

## **THE WASTE-TO-ENERGY BUSINESS MODEL IN MEXICO: A STUDY OF THREE COMPANIES IN THE COUNTRY**

**José G. Vargas-Hernández\***

**Jesus Ivan Gonzatez Ontiveros\*\***

\*) Department of Administration, University Center for Economic and Managerial Sciences University of Guadalajara, México. Email : jvargas2006@gmail.com

\*\*\*) Department of Economics, University Center for Economic and Managerial Sciences University of Guadalajara, México. Email : ivan-gonzalez9302@hotmail.com

### **ABSTRACT**

#### **Purpose**

As biomass from non-food sources is often seen as a better alternative, there is a significant trend towards the use of various wastes for energy production. In view of this shift, the research attempts to identify the main aspects presented in the Waste-to-Energy business model.

#### **Design/Methodology/Approach**

Analysis of the energy companies in three cities across Mexico viz., "BENLESA" in Salinas Victoria, Nuevo León; "YLEM ENERGY LIMITED" in Aguascalientes, Aguascalientes; and "Biogas Juárez" in Ciudad Juárez, Chihuahua, to understand their way of operating and business environment.

#### **Findings**

There is a great potential of wasted business that works through market mechanisms in strategic alliance with public entities as a more viable option for the reduction of investment risk and the viability of the projects. The use of high technologies, composition of city waste and available infrastructure are key factors.

#### **Implications**

The study of three companies in operation allowed the identification of factors that can help in the implementation of more companies of energy generation based on urban solid waste in more areas of the country which may result in successful and profitable business for both, private capital and social interest.

#### **Originality/Value**

This research focuses on electric power generation plants from urban solid waste as profitable businesses in Mexico. For the purposes proposed in this work, attention is being devoted to everything related to by-products of municipal origin or also called solid urban waste (MSW). Three perspectives are used that are considered strategic viz., industry analysis, analysis based on resources and analysis from an institutionalist approach.

**Keywords:** *Biogas, Business of bioenergy, Landfills, Waste-to-energy*