

CONNECTICUT  
RESOURCES  
RECOVERY  
AUTHORITY

Annual Meeting  
February 5, 2004

# Welcome

**Michael A. Pace**

First Selectman, Town of Old Saybrook  
Chairman, CRRRA Board of Directors



# Today's agenda

- The CRRA story so far. . .
- A closer look at CRRA
- The year ahead
- Our mission statement
- Your questions



# The CRRA story so far . . .

- CRRA created in 1973
  - To make the state self-reliant



# The CRRA story so far . . .

- New board of directors
  - Municipal executives, business expertise



# The CRRA story so far . . .

- New senior management team
  - Years of experience in MSW and power



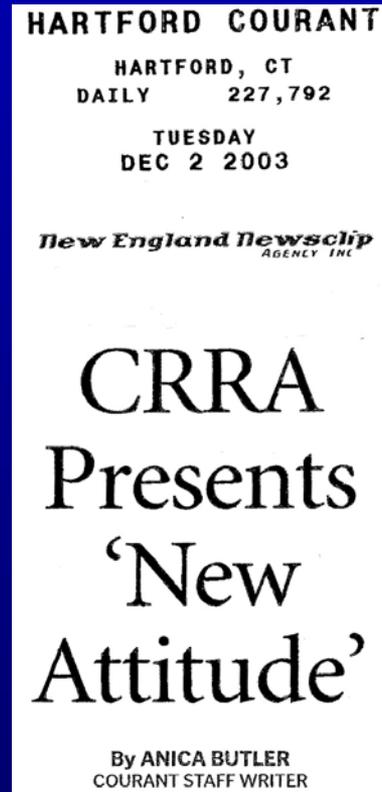
# The CRRA story so far . . .

- Today's CRRA
  - Unique skill set serving the state's needs
  - New emphasis on accountability



# The CRRA story so far . . .

- CRRA's new attitude



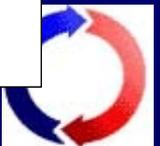
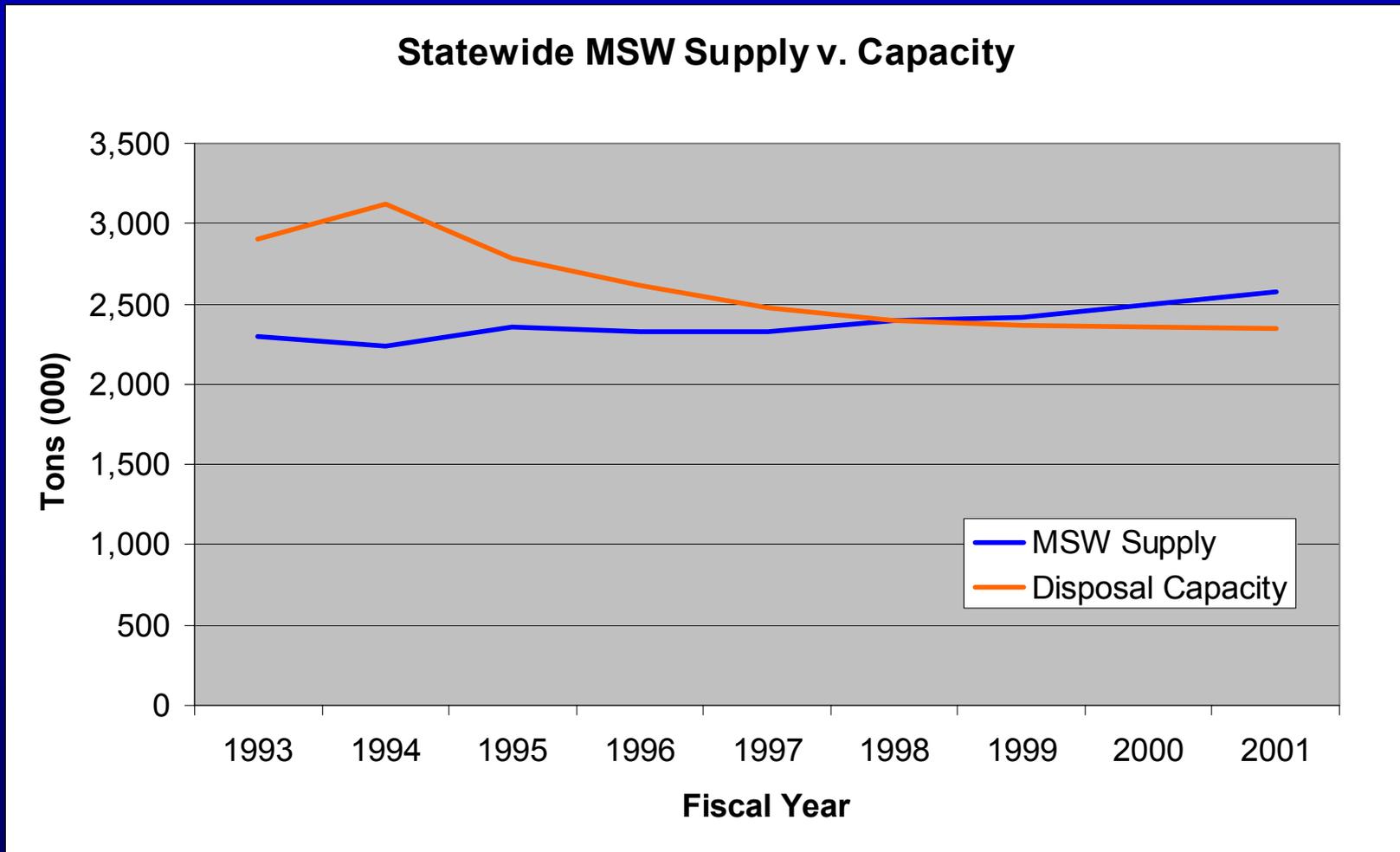
# The CRRA story so far . . .

- The situation in 2002
  - Increasing MSW supply, decreasing disposal capacity
  - Lack of planning



# The CRRA story so far . . .

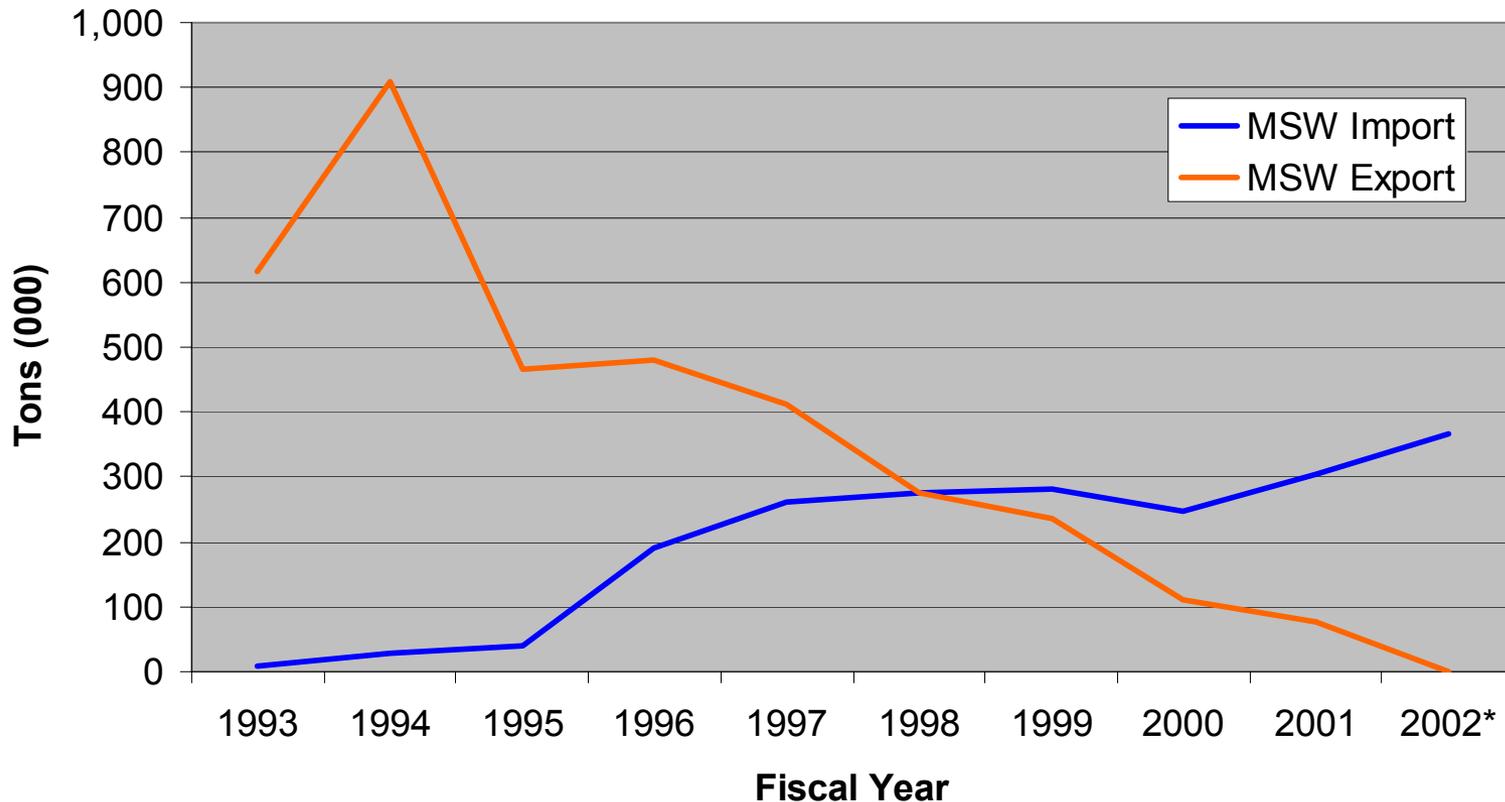
## Changes in generation and capacity



# The CRRA story so far . . .

From importer to exporter of MSW

Statewide MSW Imports v. Exports

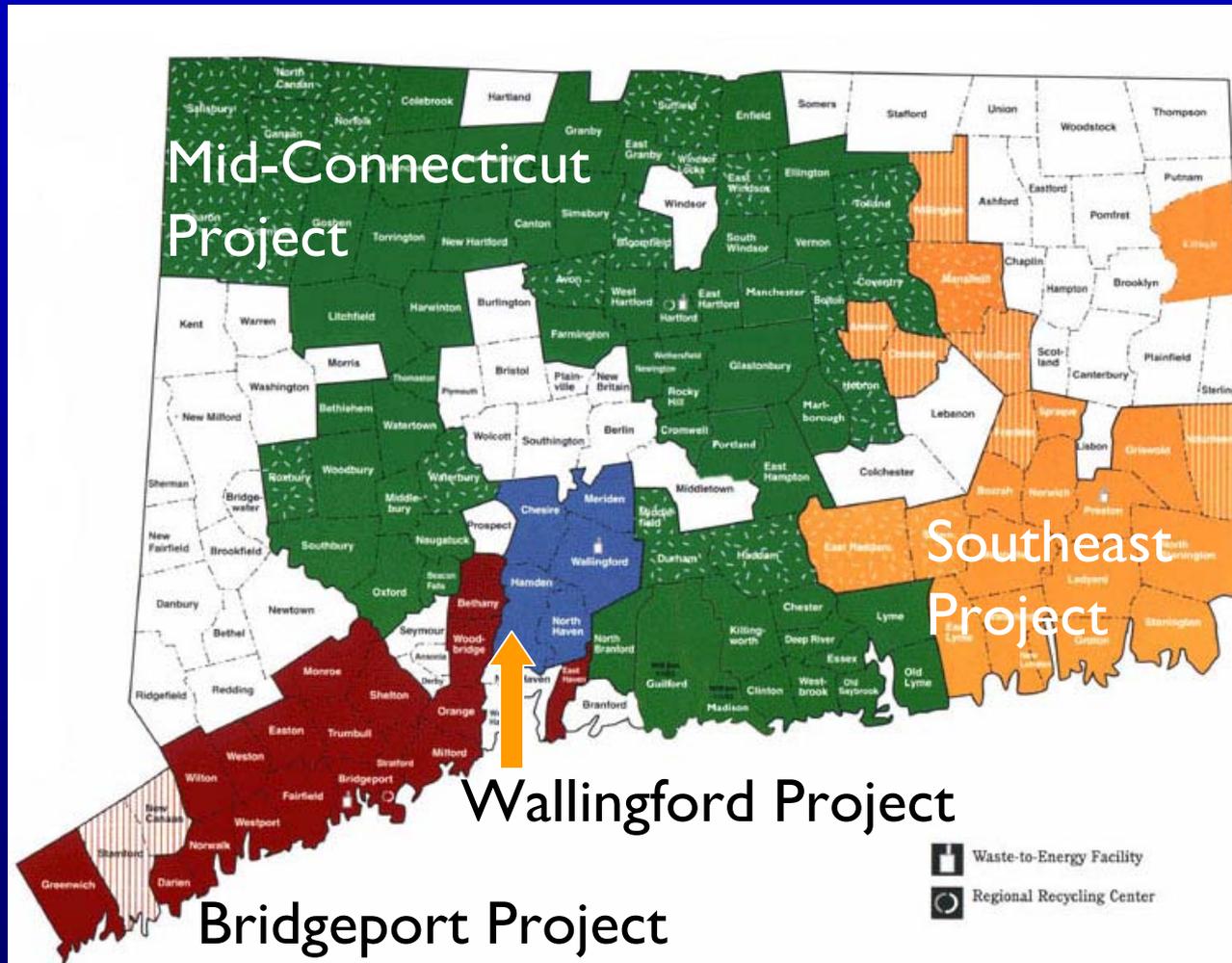


# The CRRA story so far . . .

- The situation in 2002
  - Enron bankruptcy



# A closer look at CRRA





# A closer look at CRRA's projects

Bridgeport Project resources recovery facility



Annual Meeting • February 5, 2004



# A closer look at CRRA

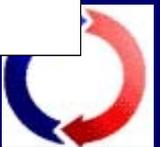
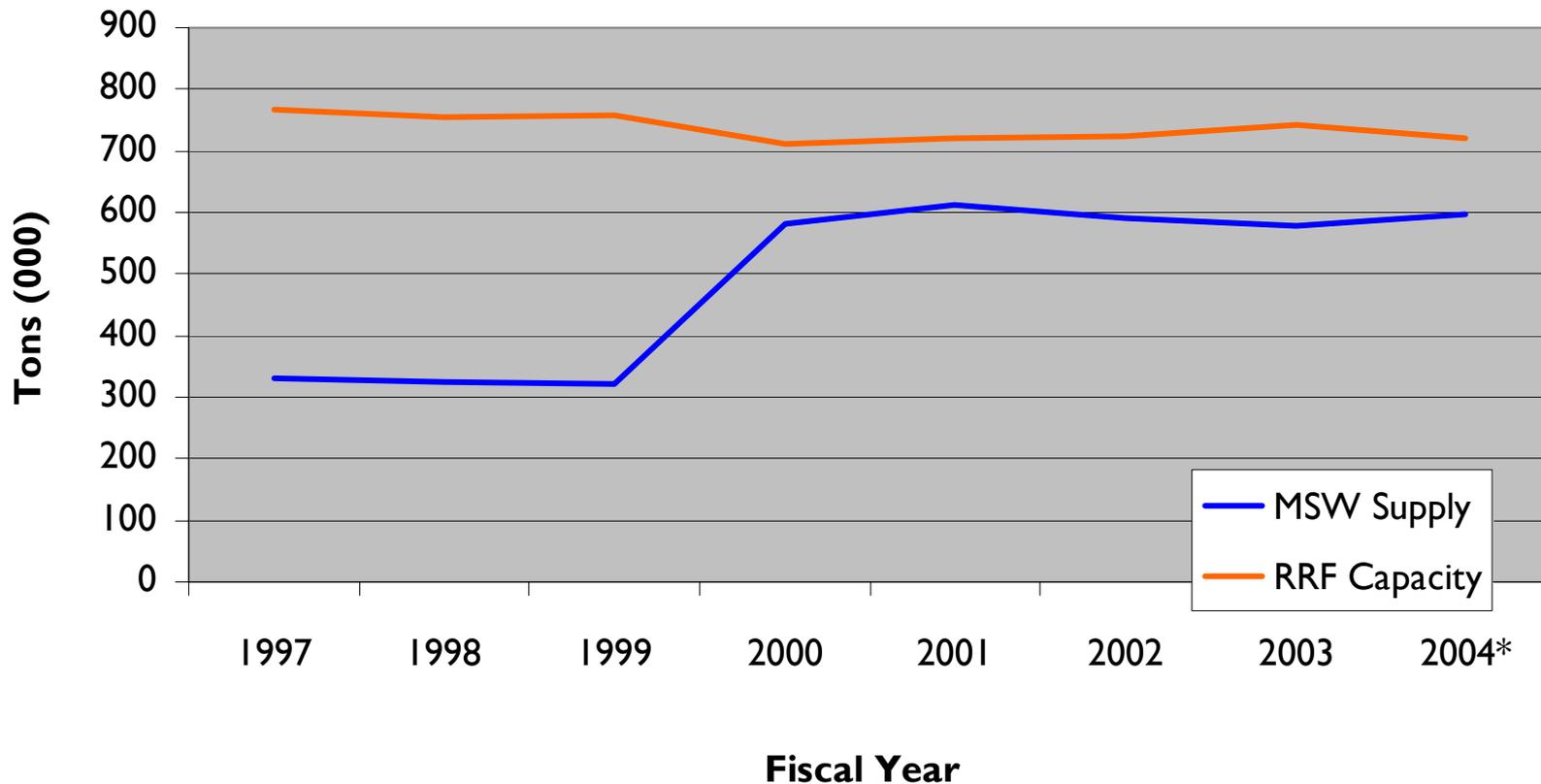
## Bridgeport Project

- Mass-burn resources recovery facility leased to Bridgeport Resco (Wheelabrator)
- Regional recycling facility operated by FCR
- Eight transfer stations (municipally-owned)
- Ash sent to Wheelabrator-Putnam landfill
- Municipal agreements through 12/31/2008



# A closer look at CRRA

## Bridgeport Project Supply v. Capacity



# A closer look at CRRA

## Bridgeport Project

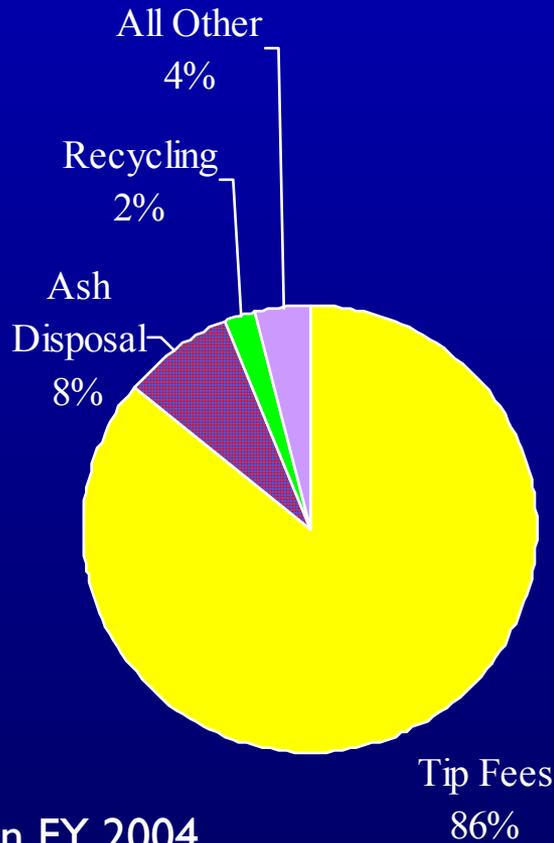
- FY 2004 tip fee -- \$63/ton plus \$8/ton on minimum commitment
- FY 2005 tip fee -- \$64.50/ton plus \$8/ton



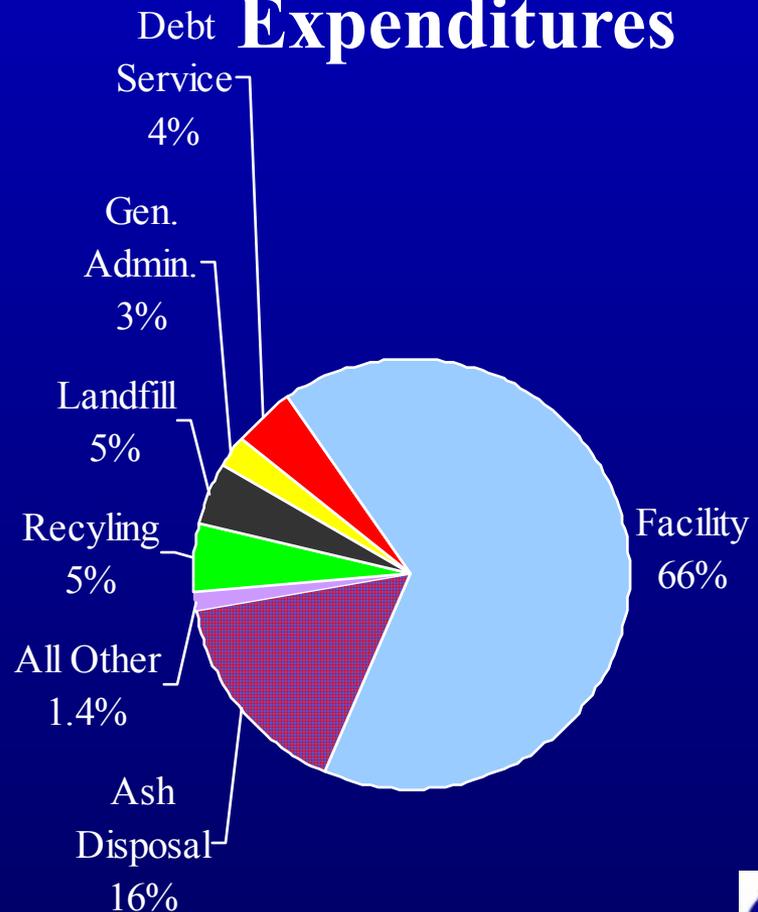
# A closer look at CRRA

## Bridgeport Project

### Revenues



### Expenditures



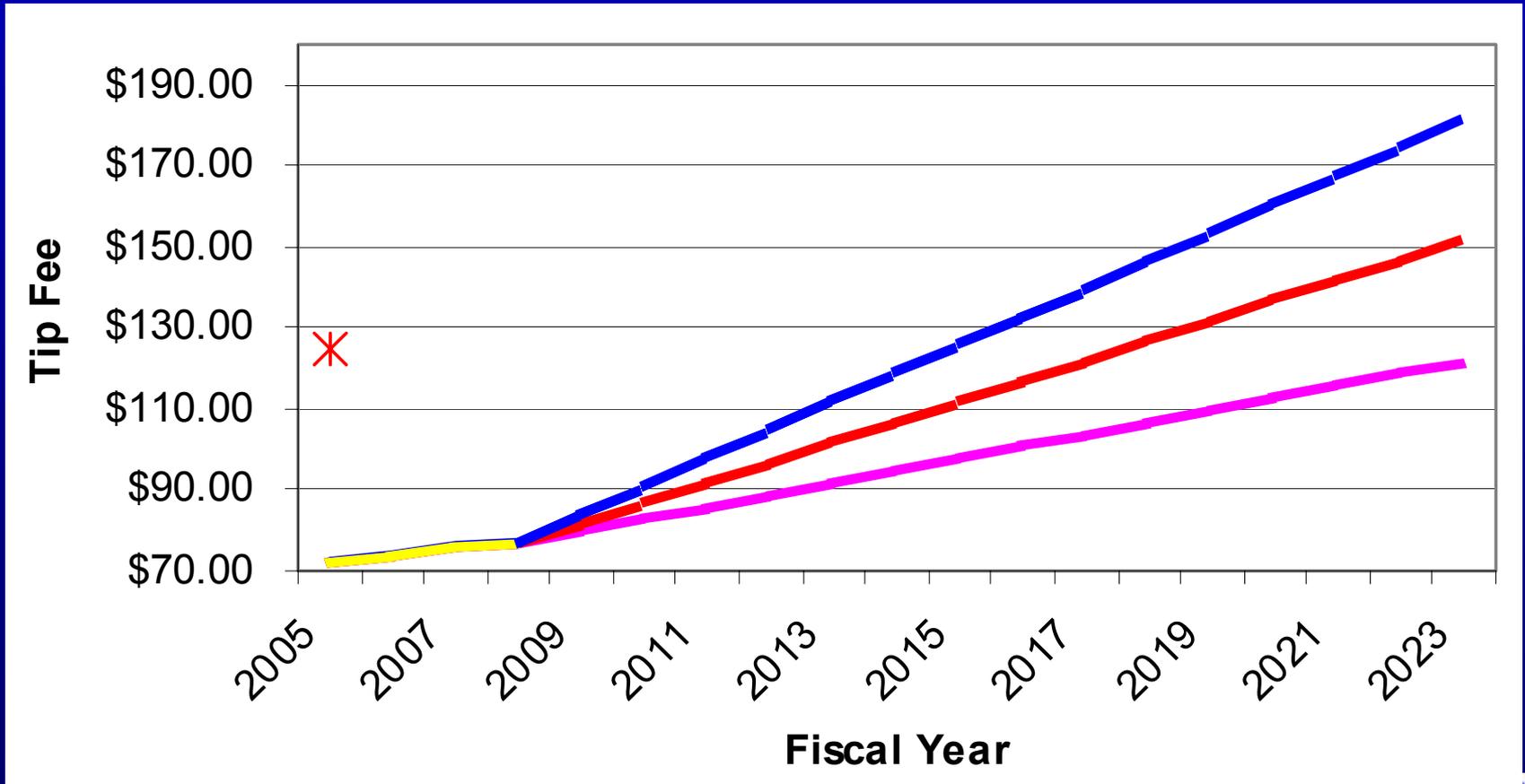
Based on FY 2004 budget

Annual Meeting • February 5, 2004



# A closer look at CRRA

## Bridgeport Project

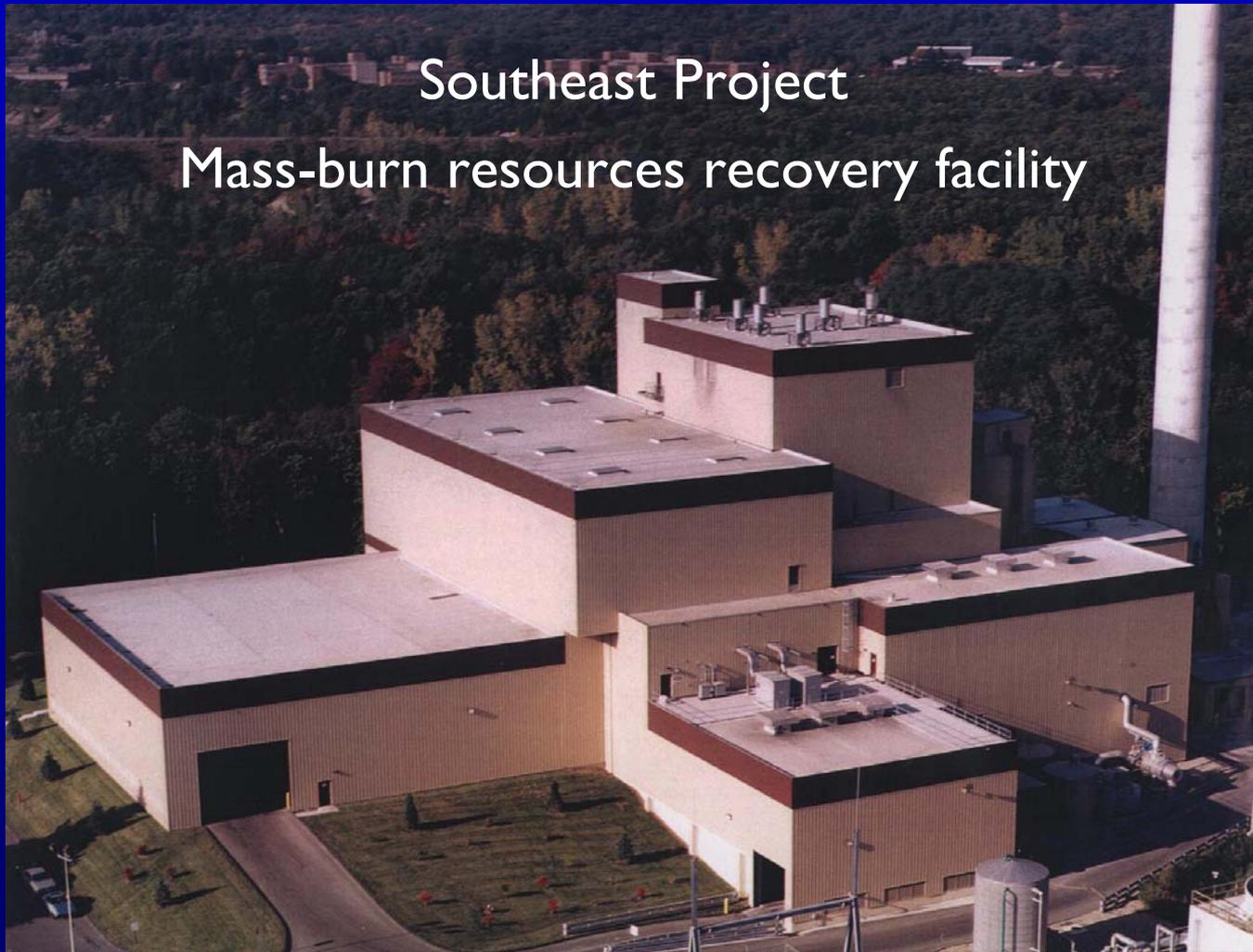




# A closer look at CRRA

Southeast Project

Mass-burn resources recovery facility



Annual Meeting • February 5, 2004



# A closer look at CRRA

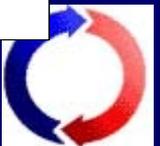
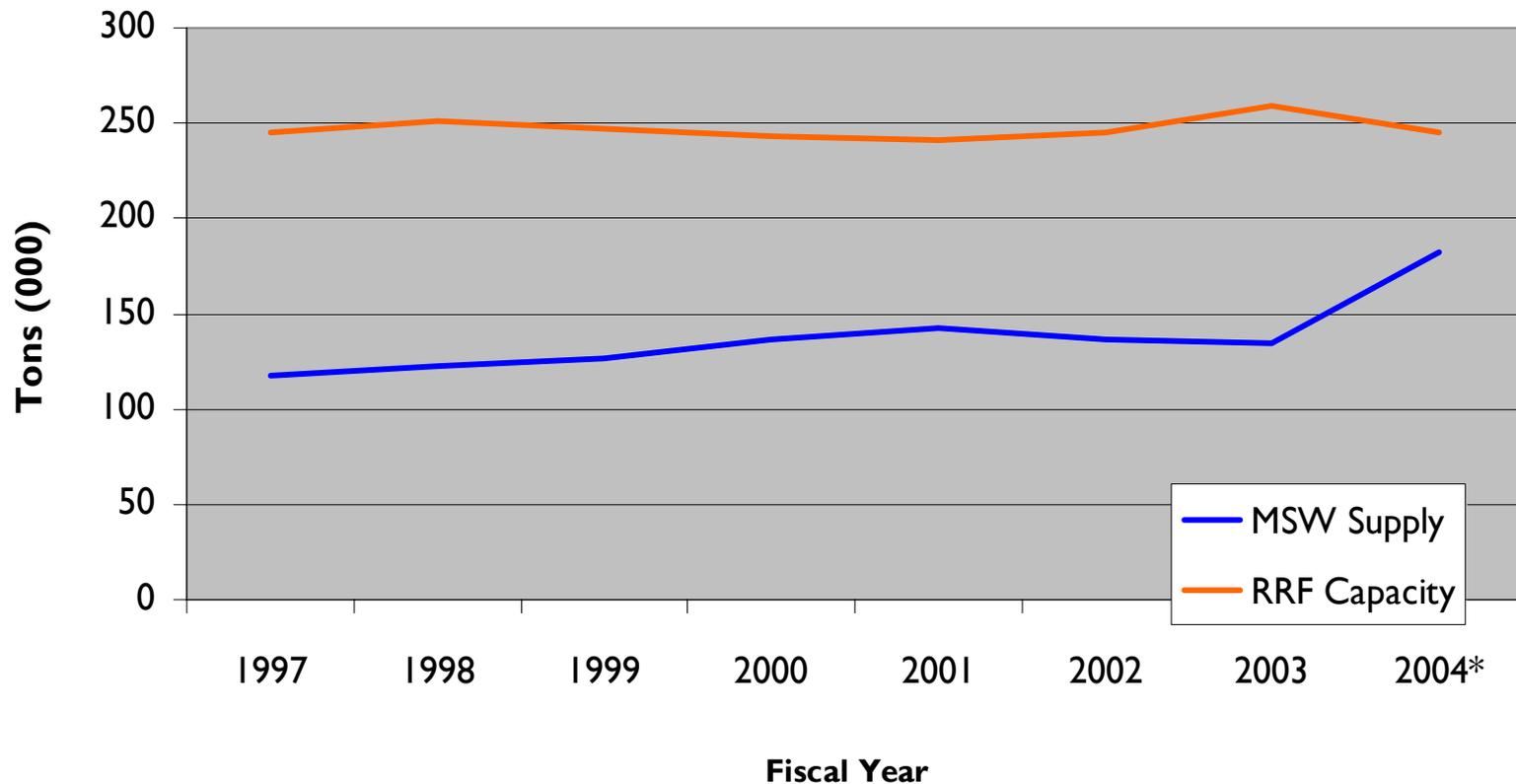
## Southeast Project

- Mass-burn resources recovery facility leased to American Ref-Fuel
- Ash sent to Wheelabrator-Putnam landfill
- Municipal agreements through November 2015



# A closer look at CRRA

## Southeast Project Supply v. Capacity



# A closer look at CRRA

## Southeast Project

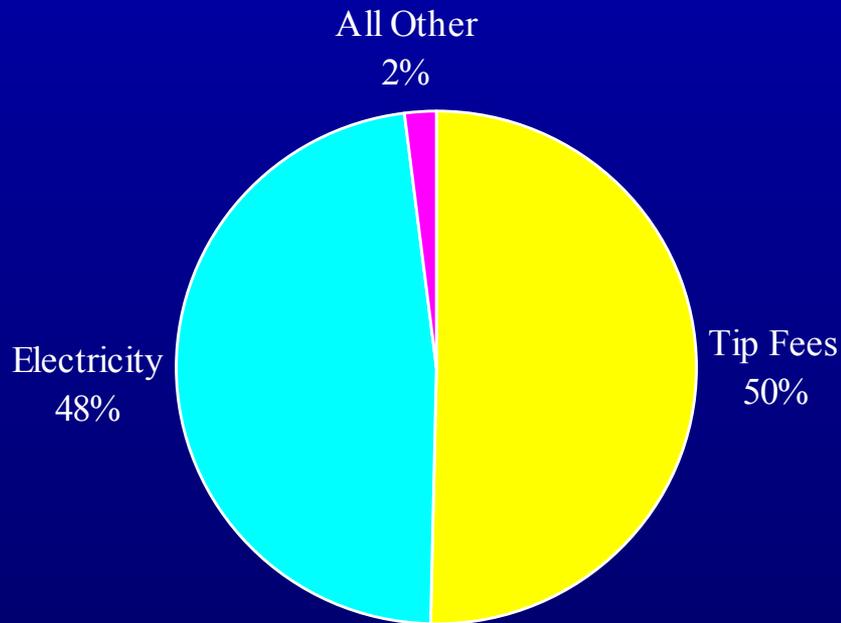
- FY 2004 tip fee -- \$60/ton
- FY 2005 tip fee -- \$60/ton



# A closer look at CRRA

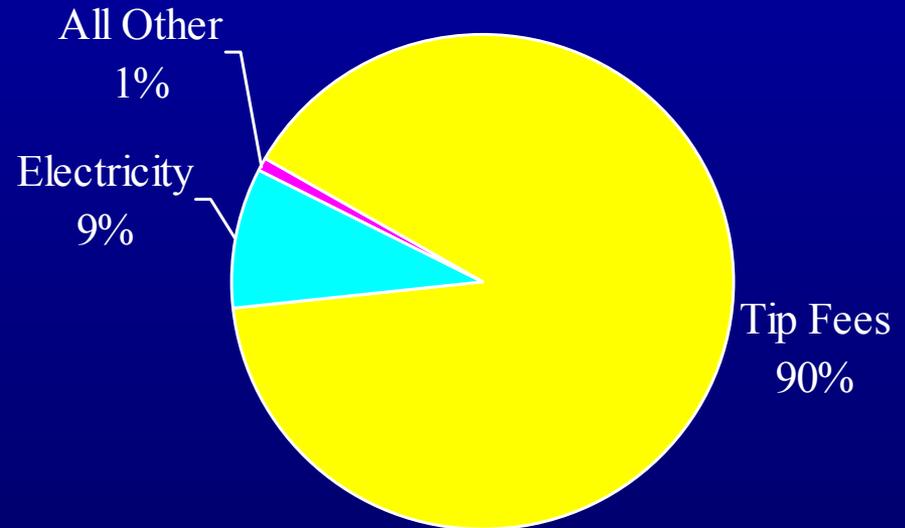
## Southeast Project

FY 2004 without stabilization



Reserve balance: \$3,200,000

Post FY 2017 without stabilization

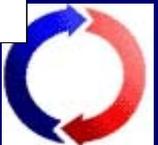
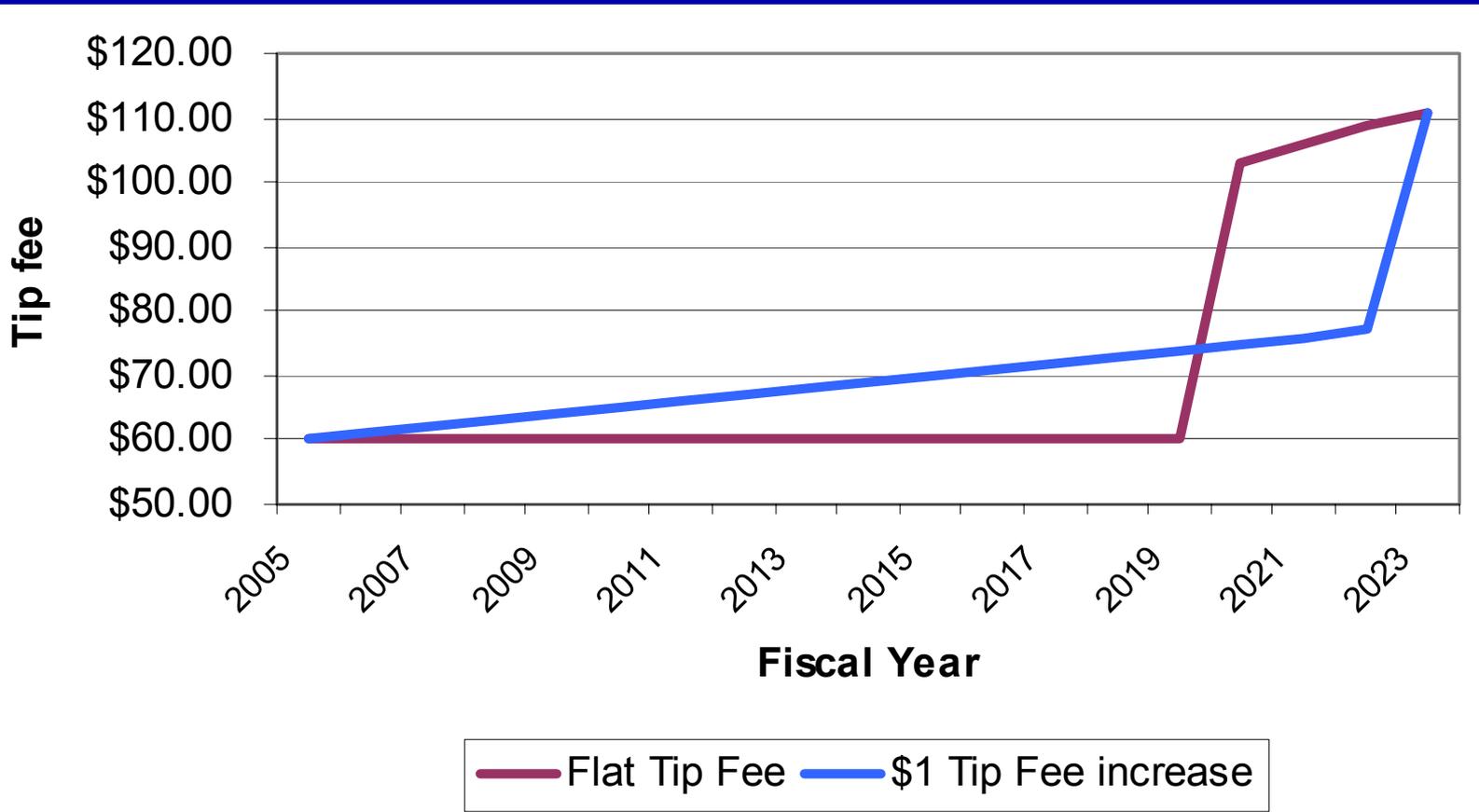


Reserve balance: \$32,300,000

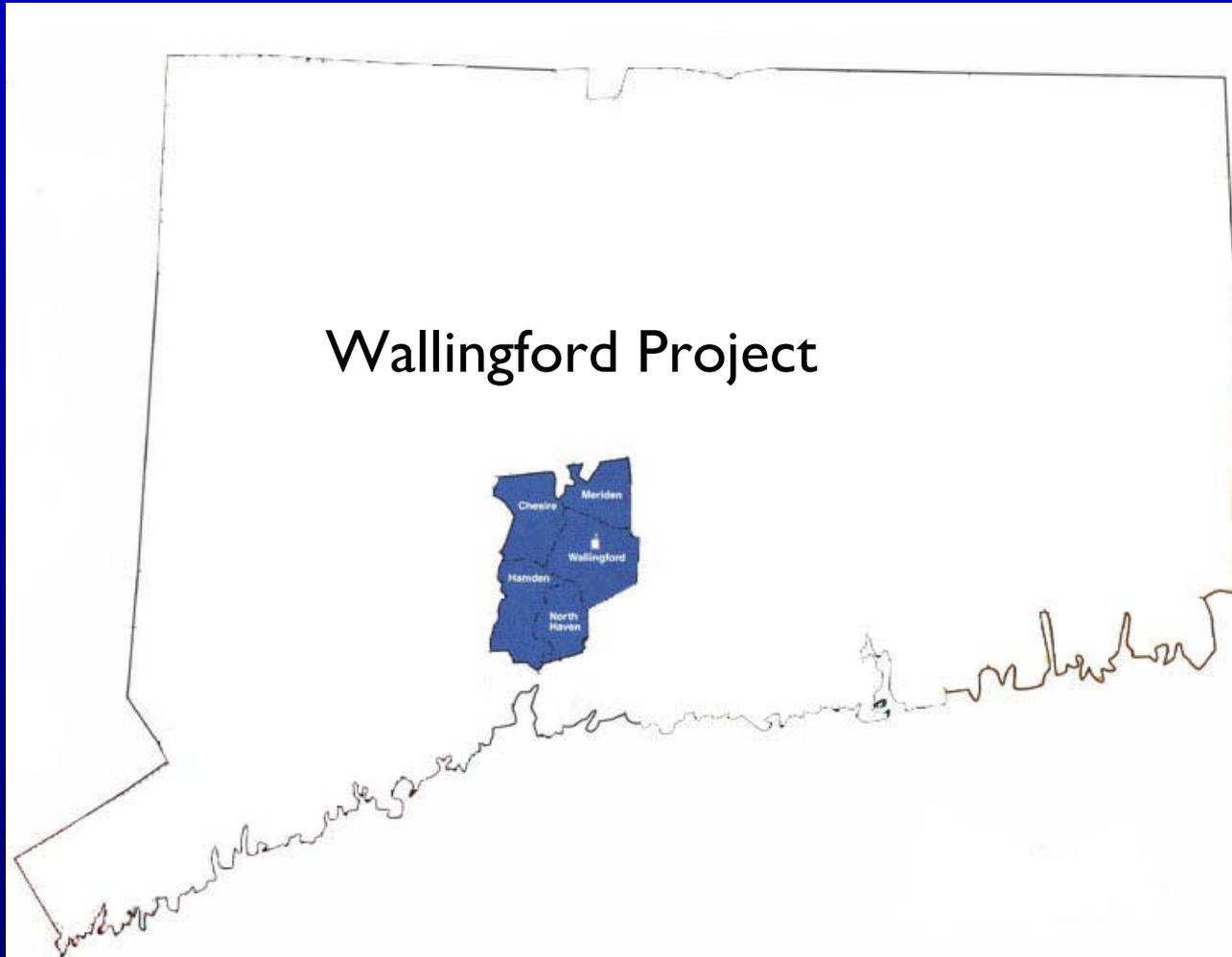


# A closer look at CRRA

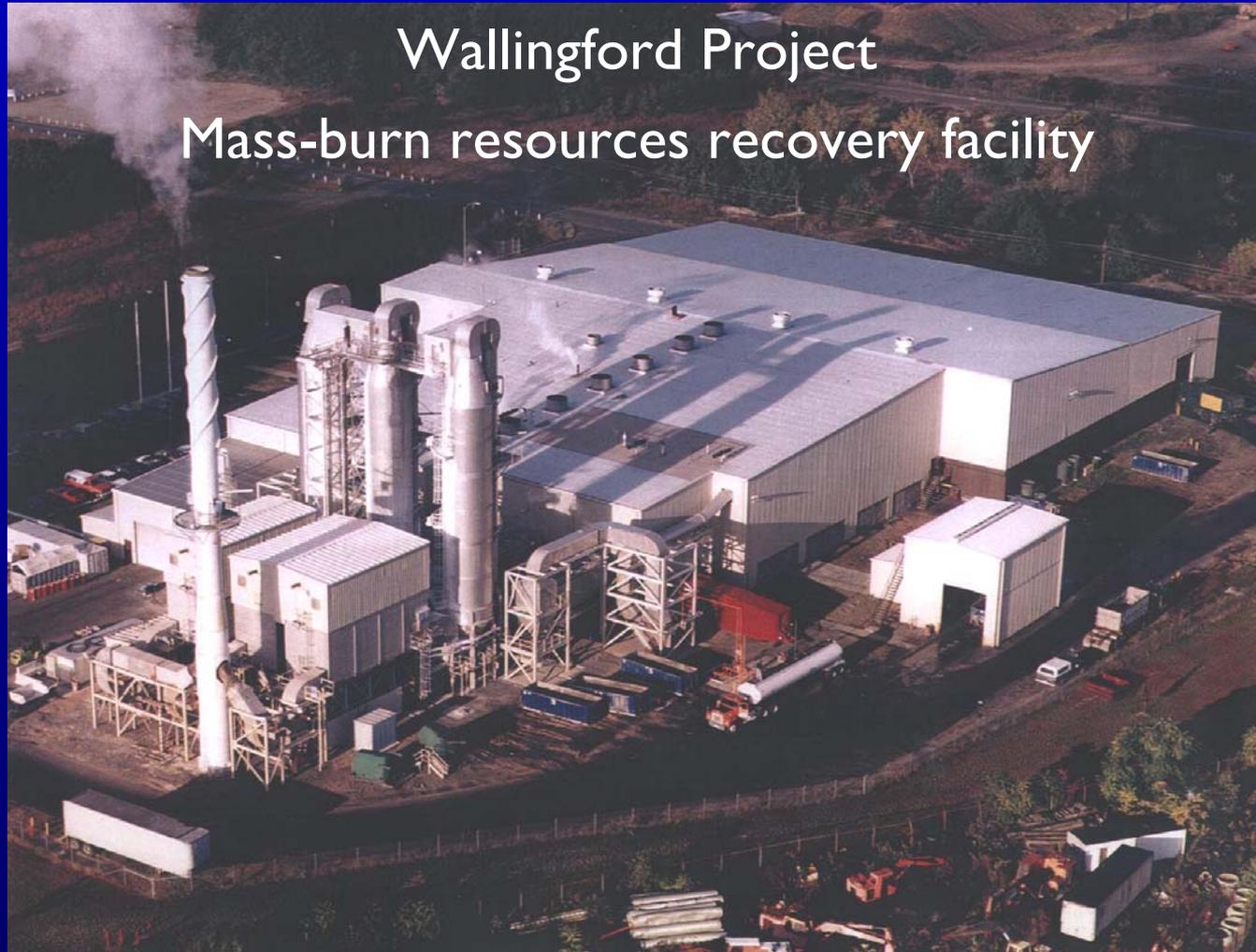
## Southeast Project



# A closer look at CRRA



# A closer look at CRRA



Annual Meeting • February 5, 2004



# A closer look at CRRA

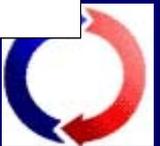
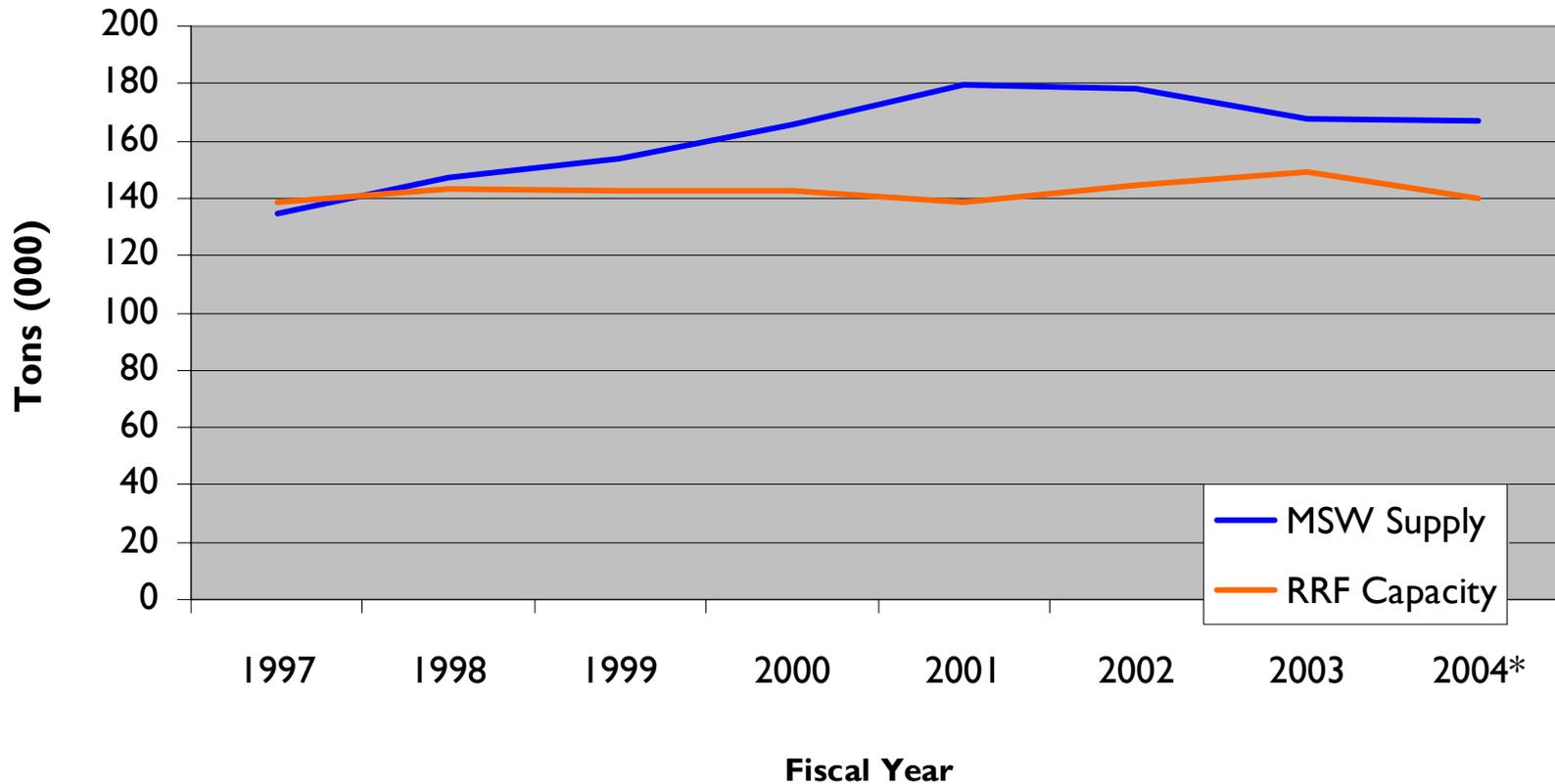
## Wallingford Project

- Mass-burn resources recovery facility leased to Covanta
- Power contract through 6/30/2009
- Ash sent to Wheelabrator-Putnam landfill
- Municipal agreements through 6/30/2010



# A closer look at CRRA

## Wallingford Project Supply v. Capacity



# A closer look at CRRA

## Wallingford Project

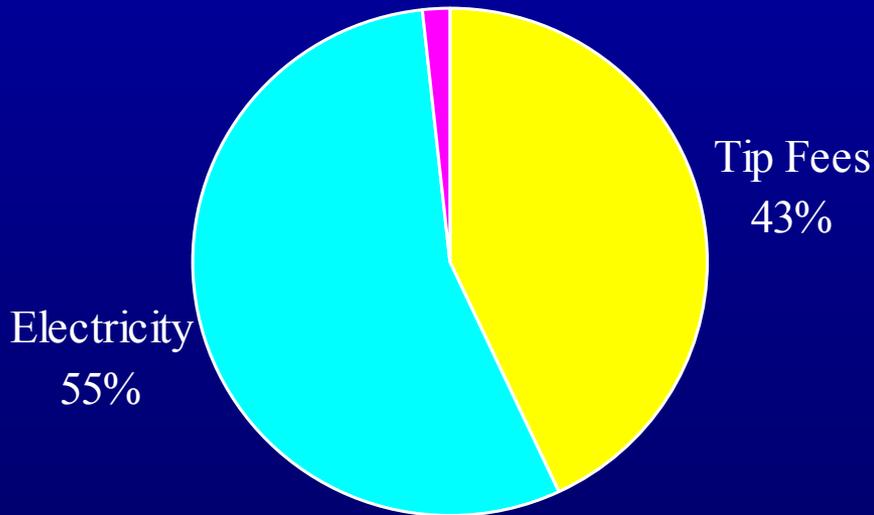
- FY 2004 tip fee -- \$55/ton (beneficial power sales agreement)
- FY 2005 tip fee -- \$56/ton



# A closer look at CRRA

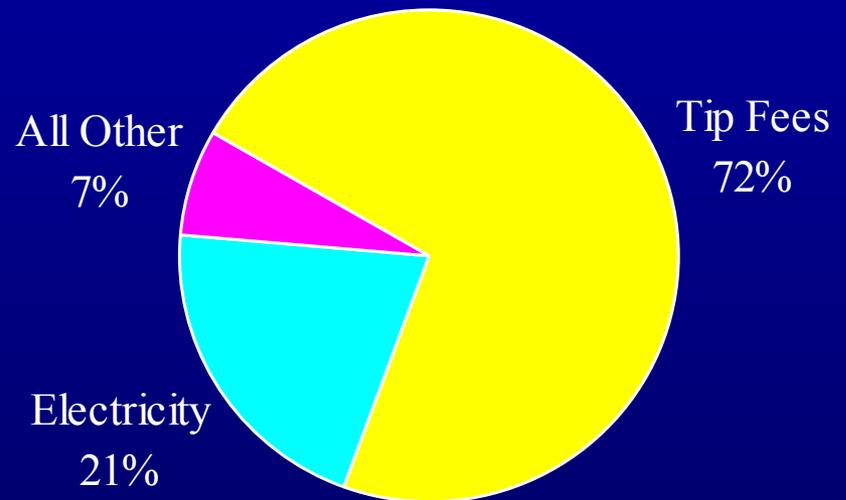
## Wallingford Project Revenue comparison

FY 2004  
All Other  
2%



Reserve balance: \$23,300,000

Post FY 2004 without stabilization

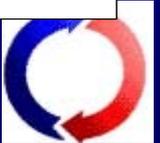
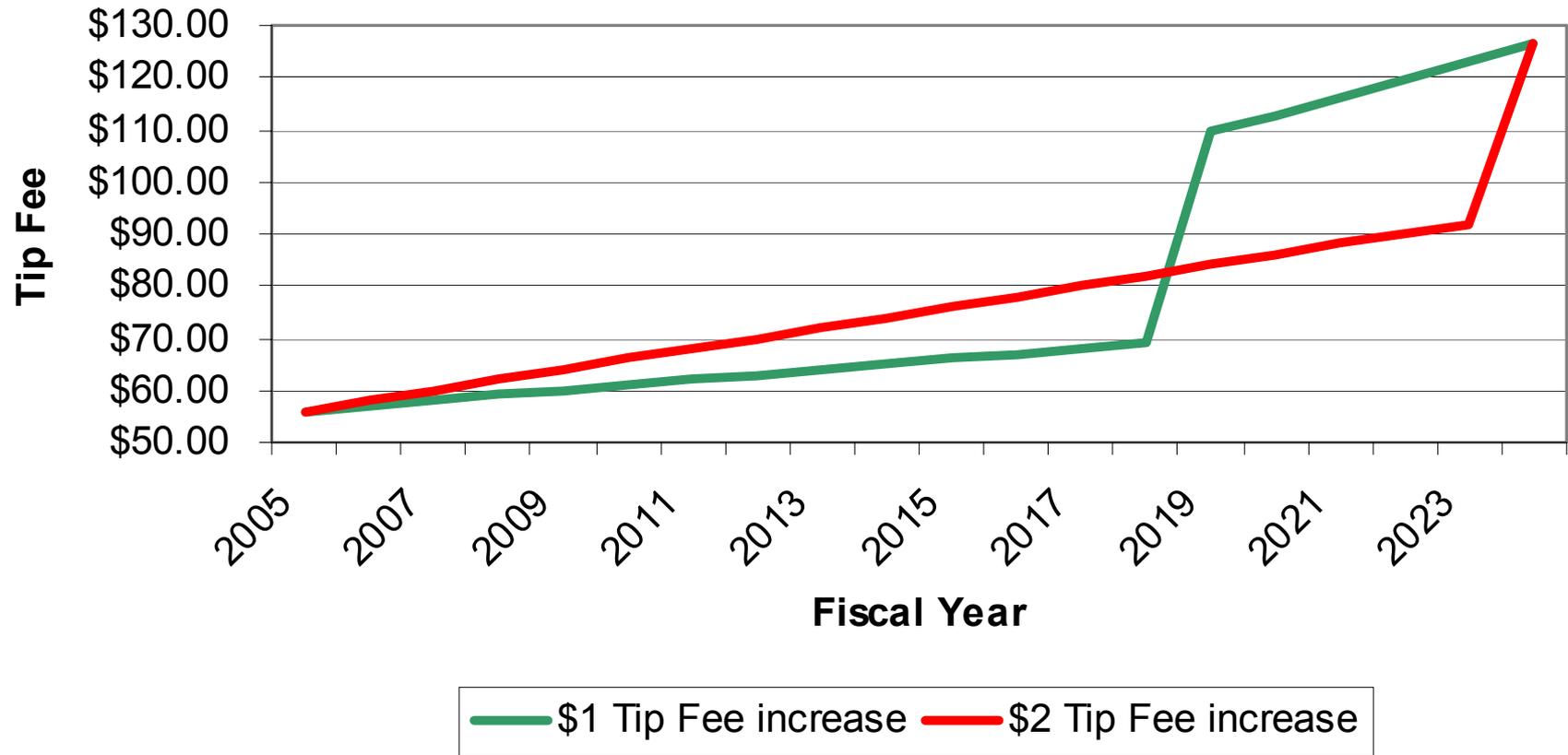


Reserve balance: \$37,500,000

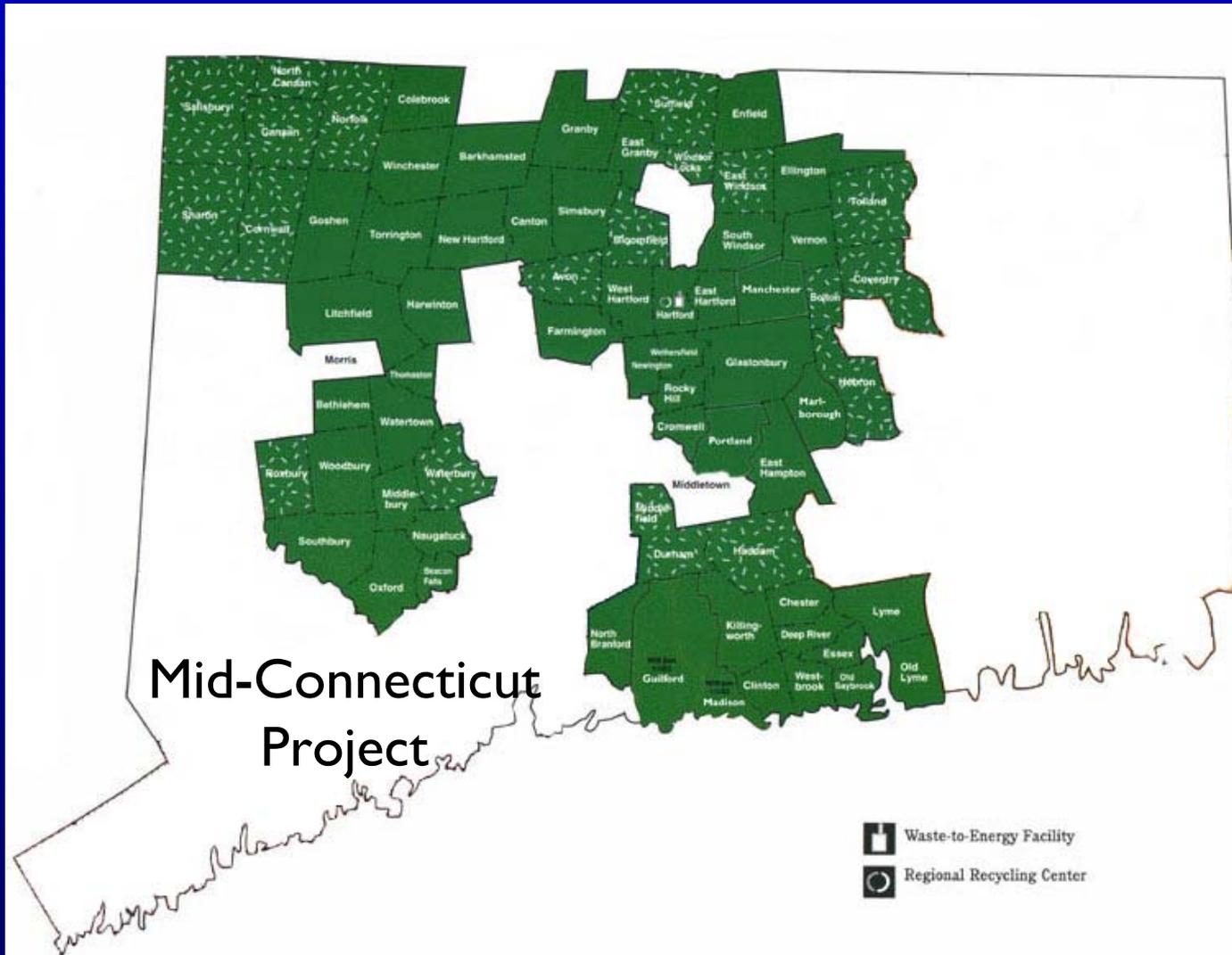


# A closer look at CRRA

## Wallingford Project



# A closer look at CRRA



# A closer look at CRRA



Annual Meeting • February 5, 2004



# A closer look at CRRA

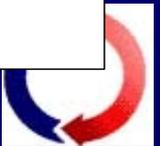
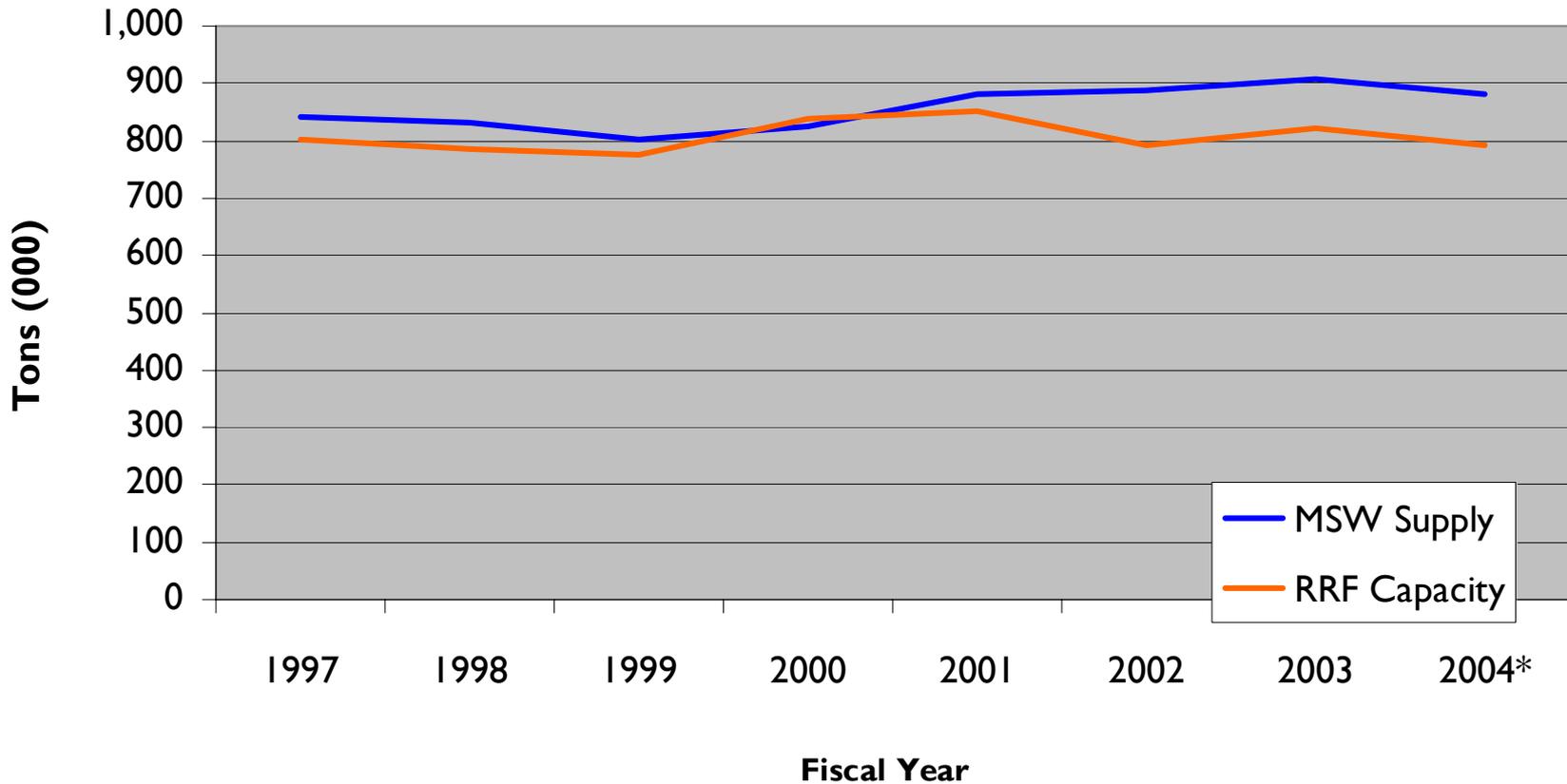
## Mid-Connecticut Project

- RDF plant operated by the Metropolitan District
  - Mediation
- PBF operated by Covanta
- Regional recycling facility and Visitors Center
- Transfer stations in Watertown, Torrington, Essex and Ellington
- Landfill in Hartford for ash, bulky, process residue disposal
- \$26m South Meadows remediation
- Municipal agreements through November 2012



# A closer look at CRRA

## Mid-Connecticut Project Supply v. Capacity



# A closer look at CRRA

## Mid-Connecticut Project

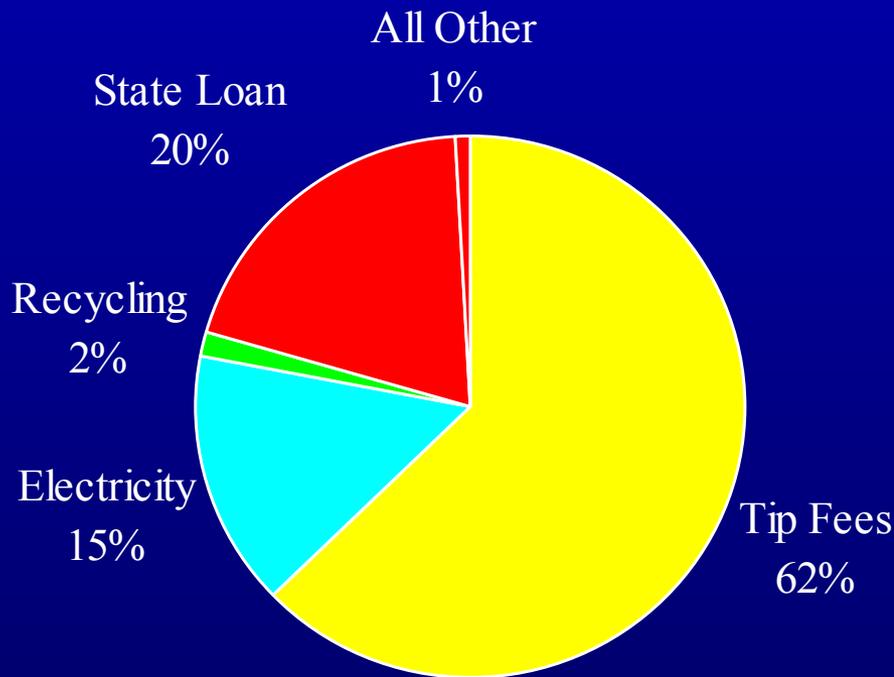
- FY 2004 tip fee -- \$63.75/ton
- FY 2005 tip fee – market-rate target
- FY 2006 tip fee – market-rate target
  - If settlements are not finalized as expected, tip fee will soar



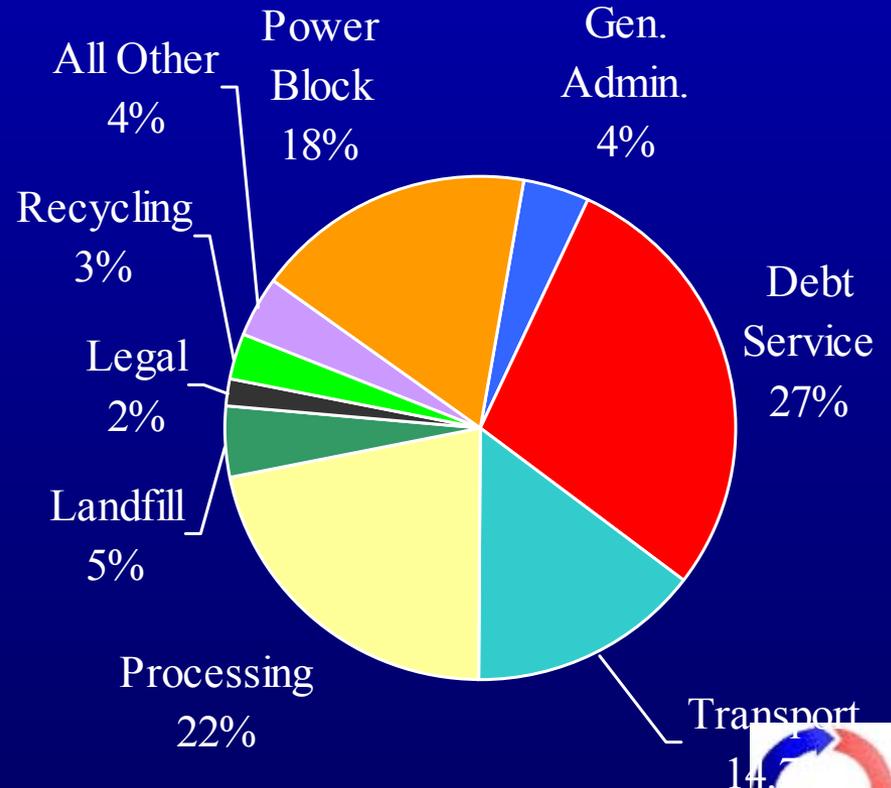
# A closer look at CRRA

## Mid-Connecticut Project

### Revenues



### Expenditures



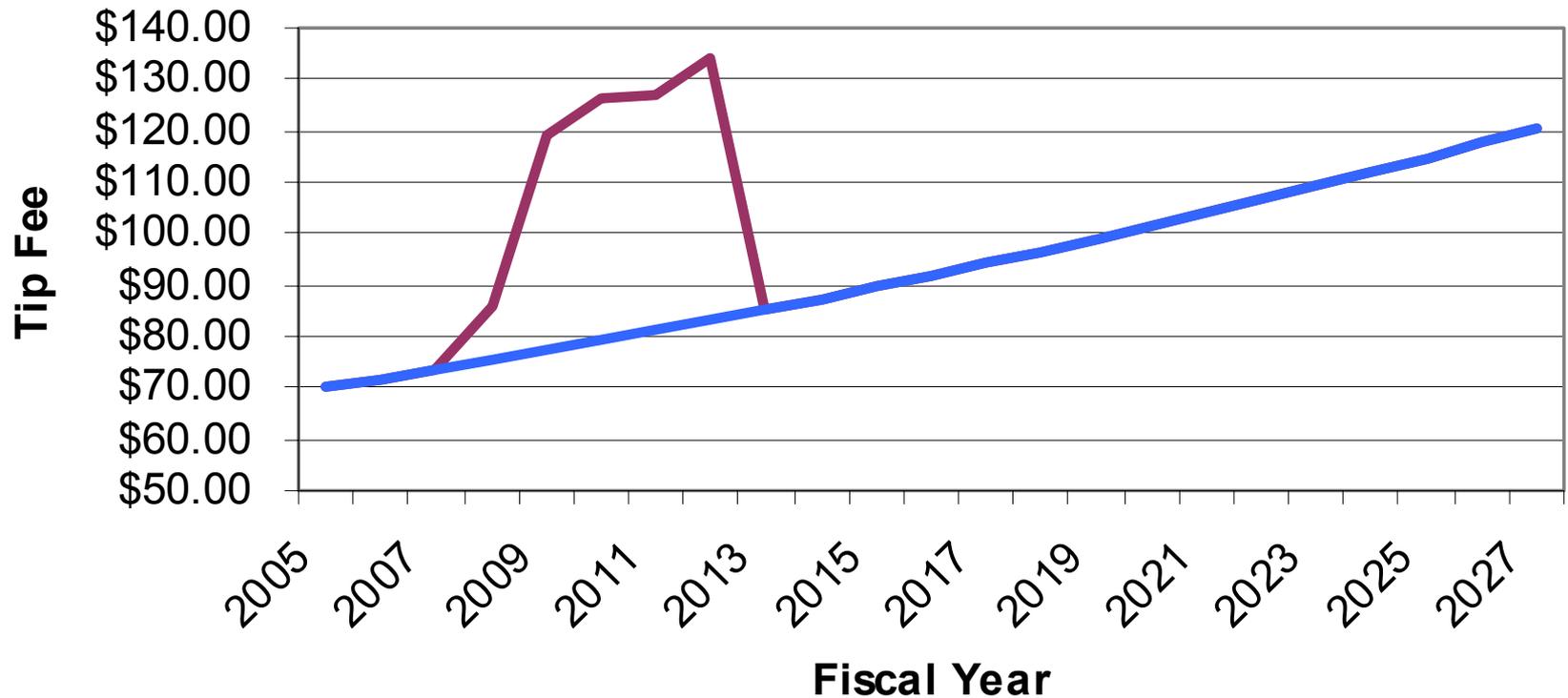
Based on FY 2004  
budget

Annual Meeting • February 5, 2004

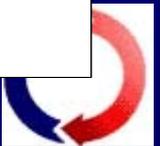


# A closer look at CRRA

## Mid-Connecticut Project



— Without assumptions — Market Rate



# 2004 and beyond

- Operating the business as a public trust
- Planning for the state's future needs
- Future options
- Financial recovery
- Legislative agenda



# 2004 and beyond

- Operating the business as a public trust
  - Accountability and openness
  - Fiduciary responsibility
    - Revenue enhancement
    - Contractor management
    - Cost containment
    - Dispute resolutions



# 2004 and beyond

- Planning for the state's future needs



# 2004 and beyond

- Planning for the state's future needs
  - Strategic planning
  - Surveys and research projects under way
  - Northeastern US landfill capacity survey completed
  - Partner with DEP to update state solid waste management plan
  - Ensure availability of ash/bulky landfill capacity
    - Connecticut capacity dwindling rapidly
    - Consider options for out-of-state disposal



# 2004 and beyond

- Future options
  - Extend contracts with existing facilities
  - Municipalities fend for themselves
  - Use CRRA or regional authorities to aggregate waste
  - Upgrade and expand capacity of existing facilities
  - Develop new in-state facilities
  - Develop long-haul transport and out-of-state disposal capacity



# 2004 and beyond

- Cities and towns will need options
- CRRA will provide alternatives to private sector
  - Consolidation of industry reducing competition



# 2004 and beyond

- Financial recovery
  - State loan
    - NOT a bailout – must be repaid with interest
  - Legal action working through Attorney General's office
    - Enron bankruptcy
    - Actions against other parties
    - A word about lawsuits



# 2004 and beyond

- Legislative agenda
  - Technical changes to enabling statutes
  - Funding state solid waste management plan update
  - Ash reuse/disposal study
  - Bottle Bill reform
- Your support is critical



# Our mission statement

Our mission is to work for – and in – the best interests of the municipalities of the state of Connecticut in developing and implementing environmentally sound solutions and best practices for solid waste disposal and recycling management on behalf of municipalities.



# Our mission statement

**CRRA** will strive to:

- Maintain public accountability as we provide these essential public services in partnership with the private sector
- Adhere to all public policy, legislation and regulations related to environmental standards for air, water, soils, solid waste and recycling
- Efficiently generate energy revenues from municipal solid waste at facilities owned and/or operated by CRRA so that revenues minimize disposal fees



# Your questions

