

DRAFT MINUTES
Waste-to-Energy Facility Monitoring Group
MEETING

November 18th, 2020
Covanta Alexandria/Arlington Waste-to-Energy Facility – Eisenhower Avenue
8:30 a.m. – 11:00 a.m.
Virtual Meeting

The Facility Monitoring Group, staff, and HDR representatives present for the meeting included Jeff DuVal, Erik Grabowsky, Helen Lee, Vijetha Huffman, Morgan Routt, Emily Hughes, Alaeedin Mohamed, William Skrabak, Don Castro, Kyle Perrin, and Dan Domato. Don Cammarata and Lucas Dushac attended the meeting from Covanta. This FMG Meeting was held as a virtual meeting.

I. Comments on Agenda

There were no edits made to the Agenda.

II. Approval of Final Minutes from the August 18th, 2020 Facility Monitoring Group Meeting.

Prior to the meeting, Don Cammarata provided edits to the draft meeting minutes. These edits addressed language for the transformer, and public initiatives. Cammarata also raised a question about how the community responded with noise complaints. Domato modified wording for the community's response to the noise to make it clear. With this change agreed upon, Grabowsky made a motion to approve the minutes; a few others seconded the motion, and the minutes were approved unanimously.

III. Requisitions for Payment

The requisitions for payment that were submitted for approval totaled \$10,312.70. The sole invoice was the invoice for HDR Engineering, Inc. for the period August 16, 2020 to November 14, 2020 in the amount of \$10,312.70. Routt made a motion to approve the payment, Grabowsky seconded, and the invoices were approved unanimously.

IV. HDR - Operations and Facility Status

A. Discussion of Quarterly Report and Facility Performance to Date

Castro discussed the Quarterly Report and Performance Trends. Major highlights during the previous quarter: there were two environmental excursions and two outages (due to the relief valve and the black plant). MSW processed during the quarter tracks with last year. Steam production and electric generation down slightly from previous year – which lines up with the lower waste HHV and the black plant outage. Lower waste HHV potentially due to the excessive rainfall in July. HDR has concerns about the emergency generator being out of service.

Dushac addressed these concerns: Covanta is looking to replace the generator. The Facility has the budget set aside for the replacement and installation. Setting up the contractor in their safety system and expect to issue the PO in early December. The equipment has 8-12 week lead time. The rental generator will remain in place. Covanta chose to go with a replacement because the original is 30+ years old and has reached the end of its useful life.

Castro continued the discussion on the quarterly report. Ferrous recovery down for the quarter. Supplemental waste down for the quarter as well. There were two CO excursions; both were reportable – August 3 due to a high waste HHV batch which lead to a high CO excursion on Unit 1; August 4 due to overfeed of low waste HHV batch (wet waste) on Unit 3. Dushac further explained that both incidents were caused by CO spikes during the 4-hour averaging block.

Castro continued, the Facility returned to normal operating averages through October – improved steam production rates, waste HHV, and steaming rates. However, ferrous recovery remains lows. Ammonia consumption down while keeping NOx levels lower in October.

Huffman asked why the ammonia consumption is up through the quarter even though this was the first quarter with LN system on Unit 2 in operation. Dushac explained that they are using around the same amount of ammonia on Unit 2 with the LN in service and only recently reduced the ammonia consumption on the unit. Cammarata further explained that Covanta’s original proposal did not expect less ammonia consumption and actually expects more ammonia consumption with the LN system.

Grabowsky asked about the lower steam temperature averages throughout the quarter. Dushac explained that the Facility had two separate boiler cleaning outages during the quarter – with a clean boiler you will see lower steam temperatures and longer periods before you reach normal steam temperatures. This is due to heat transfer across the carbon steel boiler tubes without any boiler fouling; Covanta refers to this period as “seasoning” of the boiler while the boiler initial

fouls following a cleaning.

Grabowsky also asked about the increased pebble lime consumption during the quarter. Dushac explained that without dolomitic lime usage, the Facility relies on pebble lime as a means to manage ash pH. Dushac also explained that pebble lime usage is also driven by the raw acid gas levels in the flue gas.

Huffman asked if Covanta has performed a RCA on the failed PRVs. Dushac mentioned that Covanta sent an engineer down to the maintenance shop that had performed the initial rebuild of the PRV (prior to the failure). Based on their review, they believe that the maintenance shop set the PRV release setting too low – it is unclear if it was human error or due to machine calibration.

Shrabek asked if there were any recent incidents at the Facility. Dushac responded that there was a short incident yesterday when one of the TGs tripped. Shrabek and DuVal asked if a reporting/notification mechanism be implemented where Covanta would notify the Jurisdictions following an event. This would allow the Jurisdictions to respond to any community calls with some information and let the community members know that the Jurisdictions are aware of the issue. Dushac asked Duval to provide an email the Jurisdictions would like Covanta to email following events like these.

Domato discussed Table 1 – deficiencies. Domato was on-site at the Facility yesterday (November 17). Domato walked down the Facility and was able to confirm a few items on the deficiencies that can be taken off the list. A few minor items (minor valve packing leaks and inoperable dump valves) were added to the list based on the site visit.

V. Covanta Items

A. Covanta Restructuring

Cammarata explained the recent re-structuring at Covanta. Cammarata explained that these were surprise changes at the top of Covanta and that nothing is changing local to the Alexandria/Arlington WTE Facility and between the Facility and the FMG. Cammarata further explained the structural changes at Covanta corporate: Mike Decastro (former COO) was let go and Steve Jones (CEO) was replaced – decisions made by the board. Mike Ranger now the CEO – Joey Neohoff now COO. Don will now report to Neohoff as COO whose role combines asset management, operations, and supply chain.

Grabowsky asked if Covanta will be looking at maintenance cycles and transferring costs to the

owners for all facilities. Cammarata explained that those statements (from the earnings call) were targeted at their service fee customers. There should be no impact at the Alex-Arl WTE Facility.

Speaking of profitability, Grabowsky asked where the Alex/Arl WTE Facility sits? Cammarata said that this facility is considered to be profitable; however, there are “head winds” (i.e. the tipping fee for the jurisdictions after 2025 and PPA that expires in 2023) that could change the outlook for this facility. Those two changes could remove 4-5 million dollars in revenue. There may be options to lessen the loss of this revenue. When the PPA expires, Covanta may be able to sell renewable credits. Also, to allow for more MSW to be processed, Covanta may revisit the discussions to allow for eliminating metals from MSW (metals considered processed although it does not create steam or power) and/or correcting the steaming rate in the permit.

Grabowsky asked what the current gate rate at the Facility is. Cammarata responded that it is \$75 per ton (for non-contract).

B. Summary of Plant Operations (by Covanta)

Dushac provided an update on the Plant Operations since the previous meeting. There have been four new hires and now the Facility only has one vacancy left to fill. The Facility did have a crane operator tested positive for COVID-19 – he did not have interactions with other plant personnel. During the Unit 1 outage, a crew member for an outside boiler contractor was not feeling well and left the Facility and tested positive – the Contractor had two more members test positive as well. With four positive COVID-19 personnel reported at the Facility during a short period, Virginia DOH inspected the Facility and the Covanta’s policies – they were on-site on November 13. DOH seemed to be satisfied with the policies Covanta has in place and will provide any formal comments and improvements.

C. Update on LN System

Grabowsky said that the Amendment for the LN system should be signed by both Arlington and Alexandria shortly. It will then be sent to Cammarata and Covanta.

Dushac discussed the LN system status. Unit 1’s LN system was installed during the outage earlier in the month. The path forward is similar to what Covanta did with Unit 2: tuning and optimization through the Spring with expected certification by July 2021.

DuVal gave credit to the Facility for performing the outage (which was a week longer than normal) and not affecting truck wait times. DuVal said he did not receive any complaints from the drivers.

D. Supplemental Waste

Cammarata noted that the Facility experienced a large decrease in supplement waste, but it seems to be coming back up.

VI. Old Business

A. Air Quality Report/ Eisenhower West Plan Implementation Update

There was no update to provide on this matter.

VII. New Business

A. Legislative Issues

There was no update to provide on this matter.

B. Public Initiatives

DuVal gave credit to Covanta for the Virtual Tour for residents of Summer Grove neighborhood. Cammarata mentioned that the tour was not well attended. He provided the HOA president with the presentation for those who could not attend.

Lee asked if these virtual tours are recorded – may want to have the EPC watch. Cammarata responded that they are not but Covanta always available for these types of virtual tours. Lee said that they would look to set up a virtual tour and mentioned that the EPC will have a lot of questions, particularly on the environmental record and performance of the Facility.

On a motion by DuVal, seconded by Grabowsky, the meeting adjourned at 10:00 a.m.

The next Facility Monitoring Group Meeting is scheduled for Wednesday, February 10th, 2021 either at the Covanta Facility or to be held as a virtual meeting.