

**POLLUTION CONTROL FINANCING AUTHORITY  
OF WARREN COUNTY**

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\*\*\*\*\***FOR IMMEDIATE RELEASE**\*\*\*\*\*

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**Pollution Control Financing Authority of Warren County Restructures Agreements with  
Covanta Warren Energy Resources Co., LP**

*Covanta Warren Energy Resource Co., LP Emerges from Chapter 11 Bankruptcy*

OXFORD TOWNSHIP, WARREN COUNTY, NJ. On Thursday, December 15, 2005, the Pollution Control Financing Authority of Warren County (PCFAWC) successfully restructured all of the agreements between the PCFAWC and Covanta Warren Energy Resource Co., LP (CWERC) related to the operation of the Warren County Resource Recovery Facility (RRF) in Oxford, NJ. The PCFAWC and CWERC have been working together since 1997 to restructure the RRF operation, which was necessitated by the loss of New Jersey's regulatory flow control (the ability to direct solid waste transporters to specific disposal facilities) in November 1997.

The restructuring permits the emergence from Chapter 11 bankruptcy of CWERC, the Covanta Holding Corporation subsidiary that owns and operates the Warren RRF. CWERC entered Chapter 11 bankruptcy in April 2002 along with Covanta Energy Corporation, among others.

The restructuring also successfully pays off the remaining \$12,415,000 in RRF revenue bonds. The Warren RRF was financed with \$69 million in revenue bonds issued by the PCFAWC.

“This restructuring marks an important day for the Authority and concludes a long negotiation process with Covanta. Today also marks the beginning of a successful new relationship between the Authority and Covanta and brings Covanta's Warren facility out of bankruptcy” said Robert L. Zelley, PCFAWC Chairman. “The County of Warren benefits by terminating all of the County's legal requirements to deliver solid waste to the facility,” continued Mr. Zelley. “Although the restructuring took some time, the Authority was steadfast in protecting the County from the financial impacts of the resource recovery facility debt and ensuring the continued environmental protection provided by the facility.”

Other benefits of the restructuring include:

- The Warren County Solid Waste Management Plan continues to be implemented by providing safe and efficient disposal of Warren County's solid waste while recovering the energy value and ferrous metals from the solid waste.
- The RRF continues to provide reliable service to our customers with economically and environmentally sound waste disposal.

- The elimination of the PCFAWC's solid waste debt, which stood at \$24,385,000 on December 1, 2004.
- Covanta paying for air pollution control upgrades (NOx) to the RRF.

The PCFAWC remains committed to providing important environmental protection services to the Warren County community. The RRF bond payoff forecasts a stable and secure outlook for the PCFAWC and affirms our future ability to support the local community's needs.

For more information, please contact Robert L. Zelle, Chairman, at (908) 217-6135 or [rzelle@maserconsulting.com](mailto:rzelle@maserconsulting.com).