

News Release

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LCSWMA Acquires Harrisburg's Waste-to-Energy Facility

LANCASTER, Pa. — LCSWMA has officially acquired the Susquehanna Resource Management Complex (SRMC), formerly known as the Harrisburg Resource Recovery Facility, for a total purchase price of \$129,890,000.

As part of the transaction, LCSWMA receives \$16 million towards the purchase price: \$8 million from the previous owner and \$8 million from the Commonwealth of Pennsylvania. The purchase is supported by 20-year waste disposal contracts with the City of Harrisburg and Dauphin County, in addition to a 20-year power purchase agreement with the Commonwealth of Pennsylvania's Department of General Services.

This project boasts the first public to public acquisition of a waste-to-energy (WTE) facility in the United States and was a key ingredient in relieving the distressed City of Harrisburg from over \$360 million of debt. LCSWMA's newly expanded system will now manage approximately 900,000 tons of solid waste with annual revenues of approximately \$85 million.

"After 3 years of intense exploration, planning, negotiating, and preparations, I'm thrilled to say that we are the new owners of the oldest operating WTE facility in the United

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States,” says James Warner, LCSWMA’s CEO. “This innovative, strategic acquisition will provide the region with future waste processing capacity and offer additional flexibility to LCSWMA’s already robust Integrated System.”

As new owner, LCSWMA is now fully managing the site, which includes an 800 tons-per-day, 3-boiler mass burn WTE facility, a transfer station, and two ash landfills. Covanta Energy will continue operating the WTE facility portion of the site under an amended agreement with LCSWMA.

LCSWMA’s business plan includes a series of capital improvements to the site over the next four years totaling \$18.25 million, including: installing new scales and implementing traffic flow patterns to improve on-site time for customers; constructing a new small vehicle drop-off building for residents and deliveries of construction/demolition waste; purchasing equipment for upgrades to the WTE facility; expanding the current tipping floor; constructing a new building for ash storage; revamping the current site entrances; and implementing extensive landscaping work.

The SRMC serves as the drop-off location for waste haulers who collect refuse in Dauphin County and the City of Harrisburg. The SRMC, originally constructed in 1972 and extensively renovated with 3 new boilers and a new turbine generator set in mid-2000s, can generate up to 23 megawatts of renewable energy. The facility will process approximately 275,000 tons of waste and generate 130,000 megawatt-hours of renewable energy each

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year. Two ash landfills are also located on the SRMC site—one that closed in 1980 and the other which stages ash from the WTE facility on site. Once the staged ash is dry, it is transported to LCSWMA's Frey Farm Landfill and used as alternative daily cover.

For more information on the SRMC, visit www.lcswma.org/srmc.

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LCSWMA is recognized nationally for its leadership in the industry and innovative approach to managing municipal solid waste. Its Integrated System consists of the following: (1) a Transfer Station permitted to handle up to 2,200 tons per day; (2) a 1,200 tons per day mass burn Waste-to-Energy Facility in Lancaster and 800 tons per day mass burn Waste-to-Energy Facility in Harrisburg for the combustion of waste and production of electricity; (3) the Frey Farm Landfill, permitted for disposal of 2,000 tons of waste per day; (4) a county-wide recycling program; and (5) drive-through Household Hazardous Waste Facility. LCSWMA's mission is to manage solid waste and recyclable materials in an environmentally safe, reliable and efficient manner.

