



Use of a Ratepayer Advocate – What? When? Why? How?

High Diversion Rates & Compensation
Workshop

Sacramento, Cal-EPA

December 10, 2013



1st the Answers

What? – An independent 3rd party that facilitates/advocates for ratepayer input.

...and What its Not – A replication of the rate review.

When? – When adding high diversion programs, making rate structure changes, and/or significant rate increases

Why? – Improves public access to the process, allow staff to focus on details, and may increase confidence of elected officials and public.

How? – Provide rapid access to concise, jargon-free information via website, phone, email; represent ratepayers in process.



Rate Setting in San Francisco

- Process defined in City ordinance – 1932 ballot initiative
- Highly structured, quasi-judicial (PUC model), tight timelines
- Affects residential (SFD and MFD) rates only
- Roles of DPW and DOE
- Recology initiated 2012-13 review – 1st in six years
- New rates set, indexed in interim years



San Francisco's Rate Structure Changes

	Single Family	Multi-Family
Fixed base fee - \$5 per account/unit	X	X
Volume fee - \$2 per 32 gallons for "blue bin" and "green bin"	X	X
Incentive - downsize to 20 gallon "black bin"	X	X
Volume discount - net discount of up to 65% based on relative combined volume of blue and green bin service		X
Phased impact – cap on increases in years 1 and 2		X



Key Public Concerns in San Francisco

- “Diversion is good, but can we afford more of it?”
- “You’re making a killing on my recycling, so why are you going to charge me for it too?”
- “If the City just dealt with scavenging you wouldn’t need this increase.”
- Improve timely access to material.
- Increase opportunities for input.

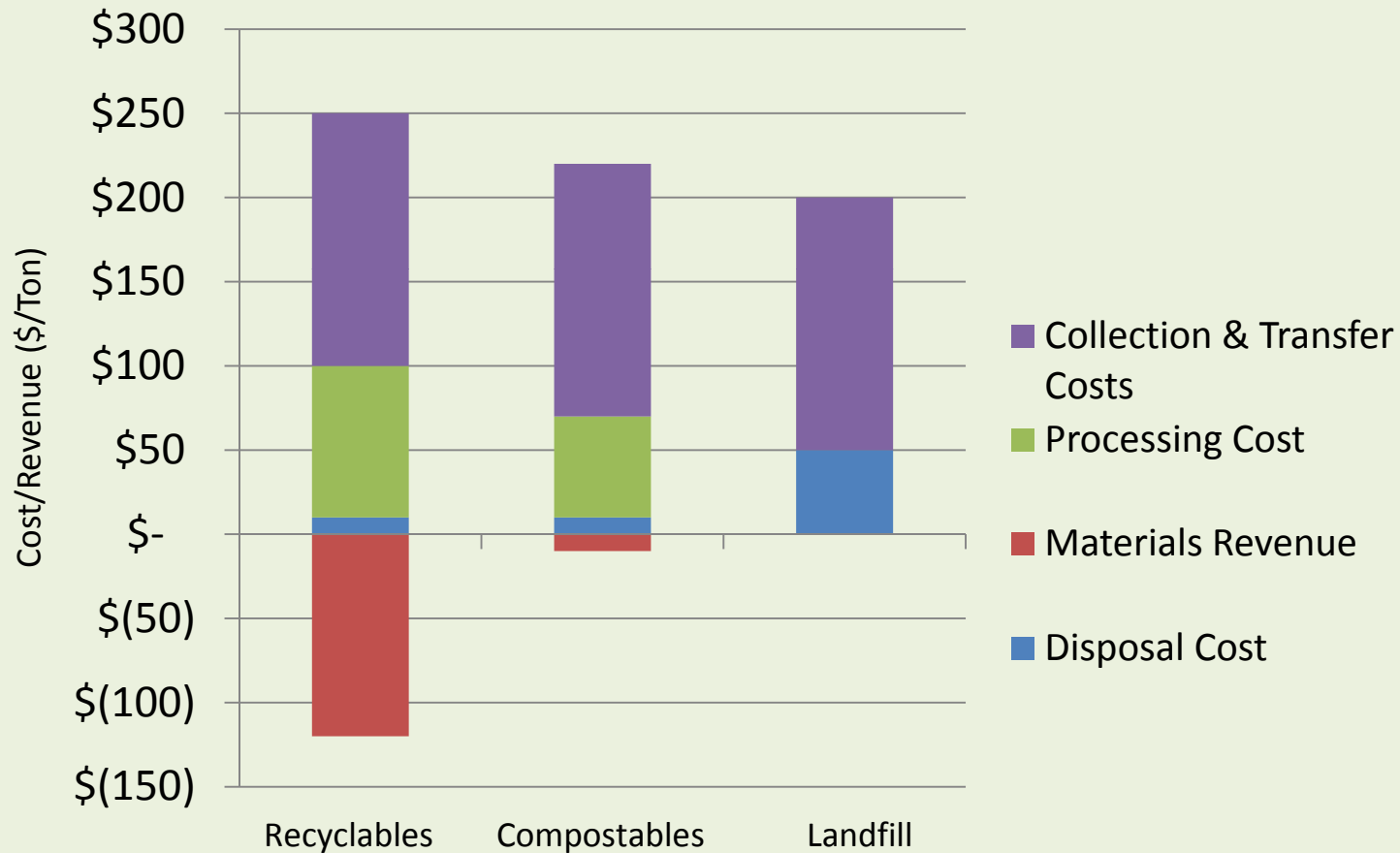


Key SF RPA Recommendations

- For both parties
- Use graphics; avoid jargon
- Provide range of examples of proposed rate structure changes
- Provide online tools
- Simplify rate process descriptions
- Focus on reframing
 - Present the actual relative costs; counter the “recycling myth”
 - Address scavenging



Relative Costs - Generic, Hypothetical, Just-for-Fun Example



Does Use of an RPA Make Sense for You?

- Are you considering a substantial rate increase?
- Are you considering substantial program changes?
- Are you considering substantial changes in how services are paid for?
- Would vetting by a 3rd party help build credibility for the result?



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