

30 September 2019

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Ref: Performance of the EnviRecover EfW Plant

Dear Jim,

In response to your request for an update on the operational performance of the EnviRecover energy from waste (EfW) plant, we are pleased to provide this brief overview.

Following completion of construction by Hitachi Zosen Inova (HZI), the plant was taken over on 3rd March 2017 and is now operated by Severn Waste Services (SWS) on behalf of Mercia Waste Management (Mercia).

In accordance with the engineering, procurement and construction (EPC) Contract, following successful completion of the Reliability and Performance Tests, the Acceptance Certificate was issued on 2nd August 2017 and the Availability Test subsequently commenced at 00:00 on 3rd August 2017.

The Availability Test was performed over a 730-day period and was successfully completed at 00:00 on 3rd August 2019. The overall availability for the Plant over the 730-day test period was 93.1% in terms of thermal input and 88.5% in terms of electrical export, compared to annual average guarantees of 90.6% and 88.1% respectively.

At the end of August 2019, Severn Waste Services (SWS) advised that only one Minor Item remains. It relates to the installation of a new variable speed drive for the administration building air handling unit and the successful demonstration that the ventilation system is now compliant with the requirements of the Contract. As such the following milestones have still not been certified.

- Milestone 43d - Completion of remaining priority B Minor Items; and
- Milestone 44b – Installation of replacement air handling unit fan and completion of commissioning to the satisfaction of the Purchaser.

All outstanding Final Documentation has now been provided by HZI, and as such, Milestone 45b - Provision of outstanding as built quality documentation as detailed in Variation Order 73, has been certified for payment. Only milestone 43d and 44b now remain outstanding.

The Defects liability period ended on 3rd March 2019 (two years after Take Over). During the Defects liability period, 332 Defects were raised by SWS and of these, 82 remain open. No new Defects can now be raised, but HZI is still required to address the remaining open Defects. The Final Certificate, as defined under Clause 38.1 of the Contract, will not be issued until all open Defects have been closed.



Certificate Number 2291
ISO 9001
ISO 14001
OHSAS 18001

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In conclusion, the EnviRecover EfW plant has successfully achieved the guaranteed availability over its first two years of operation. HZI is continuing to close out the remaining Defects, although progress has been quite slow on some points. We cannot currently foresee any performance issues with the plant that are likely to impact ongoing operations.

Yours sincerely
FICHTNER Consulting Engineers Limited

Mark Shatwell
Project Manager under the EPC Contract

Stuart Wilson
Engineering Director