

Be Prepared

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Who Knew:

That natural gas prices would skyrocket to record highs, then fall just as quickly to prior levels?

Who Knew:

That California would have an energy crisis, prices would skyrocket to record highs, then fall to prior levels, and PG&E would declare bankruptcy?

Who Knew:

That renewable energy and deregulated markets would produce energy prices slightly higher than our cost to produce energy in a few markets, and slightly lower in a few markets?

Who Knew:

That destroying methane as a greenhouse gas could make a lot of money, or some money, or maybe a little bit of money?

Who Knew:

That the stock of the country's
premier energy trader would drop
from over \$80 to less than \$1?

Who Knew:

That after a lot of work from a lot of people, we would still be hoping for a LFG provision in Section 45?

Be Prepared!

- Get your collection system in order
- Be creative on Section 29 projects
- Form strategy for Section 45
- New Technology Options
- GHG: Keep Records

Got Gas?.....Are You Sure?

- Can't sell LFG unless there is a reliable and predictable supply
- Low energy output more often due to LFG supply than to generating equipment
- Even more important now in a deregulated market
- Within WM, wide range of expertise, equipment, design, operating practice, and staffing

Get the Gas!

Renewed commitment by WM for improving gas collection systems:

Improve performance of current projects, and
Expand the potential for future projects.

- Standardize equipment
- Standardize design procedures
- O&M: TRAIN, TRAIN, TRAIN
- In-house staffing where it fits the project

Current Efforts with Section 29

- First and simplest option: Direct Gas Sale
- LFGTE: Need flexibility to fit business structure to the GASCO and the GENCO:
 - Partnership
 - Third Party
 - Utilities: Municipal, Co-ops, Private
 - Non-profit
 - Distributed Generation at Industrial Facilities
 - Peaking plants

Prepare for Section 45

- Modernize and economize the plant design
- Trim operating expenses
- Identify potential energy markets
- Match energy markets with available landfills
- Business decision: WM ownership or third party?

Fuel Cells

Negligible emissions

High efficiency

Low operating expense

High capital cost

LFG clean-up required

LFG to LNG

WM is proposing 3 projects in 2001.

- Primary potential is in Non-Attainment Areas where we are converting truck fleet to LNG.
- Goal is to secure a source and a fixed price of fuel for fleet.
- May recognize some revenue from sale of LNG to market, but the project is not market-driven.

Greenhouse Gas Credits

Regardless of the rules or the value,
you can't take the credits if you
don't have the documentation:

KEEP RECORDS