



WARSAW UNIVERSITY  
**Warsaw Ecological Economics Center**



# RECOCA

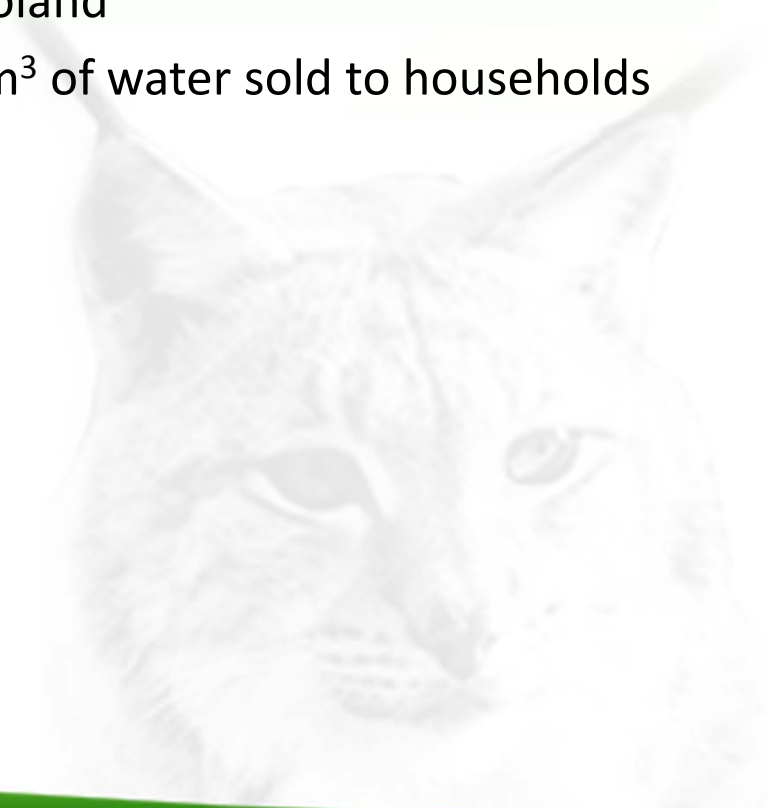
## Municipal Waste Water Treatment – Costs, and Efficiency

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# Dataset

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- ▶ Goal – efficiency and costs of WWTP as a means of reducing N and P loads to the Baltic Sea
- ▶ Dataset
  - ▶ 1237 surveys of WWTP operators in Poland
  - ▶ Total capacity of 1282 hm<sup>3</sup> vs. 1580 hm<sup>3</sup> of water sold to households (81%)



# General indicators

	Primary	Secondary	Tertiary	All
<b>No. of plants</b>	70	720	324	1114
<b>Capacity</b> [ $m^3 \cdot year^{-1} \cdot 10^3$ ]				
<b>Median</b>	50.00	78.70	680.60	110.50
<b>Mean</b>	158.47	342.83	2 365.46	919.51
<b>0.05 percentile</b>	5.90	7.80	31.53	10.00
<b>0.95 percentile</b>	869.70	1 162.95	8 733.13	3 606.05
<b>Standard deviation</b>	282.50	1 417.13	6 790.99	3 942.86
<b>Unit cost</b> [ $PLN \cdot m^{-3}$ ]				
<b>Median</b>	3.23	2.90	2.44	2.72
<b>Mean</b>	3.55	3.66	2.94	3.44
<b>Weighted average</b>	2.57	2.21	2.06	2.10
<b>0.05 percentile</b>	1.34	1.04	1.09	1.05
<b>0.95 percentile</b>	7.48	8.83	6.37	8.12
<b>Standard deviation</b>	2.05	3.06	2.15	2.79



# Controlling for plants' capacity

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- ▶ Increasing returns to scale
  - ▶ Highly non-linear relationship
  - ▶ Box-Cox regression model

$$UC^{(\theta)} = \boldsymbol{\alpha}'\mathbf{z} + \beta \cdot size^{(\lambda)}$$

- ▶ where:

$$x^{(\alpha)} = \begin{cases} \frac{x^\alpha - 1}{\alpha} & \text{for } \alpha \neq 0 \\ \ln x & \text{for } \alpha = 0 \end{cases}$$

- ▶ Then:

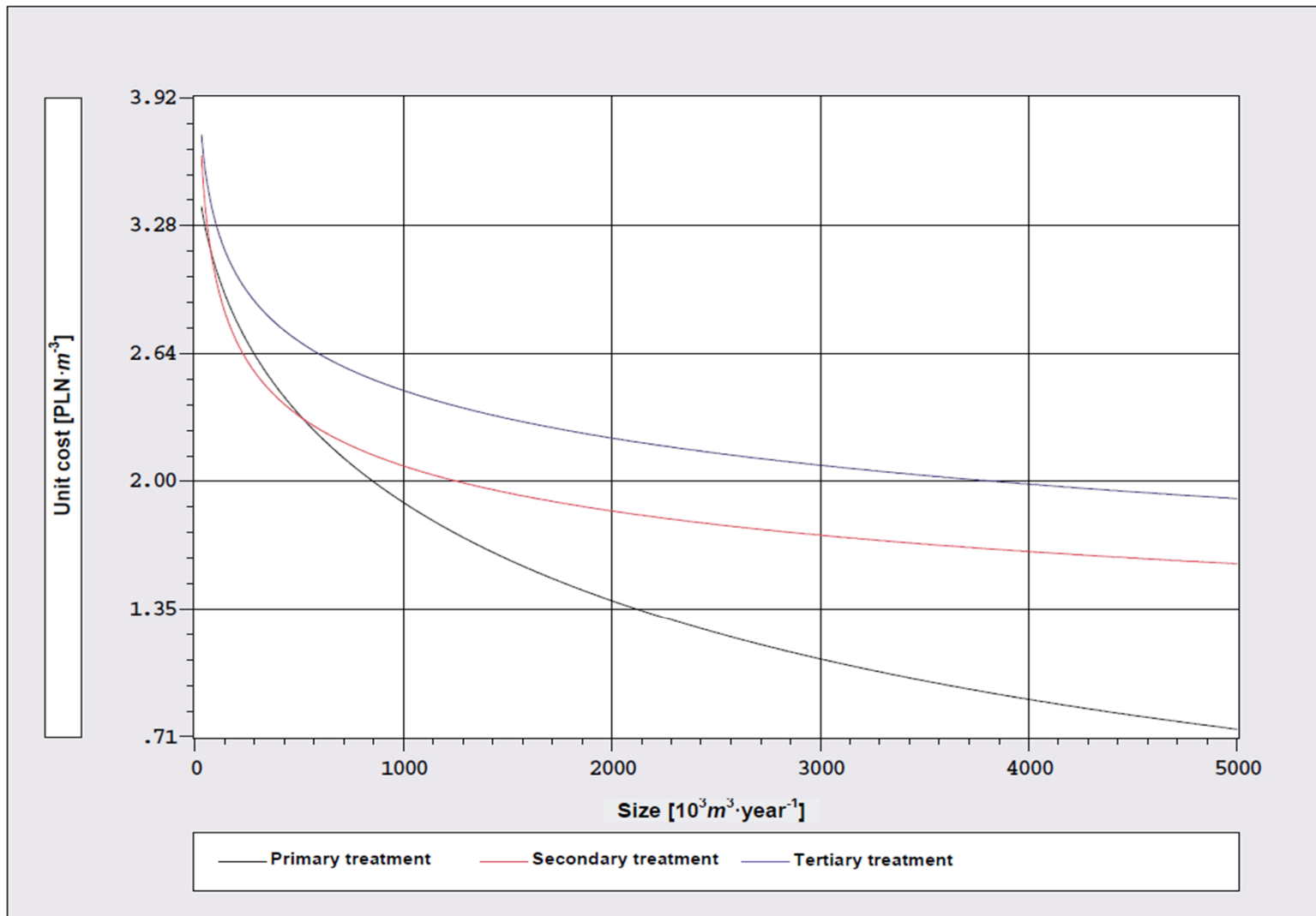
$$UC = \left[ \theta \left( \alpha + \beta \cdot \frac{size^\lambda - 1}{\lambda} \right) + 1 \right]^{\frac{1}{\theta}}$$



# The results – unit cost of treatment and collection

Parameters:	primary	secondary	tertiary
$\alpha$ – intercept (parameter)	0.64864*** (0.20963)	0.84182*** (0.08844)	1.05617*** (0.05711)
$\beta$ – capacity (parameter)	-0.37553 (0.24469)	-0.21940*** (0.05512)	-0.19632*** (0.02795)
$\theta$ – theta (transformation parameter)	0.06097 (0.17843)	0.38638*** (0.02084)	0.35604*** (0.03173)
$\lambda$ – lambda (transformation parameter)	0.50727 (0.33235)	-0.04710 (0.09102)	0.05106 (0.08950)
<b>Adjusted <math>R^2</math></b>	0.92670	0.87388	0.86363
$F[1, n-2]$ <b>(probability in parentheses)</b>	846.5 (0.0000)	4967.1 (0.0000)	2031.9 (0.0000)
$\chi^2[1]$ <b>(probability in parentheses)</b>	180.9 (0.0000)	1488.8 (0.0000)	643.5 (0.0000)
<b>Capacity elasticity of unit cost (at mean size in the sample)</b>	-0.13825	-0.16269	-0.15606

# The results – unit cost of treatment and collection



# The results – unit cost of treatment and collection

## ▶ Unit cost of treatment and collection in Poland

Capacity [ $m^3 \cdot \text{year}^{-1}$ ]	Unit cost [ $\text{PLN} \cdot m^{-3}$ ]		
	Primary	Secondary	Tertiary
150 000	2.57	2.82	3.14
1 000 000	(1.89)	2.07	2.45

- ▶ Additionally – cost of connection (on-going work)
  - ▶ Connecting to sewage system
  - ▶ Septic tanks



# Efficiency of nutrient removal in WWTP

## ▶ Efficiency of nutrient removal (%):

	primary	secondary	tertiary	
Nog	10 (10-20)	55	85	> 100 000 PE
			80	15-100 000 PE
Pog	15 (5-15)	50	90	> 100 000 PE
			85	15-100 000 PE

- ▶ Based on a sample of 205 WWTP in Poland
- ▶ To do:
  - ▶ Connection costs
  - ▶ Compare results, prepare guidelines for other countries

