved primarily through increases to the efficiency of the plant; potential future heat-offtake and by removing as much plastic as possible from the waste stream.

Overall, on average, recovering energy from residual waste produces less Greenhouse Gas than landfill, which is the alternative.

Throughout 2022 and 2023, the TV ERF project partners pursued a bid for Carbon Capture and Storage (CCS) funding support as part of the Government's plans to support carbon capture projects across two new industrial carbon clusters – Hynet and the East Coast Cluster.

In early 2022, the TV ERF project made an application to the Department for Business, Energy and Industrial Strategy (now the Department for Energy Security and Net Zero - DESNZ) under Phase 2: Track 1 of the Government's Cluster Sequencing Process and, in August 2022, the TV ERF project was shortlisted to participate in further due diligence prior to funding awards being made.

Unfortunately, following an announcement by DESNZ in March 2023, the TV ERF was not one of just three projects in the North-East short-listed to commence detailed negotiations in relation to business model funding support.

Success through this process would have enabled the TV ERF to deploy carbon capture and storage technology from the outset – capturing carbon emissions from the plant and storing them in offshore storage as part of the East Coast Cluster. However, it is anticipated that future CCUS funding rounds will occur and the TV ERF will remain well placed to apply again should the opportunity arise.

Will the TV ERF be able to operate without CCUS?

The majority of Energy Recovery plants operating, or planned to operate, within the UK do not make use of carbon capture technology. Because of its location situated within the East Coast Cluster, and its proximity to planned CCS pipeline infrastructure, the TV ERF is well positioned to make use of CCS should future funding opportunities become available, and it will be designed in such a way that it will be capable of connecting both to CCS infrastructure and local heat networks in future.

What is the impact on the project partners of the proposed inclusion of energy-from-waste in the Emissions Trading Scheme (ETS) from 2028?

At present, as part of its decarbonisation plans, Government is consulting on proposals to include energy-recovery in the Emissions Trading Scheme (ETS) from 2028, with emissions reporting starting from 2026. This will place a cap on the volume of emissions allowed from EfW facilities that will fundamentally increase the cost to local authorities of residual waste treatment – since it is anticipated that tax adjustments will be made to prevent residual waste from being sent to landfill or export markets more cheaply than domestic energy recovery within the Emissions Trading Scheme.

Strategies to reduce the carbon emissions of energy recovery, and subsequent ETS costs, include recycling and reducing waste as much as possible (particularly for plastics), increasing the energy-efficiency of EfW plants and through carbon capture.

Future ETS costs may potentially support a viable business model for the development of carbon capture at the TV ERF, which will be carbon-capture-ready and subsequently well placed to make use of this technology. It is essential that the application of the ETS goes hand-in-hand with the implementation of reforms to raise national recycling rates.

Is energy recovery a sustainable source of energy compared with other sources?

The carbon intensity of energy produced by plants like the TV ERF cannot be fairly compared with other forms of energy generation, such as wind or solar power, since the essential primary purpose of energy recovery is to treat waste material – which other forms of energy generation do not do. The greenhouse gas (GHG) emissions of landfill therefore provide a more accurate basis for comparison since both are designed to treat residual waste.

Does the TV ERF have a grid connection?

In order to operate, the TV ERF must have the ability to export the electricity it generates, which is typically to the National Grid via a regional Distribution Network Operator (DNO). However, if there is sufficient local demand (for example an energy-intensive facility), electricity can also be exported by “private wire” direct to the user.

In March 2022 the project partners were informed that major reinforcement works to the transmission network by National Grid were unlikely to be complete until 2031, which would delay the connection timescales for the TV ERF project beyond those previously agreed with Northern PowerGrid (the DNO) earlier in the procurement process.

As energy-offtake is a critical component of the TV ERF procurement, and has a significant effect on price, a decision was taken in 2023 to stop the evaluation of Final Tenders and therefore delay the appointment of a Preferred Tenderer until further certainty over electricity offtake became available.

However, since then, the National Grid and DNO have been working to reduce connection timescales and, in 2024, the TV ERF project partners received two updated connection offers with a timescale that now aligns with anticipated construction timescales for the TV ERF. This would allow the facility to export electricity during testing and commissioning, and on to full operation.

As a result, it is anticipated that Optimised Final Tenders will be received in late 2024.

What impact has this delay had on the project?

The revised connection offer and associated connection dates has had a knock-on impact on the project schedule and it is not anticipated that the TV ERF will enter commercial operations before 2029. As such, the project partners have asked the short-listed tenderers to propose and include interim waste treatment solutions – covering the period from 2028 and the start of full operations at the TV ERF - within their Optimised Final Tenders due later this year. In parallel with this, the councils are currently considering their options for the period April 2026 to March 2028.

What will happen to the TV ERF project if Government imposes a moratorium on EfW like they have in Wales and Scotland?

The TV ERF project is not a speculative commercial project and has been carefully designed to serve known and anticipated regional need within a range of future policy and performance scenarios over its operational lifetime.

The waste being supplied to the facility is in the full control of the partner authorities which have a legal duty for its safe treatment in perpetuity.

The TV ERF has planning consent and should subsequently be factored in to committed pipeline capacity in any national appraisal of energy recovery capacity. Given these factors, and how policy has been applied in the devolved administrations, we do not anticipate that the TV ERF, which is vital to the region, would be affected by any future restrictions to new energy recovery capacity.

How do the greenhouse gas emissions of energy recovery process compare with the alternatives (ie landfill)?

Energy recovery is a lower carbon solution for the treatment of residual waste compared with landfill and, for context, approximately 200kg of CO₂e (carbon dioxide equivalent) on average is saved for every tonne of residual waste sent to energy recovery instead of landfill – although the relative performance can vary within a range depending on specific local circumstances.

Can the facility's future carbon impact be further reduced?

In future, potentially exporting heat as well as electricity from the TV ERF will increase the plant's efficiency, further improving its performance compared with landfill, while carbon capture and storage technology holds the potential to mitigate remaining net emissions.

Removing as many plastic-based materials as possible from the residual waste stream will also help to reduce carbon emissions from energy recovery and this will most effectively be achieved through greater waste-avoidance and improved recycling performance – which residents will play a significant role in helping to deliver.

What emissions are produced by an energy recovery facility?

Like any other source of energy generation based on the combustion of solid or liquid fuels, the energy recovery process produces emissions. These emissions are predominantly steam, oxygen, nitrogen and carbon dioxide along with very small quantities of pollutants.

How are energy recovery facilities regulated?

Modern energy recovery facilities are among the most heavily regulated industrial installations in the world and must meet strict environmental standards. The TV ERF will use mature, proven and reliable technology to process waste and treat flue gases. In practice, these facilities often operate at just a fraction of permitted emissions levels and, as a result, make only a small, if detectable, contribution to local concentrations of pollutants such that any impact on health from reduced air quality is negligible.

They are regulated and closely monitored by the Environment Agency.

What control measures will the TV ERF use to minimise pollution?

The TV ERF will employ a range of industry-standard flue-gas treatment technologies to remove pollutants and particulate matter from the gases produced during the combustion process, before they are dispersed through the stack. These technologies will separate and capture particulate matter and pollutants by filtering them from the gases. The substance left over from this filtration process is known as Air Pollution Control residue (APCr) – which itself can be treated and recycled through specialist processes.

Once the flue gases have been treated, those that are released through the stack are dispersed at height to ensure they are not concentrated at ground level and they are

constantly monitored – with strict safety controls in place. The TV ERF will be regulated and closely monitored by the Environment Agency, which will only grant an environmental permit for the facility to the chosen operators if it is satisfied that the plant can operate within the stringent regulations.

Do energy recovery facilities represent a public health risk?

The UK Health Security Agency (Formerly Public Health England) commissioned a study by Imperial College London in 2019 investigating the health effects of municipal waste incineration, which found that modern, well-run, energy recovery facilities are not a significant risk to public health. PHE concluded that “While it is not possible to rule out adverse health effects from these incinerators completely, any potential effect for people living close by is likely to be very small.”

This view is based on detailed assessments of the effects of air pollutants on health and on the fact that these incinerators make only a very small contribution to local concentrations of air pollutants.

How will waste material be delivered to the facility?

It is anticipated that the facility will accept waste material six days a week (although the site will be permitted to accept waste throughout the year except for Christmas Day) and this waste will be delivered via road by both heavy goods vehicles and refuse collection vehicles. This site is well served by arterial routes away from residential areas and these waste transport vehicles are already on the regional road network delivering material to multiple processing sites.

What is the anticipated impact of vehicles delivering waste to the facility on the local road network?

The number and frequency of deliveries to the TV ERF will not have any significant impact upon congestion and a transport impact assessment was carried out as part of the planning application. Furthermore, the transport plans and impact assessment were scrutinised and consulted on as part of the planning process and no issues or objections were raised, nor were any operational conditions imposed.

From a sustainability perspective, there will be significant advances to de-carbonise road transport well within the lifetime of the TV ERF in line with Government targets. This will likely include a transition to electric or hydrogen fuelled refuse collection and heavy-goods vehicles, so transport by road will increasingly offer a more sustainable logistics solution.

CONTACT

More information about the TV ERF project can be found online at www.tverf.co.uk

If you have any further questions not addressed by the website or this document, please use the contact form at www.tverf.co.uk to get in touch with the project team and we will ensure that you receive a response.