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# Analysis of El Dorado Disposal Service 2022 Interim Year Rate Application

## County of El Dorado

June 21, 2022



# Agenda

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# Background and Scope of Analysis

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- On February 23, 2022, El Dorado Disposal Service (EDDS) submitted its interim year rate application requesting:
  - A 4.07 percent increase to all residential and commercial refuse collection rates.
- Crowe was engaged by the County as an independent third-party to review the rate application.
- We followed the County's rate setting process which is contained in the County's Solid Waste Rate Setting Policies and Procedures Manual. This Rate Manual is incorporated into the County's franchise agreement with EDDS.

# Results of Analysis

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The allowable rate increase is 85 percent of the percent change in CPI from December 2020 to December 2021 of 4.79 percent which equals 4.07 percent (0.85 x 4.79 percent).

Series Title	Garbage and trash collection in U.S. city average, all urban consumers, not seasonally adjusted
Seasonality	Not Seasonally Adjusted
Survey Name	CPI for All Urban Consumers (CPI-U)
Measure Data Type	Garbage and trash collection
Area	U.S. city average
Item	Garbage and Trash Collection

Year	Period	Label	Observation Value
2020	M 12	2020 Dec	508.19
2021	M 01	2021 Jan	512.722
2021	M 02	2021 Feb	517.27
2021	M 03	2021 Mar	518.505
2021	M 04	2021 Apr	518.579
2021	M 05	2021 May	516.44
2021	M 06	2021 Jun	517.202
2021	M 07	2021 Jul	521.185
2021	M 08	2021 Aug	524.408
2021	M 09	2021 Sep	529.934
2021	M 10	2021 Oct	530.114
2021	M 11	2021 Nov	529.053
2021	M 12	2021 Dec	532.538

Consumer Price Index as of December 2020	508.190
Consumer Price Index as of December 2021	532.538
Change in Consumer Price Index	24.348
<b>Percent Change in Consumer Price Index</b>	<b>4.79%</b>

The 4.07 percent rate change is applicable for residential and commercial rates. The rate change is also applied to selected WERS disposal rates.

# Proposed Residential Rates

Service Level	Current Rate (Per Customer, Per Month)	Proposed Rate (Per Customer, Per Month)	Proposed Rate Increase (Per Customer, Per Month)
Area A: One 35-Gallon Can	\$30.12	\$31.35	\$1.23
Area B: One 35-Gallon Can	\$28.45	\$29.61	\$1.16
Area C: One 35-Gallon Can	\$28.67	\$29.84	\$1.17

# Proposed Commercial Rates

Service Level	Current Rate (Per Customer, Per Month)	Proposed Rate (Per Customer, Per Month)	Proposed Rate Increase (Per Customer, Per Month)
<b>Area A</b>			
1 Yard Bin (Bear-resistant)	\$136.65	\$142.21	\$5.56
1.5 Yard Bin (Bear-resistant)	\$198.24	\$206.31	\$8.07
2 Yard Bin (Bear-resistant)	\$227.33	\$236.58	\$9.25
1, 96-Gallon Cart (Senior)	\$40.86	\$42.52	\$1.66
1, 96-Gallon Cart	\$45.40	\$47.25	\$1.85
<b>Area B</b>			
1 Yard Bin (Bear-resistant)	\$136.65	\$142.21	\$5.56
1.5 Yard Bin (Bear-resistant)	\$198.24	\$206.31	\$8.07
2 Yard Bin (Bear-resistant)	\$227.33	\$236.58	\$9.25
1, 96-Gallon Cart (Senior)	\$25.61	\$26.65	\$1.04
1, 96-Gallon Cart	\$46.72	\$48.62	\$1.90
<b>Area C</b>			
1 Yard Bin (Bear-resistant)	\$146.68	\$152.65	\$5.97
1.5 Yard Bin (Bear-resistant)	\$213.23	\$221.91	\$8.68
2 Yard Bin (Bear-resistant)	\$280.65	\$292.07	\$11.42
1, 96-Gallon Cart (Senior)	\$41.76	\$43.46	\$1.70
1, 96-Gallon Cart	\$46.41	\$48.30	\$1.89



# Questions