

THE FEDERAL ENERGY REGULATORY COMMISSION voted April 14, 1988, "to invalidate a state law intended to encourage the production of electricity by non-utility companies...The agency's vote was a setback for new plants that produce electricity for sale to utilities, often as a byproduct of other industrial processes. It also appears to halt states' ability to price the electricity high as an incentive to build garbage-to-energy plants and similar operations that state governments believe are of broad benefit. The Federal commission, voted 4 to 1, to revoke the authority of New York, and presumably all other states, to make utilities buy electricity from independent producers at prices above wholesale or the utilities' own generating cost. About 21 states set rates higher than utilities' own cost, according to energy experts. A New York State law sets the floor price for such sales at 6 cents per kilowatt-hour. When the law was passed in 1980, the saving in the cost of oil alone was worth almost six cents per kilowatt-hour. But since then the price of oil has fallen by almost half... The Federal agency took jurisdiction, according to Mrs. Cook (general counsel for the Federal commission) and other officials, because the price N.Y. State utilities are compelled to pay for electricity made by independent producers affects the price of electricity in wholesale interstate trade, which is the agency's area of jurisdiction..." New York Times, April 15, 1988, "Official Says U.S. Energy Agency is Arrogant."

CONGRESS CAN TAX MUNICIPAL BONDS. "In a decision of potentially major importance to state and local governments and many taxpayers, the Supreme Court ruled today that Congress is free to tax all interest on state and government bonds. Overruling a major 1985 precedent, the Court held that the Constitution does not protect state and local governments against Federal taxation of the interest received by holders of their bonds or other Federal actions affecting their interests..." New York Times, April 21, 1988, front page.

THE RUTLAND, VERMONT, STORY. A 240 tpd VICON incinerator officially went on line in December 1987. Cost was estimated at \$11 million with a tip fee of \$16.50. Today the incinerator cost is \$39 million with a tip fee range of \$43-\$65. All Vermont towns chosen to landfill the ash refused it. Pittsfield, Mass., was taking Rutland's ash but refused to accept it after March 31, 1988. Rutland's ash is now being disposed of in Western, N.Y., some 300 miles away (one-way). The RUTLAND COUNTY SOLID WASTE DISTRICT (RCSWD) was set up as a municipality with the right to pass ordinances and levy taxes. The RCSWD consists of approximately 22 municipalities and also takes trash from ADDISON and BENNINGTON COUNTIES (Vt). NIXON, HARGRAVE, DEVANS & DOYLE were the bond counsel for the RCSWD and same attorneys negotiating the contract for VICON. STEVENS INC. were the financial advisors to the RCSWD and same financial advisors that released the bonds to VICON. The INDUSTRIAL BANK OF JAPAN are the underwriters of \$25 million (or more) of the bonds. \$300,000 was spent on lawyers' fees to negotiate the contract. The contract was voided one month after the incinerator went on line. RCSWD now has an interim agreement with VICON. Betty Ferraro was the campaign chairwoman for the Mayor of Rutland's election campaign in March 1987, which he won. Betty Ferraro now works for VICON. As to the financing of this project, two-thirds of the money depended on an electric rate of 12.02¢ per kilowatt-hour and one-third from tipping fees. At the moment the electric rate is 3.2¢ per kilowatt-hour. The rationale behind a 12.02¢ rate was that over a 26 year contract the electric rate would rise and 12.02¢ kwhr. would appear a good deal. The snag is that the Vermont PUBLIC SERVICE BOARD considered it imprudent and unfair to pass down such a hike to ratepayers and VICON has taken the PUBLIC SERVICE BOARD to Vermont Superior Court to get the 12.02¢ kwhr. rate. The residents of Rutland have a difficult time getting information concerning the VICON/RCSWD operation. On April 8 VICON project Manager, said an

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agreement was signed to dispose of Rutland's ash in Western N.Y. Even after the agreement with C.I.D. Landfill in Chaffee, N.Y. was signed Rutland alderwoman Patricia Donnelly could not get the name of the landfill from VICON/RCSWD. For more information contact Patricia Donnelly, 53 Piedmont Pond Road, Rutland, Vt. 05702.

"OFFICIALS AT THE ARMY BASE (Fort Dix, N.J.) SHUT DOWN THE BASE'S TRASH-TO-STEAM PLANT, believing its pollution control equipment is the most likely source for the toxic metal entering the sewage system...Officials last year detected elevated levels of mercury in the sludge from the military's base's sewage treatment plant. A contractor, Mack McKenzie Inc., applied the sludge as a fertilizer on several Burlington County farms. The sample taken from August to October contained 200 parts per million of mercury, 20 times the concentration that is permitted to be applied to farmland...DEP officials believe the likely culprit is the military base's trash-to-steam plant. Mercury, which is used in some batteries and thermometers and as preservative in paints and woods, is rapidly vaporized in an incinerator. Vaporized metals and gases are removed from the emissions at the Fort Dix incinerator by a 'wet scrubber', which injects a lime solution into the emissions. The lime removes noxious gases and particles. Each day, the plant discharges 1,500 gallons of lime solution -along with the pollutants- into the sewers. Fort Dix officials, suspecting the incinerated batteries might be the source of the mercury, have begun requiring base personnel to exchange old batteries before being issued new ones." Watertown Daily Times, April 30, 1988, page 3.

PLASTICS BAN EFFECTED IN SUFFOLK COUNTY, Long Island, N.Y. County Executive Patrick Halpin signed legislation that will ban plastic grocery bags and many plastic food containers in the county beginning in July 1989...The measure will not affect goods shipped into Suffolk County packaged in plastic containers or wrapped in plastic, such as medical supplies and packaged meats...The measure is believed by the plastics industry and officials here to be the first of its kind in the nation...Roger Bernstein, a spokesman for the Society of the Plastic Industry, a trade association, said plastics producers believed their products were being singled out and treated as scape-goats by local governments desperate to solve a growing garbage crisis...The plastics banned in the measure are polystyrene, which is also known as plastic foam, and polyvinyl chloride which is used for plastic wrappings and grocery bags...Those two plastics were identified, the measure's sponsors said, because their complex chemical structure makes them the most damaging to the environment. The law prohibits the use of the two plastics in restaurants, bars, delis, roadside stands, grocery stores and other retail food establishments...(Halpin) urged the plastics industry to work quickly toward developing plastics that are biodegradable or easily recyclable. He threatened further legislation limiting plastic use if manufacturers do not comply...Mr. Halpin said he hoped that by delaying the law's effective date until Jun 1989, there would be time to present alternatives that 'preclude the plastic industry from being negatively affected.'

New York Times, April 30, 1988, front page.

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