

Unit-Based Pricing for Trash in the Northeast Kingdom



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Association (NEWMOA)
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What is NEWMOA?

- ▶ Non-profit, non-partisan interstate association
- ▶ Solid waste, hazardous waste, waste site cleanup, & pollution prevention programs
- ▶ CT, ME, MA, NH, NJ, NY, RI, & VT
- ▶ Formally recognized by EPA in 1986
- ▶ More information at: www.newmoa.org



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Project Promoting Unit-based Pricing (UBP)

▶ Vermont:

- Northeast Kingdom Waste Management District
- Windham Solid Waste Management District
- Department of Environmental Conservation

▶ New Hampshire:

- Upper Valley Lake Sunapee Regional Planning Commission
- Department of Environmental Services

▶ Contacted over 15 small communities that have UBP in some form or another - developed case studies

▶ Can help towns investigate & design their UBP system

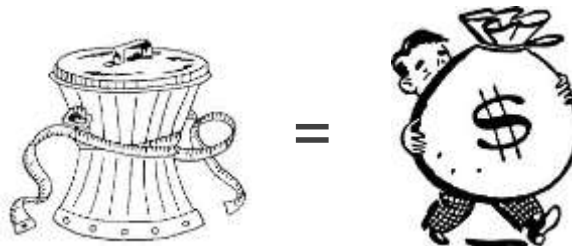


What is Unit-Based Pricing?



▶ A system that saves \$\$\$ in town budgets

- NOT an added cost - just changes the way waste management is paid for

▶ How?



Unit-Based Pricing - How?

- ▶ Residents pay according to the amount of trash they generate for disposal
 - generate less  = pay less
 - generate more  = pay more
- ▶ Flexible - towns can design their system
 - residents pay per bag, container, or weight
 - fees set to cover some, most, or all costs
- ▶ Why?

Why Unit-Based Pricing?

- ▶ Removes costs from the town budget
 - how much depends on the rates the town decides on:
 - fees can cover all costs associated with trash & recycling
 - Act 148 requires that fees cover (at least) hauling & disposal costs
 - (including district surcharge & state franchise fee)



Why Unit-Based Pricing?

► Fair for residents

- pay only for what you use
- those producing less trash aren't subsidizing those that produce more
- can choose to lower your cost by:
 - smart purchasing choices (i.e., buy products in less packaging)
 - recycling / reusing
 - composting - kitchen scraps & leaf/yard



Why Unit-Based Pricing?

► More reasons:

- some towns turn to UBP to stop influx of trash from non-residents
- reduces the amount of trash managed
 - reduces hauling frequency/costs
 - reduces disposal fees
 - increases recycling & composting



Bottom line: UBP is the law...

What is NOT Unit-Based Pricing?

- ▶ Transfer station sticker on vehicle
- ▶ Punch-card that is canceled per-trip
- ▶ Fixed monthly fee for curbside pickup



Bottom line: the amount paid must vary with the amount thrown away

UBP @ Transfer Stations

- ▶ Special bags (or stickers or punch-cards)
 - financial control issues
 - requires convenient sale locations
 - some administrative costs to manage
 - possible to implement without using them
- ▶ Typical charge that covers all costs: \$3 per 32 gallons
 - many communities have 2 or 3 sizes (15, 32 & “contractor”) & fees





UBP & Curbside Pickup

- ▶ Special bags (or stickers) - easiest option
 - requires convenient sale locations & some administrative costs
 - can put bags in containers if problems with animals
- ▶ Containers
 - different fees for different sizes
 - 32 gallon base size (or smaller) - 2X base fee for larger size
 - administrative costs to bill monthly/quarterly & collect
 - requires trash collectors to keep track of extra trash so additional fee can be charged
 - or require special bags/stickers for “extra” trash
- ▶ Trash collectors must leave all improper trash at the curb



Other Considerations

- ▶ Act 148 allows an “Hybrid” approach
 - base level of service paid by town
 - maximum 32 gallon bag/container per week
 - UBP fee for all trash above base amount
 - fee must cover at least its hauling & disposal cost
- ▶ Need easy recycling without a separate fee
 - Act 148 requires parallel recycling
 - Can add the cost of recycling services into UBP fee
- ▶ UBP communities also charge fees for other wastes (e.g. C&D, bulky, & tires)
- ▶ Another option: end town-provided service altogether



Curbside Pick-Up: Plainfield, NH

- ▶ Population: 2,241
- ▶ UBP since 1991
- ▶ 50/50 Split: UBP fees & Town budget
- ▶ \$2 sticker per 30 pounds
- ▶ Stickers sold at several local stores



Curbside Pick-Up: Hinsdale, NH

- ▶ Population: 1,548
- ▶ UBP since late 1990's
- ▶ Fees paying off landfill closure costs
- ▶ Special bags
 - \$1 / 15 gallon
 - \$2 / 30 gallon
- ▶ Bags sold at Town offices & local stores



Transfer Station:

- ▶ Concord, VT - Population 1,297
 - UBP since mid-1990's
 - fees cover all costs
 - \$1 / small "kitchen" white bags
 - \$2.50 / "regular" black bags
 - \$5 / "contractor" size
 - TS Operator collects fees (computerized cash register)
- ▶ Waterford, VT - Population 1,280
 - UBP since 1992
 - fees cover all costs (+ extra into equip. fund)
 - \$3 / 30 gallon
 - TS Operator collects fees (discretion on charges)



Transfer Station: Newark, VT

- ▶ Population: 581
- ▶ Removed all costs from Town budget
- ▶ Contractor operates - paid by fees only
 - \$2 / 15 gallon
 - \$3 / 30 gallon
 - \$4 / “contractor”
- ▶ Disposal: 33.39 tons to 14.4 tons
(4th Q 2012 vs 4th Q 2013)



Transfer Station: Canaan, VT

- ▶ Population: 972
- ▶ 50/50 split: fees & Town budget
- ▶ Require special bags
 - \$1.70 / 30 gallon
 - sold in packs of 10 at town offices & local stores
- ▶ Costs: \$114,000/yr. to \$57,000/yr. (of which 40% covered by bag sales)
 - Disposal: 535 tons/yr. to 258 tons/yr. (households & businesses (H&B))
 - Hauling: 9.5 tons/week (H&B) to 12.5 tons/month (H)



Next Steps for Communities

- ▶ Determine type of system
 - bags vs. containers
 - 1 size vs. multiple sizes
- ▶ Determine how much want fees to cover
 - all trash & recycling costs
 - most costs
 - just hauling & disposal
 - capital expenses
 - hybrid



More Next Steps

- ▶ Determine fee structure
 - assess current costs: labor, hauling, disposal, recycling & capital expenses
 - estimate post-UBP trash & recycling quantities & costs (include UBPA administration)
 - determine UBPA rate(s)
 - evaluate feasibility & modify as necessary
 - best to set similar/higher than nearby towns



Final Steps

- ▶ Plan for logistics
 - if bags/stickers/punch-cards, where will they be sold?
 - if containers, will they be provided?
 - how will fees be collected & managed?
- ▶ Submit plan to Paul at NEKWMD
- ▶ Publicize new system to residents
 - alert those with commercial dumpsters to restrict access
- ▶ Implement by July 1, 2015



Questions? Or Request Assistance



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