Indianapolis urged to back out of Covanta 'dirty MRF' deal after closure in AL

By Linda Tufano | October 15, 2015

Dive Brief:

Recycling advocates in Indianapolis, IN want city officials to back away from a deal with Covanta to build a $45 million "one-bin" materials recovery facility, also known as a "dirty MRF" because it harvests recyclables directly from the trash.

City officials had pointed to Infinitus Energy's plant in Montgomery, AL (http://www.wastedive.com/news/high-tech-dirty-mrf-in-alabama-temporarily-closes/407011/) as a model, but that plant has been temporarily closed due to a drop in the market price of materials. Carey Hamilton, executive director of the Indiana Recycling Coalition, said, "The closure of that facility should be a very strong signal to Indianapolis that their deal with Covanta is based on a false promise."

Covanta spokesman James Regan said in an email to the Indianapolis Business Journal that the company is not changing its plans. "Even at today's depressed commodity prices, and if we were running the [new plant] today, it would still make sense for us to pull out as much material as we can to sell to the market for use in new products and to keep those recyclable materials out of landfills and our waste-to-energy (http://www.wastedive.com/news/gasification-of-msw-may-save-mother-earth/403433/) facility," he said.

Covanta sells steam energy produced by its incinerator to Citizens Energy.

Dive Insight:

Infinitus is not the only company to feel the burn from falling commodity prices (http://www.wastedive.com/news/recycling-industry-continues-to-face-challenges/383821/), however the concept of "dirty MRFs" is still an experiment in the industry.

Scott Saunders, general manager of KW Plastics Recycling Division in Troy, AL (http://www.wastedive.com/news/keurig-says-k-cups-will-soon-be-100-recyclable/406063/), said at a recent conference (http://www.plasticsnews.com/article/20150930/NEWS/150939986/plastics-recycler-sees-opportunity-in-new-dirty-mrf) that the quality of the plastics coming from dirty MRFs is the same as those coming from traditional recycling facilities. He told the Resource Recycling Conference Sept. 29 in Indianapolis: "Consider it, because we are stagnated. We can't grow because nobody's building new material recovery facilities for curbside [recycling]. The big cities have them. But the small and medium cities, they don't. Landfill is cheap and there's no political will to get it done."

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