

LONG TERM FIXED RATE SECURED WtE



Business Challenge

- Increasing waste/RDF costs
- Reduced European Capacity
- Rising cost of 70ktpa of waste
- Unsecured future treatment
- Brexit tariff risk

Service

- RDF consultancy
- UK / European aggregation
- Brokering & price negotiation
- Long term contracting

Savings & Benefits

- 100% landfill diversion
- £750k pa waste cost reduction
- De-risked operation
- 20% reduced on costs / labour

Additional Benefits:

- Full turnkey solution
- Risk free agreement
- Long term stability of operation
- New focus on business front end



REGIONAL WASTE SERVICES OPERATOR

Handling over 100,000 tonnes per annum of industrial and commercial waste an established waste and recycling operator were facing increasing costs associated with the handling, preparation and export of refuse derived fuel to Europe. Reduced capacity and a trend of rising costs would significantly disrupt the operation and the viability of this process. Our client, keen to come up with a long-term solution to this critical de-stabilising factor.

THE CHALLENGE

European RDF assets are reaching capacity with demand outstripping supply making the negotiation of low cost, long term gate rates impossible for many Regional RDF exporters. Further, as tonnes are secured the focus on plant efficiency has intensified meaning quality over quantity has become micro-managed; the onus on improved pre-treatment sitting squarely with the Regional operator adding further costs to the operation.

THE SOLUTION

Packaged Group acted as consultant and broker for the Regional Waste Operator and led negotiations with UK and European Asset operators to secure 15 years fixed rate gate fees into a UK plant from 2020 without the need for the Regional Operator to pre-treat aggregated dry waste. Long term market advantage combined with lower operational costs will have save our client c£1M p/a

