**Ecochilectra Business Model:**
Promote residential recycling through utility bill reduction incentive while simultaneously driving social impact through improvement of working conditions for Street Pickers.

**Project Scope & Deliverables:**
- Evaluate and recommend options to scale operations to other municipalities without requiring additional funds from Chilectra
- Develop expansion model including roles & responsibilities, incentive structures, and key performance indicators
- Create financial model to evaluate investment requirements, profitability, and general attractiveness of the opportunity from perspective of Operating Center

**Key Findings & Recommendations:**
- Recyclables market has potential
  - Supply of recyclables < Demand by Recycling Firms
  - No existing players in household recyclables
- The opportunity requires the right investor
  - High capital expenditure requirements
  - Thin margins

Recycling Firms may realize additional margins through vertical integration and is the ideal investor.

![Chart showing present value of FCFs over years](image)

**Key measures:**
1. NPV: $45.4 M
2. IRR: 37%
3. Payback time: 5.5 yrs
4. CAPEX: $39.1 M

**Assumptions:**
1. Max 80% penetration
2. 5% Back Office fees
3. Flat market price for recyclable materials