



Covanta
Richard J. Sandner
VP & General Manager, NY/NJ
183 Raymond Blvd.
Newark, NJ 07105
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September 24, 2018

Mr. James Cannon
Pollution Control Financing Authority
500 Mt. Pisgah Avenue
Oxford, NJ 07863

Dear Mr. Cannon,

The attached letter from David Dech was received 9/13/18.

Covanta would like to clarify an excerpt of Mr. Dech's letter as follows: **"the Service Agreement is voided"** when the Facility ceases operations.

Complete shutdown may be an option for us prospectively but at this time we are only temporarily suspending operations at the end of March 2019.

However, we may be open to accelerating a permanent shutdown and early lease termination, as long as **Pollution Control Financing Authority (PCFA)** consents to **waiving Covanta's financial obligations** under the Service Agreement and absorbing the existing host community obligation.

Only under these conditions would Covanta may also be willing to consent to proposed PCFA changes to the Solid Waste Management plan.

Very truly yours,

Richard Sandner
Vice President and General Manager – NY/NJ

cc: J. Williams, PCFA
A. Fontana, DEP
M. Aiello, DEP
E. Smith, Warren County
D. Dech, Warren County
B. Tipton, Florio Perrucci Steinhardt & Fader
B. Ryan, Deputy Mayor, Oxford

WARREN COUNTY SOLID WASTE ADVISORY COUNCIL
165 COUNTY ROAD 519, SOUTH, SUITE 111
BELVIDERE, NEW JERSEY 07823-1949
TELEPHONE: (908)475-6532



September 13, 2018

VIA CERTIFIED MAIL

Covanta Warren Energy Resources Co., LLC
183 Raymond Boulevard
Newark, NJ 07105
Attention: Rick Sandner

Dear Mr. Sandner,

At the September 6, 2018, Warren County Solid Waste Advisory Council meeting, it was reported that at the August 27, 2018 meeting of the Pollution Control Financing Authority, Rich Gesumaria, of Covanta announced that Covanta may be ceasing operations at the Covanta Warren Resource Recovery facility in Oxford Township effective April 1, 2019. Mr. Gesumaria was asked and he indicated that he would attend the Solid Waste Advisory Council meeting on September 6, but no one from Covanta appeared to discuss this issue with the Council.

With that said, the County requires notification in writing if Covanta intends to close the Oxford Facility effective April 1, 2019. It is imperative that the County of Warren receive official notification so that appropriate amendments can be made to the Solid Waste Management Plan pursuant to N.J.A.C. 13:1E-20-24. The Amendment will need to address how municipal solid waste generated in Warren County can be handled without interruption and with minimal cost impacts to our municipalities and residents. The Solid Waste Amendment process can take up to three months from the time of notification. This process includes Solid Waste Advisory Council review, Freeholder Board recommendation for a public hearing, and subsequent Freeholder Board adoption of the Amendment. Therefore, to ensure that necessary tasks are completed within the proper time frames, official written notification is needed by October 4, 2018 which is when the Solid Waste Advisory Council meets again.

It is our understanding that if Covanta Warren ceases operation April 1, 2019, the service agreement between the PCFA and Covanta will no longer be in effect. At Section 4.5. (a) it reads "The Parties intend that the Facility be the primary disposal facility for Type 10 Waste located in the County and recognize that the economics of the Restructuring (including.....Agreements) are based on the continued operation of the Facility as a "merchant facility" primarily for Type 10 Waste... ". As the Service Agreement will be voided by your closure action, ID 10 waste may then be delivered to the Warren County District landfill, and to any other permitted disposal site inside or outside of New Jersey.

September 13, 2018
Covanta Warren Energy Resources Co., LLC
Attention: Rick Sandner

We need to stay ahead of the pending closure and make the appropriate amendments to the Warren County Solid Waste Plan to provide clarity to our municipalities, haulers and residents to ensure that their solid waste will be picked up and delivered to permitted waste disposal sites at a reasonable cost.

If you wish to discuss the process and procedure for Solid Waste Plan amendments please contact me at 908-475-6532.

Sincerely,



David K Dech,
Planning Director/
Solid Waste Coordinator

DKD/ig

cc. Solid Waste Advisory Council
Board of Chosen Freeholders
Steve Marvin, County Administrator
James Williams, Director of Operations, PCFA
Mary Jo Aiello, Director of Hazardous and Solid Waste Management, NJDEP