



Ricardo
Energy & Environment

Waste sector due diligence

Ricardo Energy & Environment provides due diligence support to investors, developers, operators and multinational institutions.

For over two decades*, we have combined our due diligence capabilities with deep technical expertise of waste treatment and renewable energy technologies, policy insight, and extensive knowledge in the waste management and clean tech sectors. This enables us to provide clear and independent due diligence advice – technical, commercial, market and regulatory.

Our UK-based team of specialists conducts due diligence assessments that reduce investment risk, identify areas for cost and investment savings, and address reputational issues to maximise the likelihood of project approval. We have a particular expertise in identifying issues that are critical to investment decisions, and reporting our findings succinctly and in a way that is easily understood by a non-technical audience.

Our team focuses on due diligence and pre- and post-deal transactions support in the low carbon arena for development banks; private investors; UK and overseas developers; and engineering, procurement and construction (EPC) contractors.

The Strategic Consulting Division of Ricardo plc employs 60 consultants, many with extensive deal experience gained in the corporate finance and transactions teams of leading professional services firms.

Our services

Appropriate due diligence is an essential assurance that provides businesses with the confidence that proposed investments will support long-term business plans and deliver the expected returns. An effective due diligence assessment enhances a project's deliverability by identifying unforeseen costs, ratifying revenue streams and minimising risks.

Our Due Diligence Team is grounded in transactional experience and supported by experts who have a deep technical understanding of waste technologies and markets. This means our clients are assured of receiving the robust evidence they need to make informed decisions on valuation and risk.

We also offer the following services, providing further invaluable experience of operational and performance issues:

- Expert witness services for commercial disputes, insurance claims and in criminal cases.
- Technical advice for waste and renewable energy infrastructure procurement projects.

Our experience in the waste sector

- **Acquisition due diligence of a hazardous waste pyrolysis plant (confidential UK investor)** – initial ‘red flag’ review followed by a full technical due diligence pre-financial close, including EPC contract and operation and maintenance (O&M) contract review.
- **Lenders Technical Adviser (confidential lender)** – review of drawdown and steady-state test results, and project monitoring in relation to a long-term project finance facility to refinance a UK anaerobic digestion (AD) operator’s existing portfolio of AD plants.
- **Technical due diligence of on-farm AD with biogas to grid (confidential UK investor)** – pre-financial close review of AD and biogas upgrading technologies, including O&M aspects, track record of the technology suppliers, and mass and energy balances.
- **Technical due diligence for advanced biofuels demonstration plants (UK Department of Transport)** – technical and commercial assessment of proposed demonstration-scale projects to produce advanced biofuels from wastes and residues, and monitoring successful projects during construction and commissioning.
- **Technical due diligence of novel enzyme hydrolysis and AD process (confidential UK developer)** – assessing biological and mechanical treatment steps, including observing trials on UK residual waste at an overseas reference facility.
- **Technical due diligence for proposed investment in glass recycling company (Finance Wales)** – Market and technical due diligence of a proposed investment in an established glass recycler, including analysis of proposed plant upgrade, and domestic and export markets. The investment proceeded.
- **Market due diligence for gasification project (confidential investor)** – technical adviser to European investor entering the UK gasification market as EPC contractor and long-term operator of a gasification project (provided support from initial market review through to financial close).
- **Technical due diligence of a novel biomass co-generation plant (Scottish Investment Bank)** – assessed the conceptual design of technology for use in the Balkans to process lignite and biomass – included feedstock supply assessment.
- **Waste treatment facility reference plant review (Southern Sydney Region of Councils)** – technical due diligence of two mechanical biological treatment (MBT) plants in France that were cited as reference facilities for a long-term waste-treatment contract in Australia.
- **EfW feedstock assessment and market analysis (confidential developer and technology provider)** – comprehensive UK waste market research for a Japanese gasification technology supplier and EPC contractor to inform its UK business development strategy, and to advise on UK opportunities.
- **Technical adviser (expert witness) on the performance of MBT facilities (confidential legal sector clients)** – two long-term appointments to provide opinion on a number of large-scale MBT facilities where the performance has not met expectations, including reviewing design, construction and operation.
- **EfW feedstock assessment and market analysis (Coventry & Solihull Waste Disposal Company Ltd)** – feedstock, market and competitor assessment underpinned by our proprietary waste market database.
- **Acquisition due diligence of an in-vessel composting (IVC) facility (North London Waste Authority)** – technical due diligence of the IVC facility, and assessment of plant infrastructure to provide recommendations for remedial actions and indicative costs to upgrade.
- **Feedstock assessment for investors in biomass renewable energy plant (Peel Energy)** – investor market due diligence, which followed an opinion we provided for the developer on feedstock availability that supported an ultimately successful planning enquiry.

Our experience in other sectors

Complementary technical due diligence experience in other sectors includes assessments for an onshore wind turbine installation and wave and tidal energy proposals (Scottish Investment Bank) and a review of electric vehicle technology (HSBC).



For more information on our waste sector due diligence services, please contact us at enquiry-ee@ricardo.com or +44 (0) 1235 753000