

**Refuse Rates Administrator's response to Recology's initial refuse rate change request (submitted March 7<sup>th</sup>, 2023)**

3/15/23

Thank you for the initial submission. As discussed in our previous meeting we will accept submissions not broken out by the Audited Financial cost centers, and that ratepayer class will be based on fee schedule breakout. Our initial review of your submission identified missing or incomplete schedules. Please let us know when we can receive these tables to complete your submission as the timing by which they are submitted will impact the timeline of the rate review:

| Schedule                            | Status     | Notes   |
|-------------------------------------|------------|---|
| C.2 Waste Collection Revenue Detail | Missing    | Recology has said they will be able to provide this schedule                                    |
| C.3 Other Ratepayer Revenue         | Missing    |   |
| D.2 Revenue Offsets                 | Missing    |   |
| D.6 Toxics Collection               | Incomplete | RY23-RY25 projections not included. Recology has said they will be able to provide projections. |
| E.1 Operating Expense Summary       | Missing    |   |
| F.1 Service Apportionment           | Missing    | Recology has said they are working on a cost allocation methodology and will provide            |
| G.1 Refuse Collection Detail        | Incomplete | Identification of Fixed/Variable cost, and Combined and Eliminations columns are missing        |
| J.3 Depreciation Expenses           | Incomplete | Actuals are missing   |
| K.1 Insurance Expenses              | Incomplete | Actuals are missing   |
| L.2 Intercompany Processing         | Incomplete | Some categories of recyclables are missing  |
| O.1 Professional Services Expenses  | Incomplete | FTE and performing and requesting companies are missing   |
| O.2 Corporate Services Expenses     | Incomplete | FTE and performing and requesting companies are missing   |

In addition to these schedules, we are requesting additional information on changes described in the Narrative and Summary of Assumptions.

| Exhibits                       | Notes   |
|--------------------------------|---|
| Outreach                       | What are current services and costs associated with outreach. What changes to outreach are being made, and what are the associated cost changes?  |
| Abandoned Materials Collection | What is the current level of service for abandoned materials collections and what are the associated costs? What changes to abandoned materials collections are being made and what are the associated costs                    |
| Increased "City can" service   | What is the current level of service for "City can" service and what are the associated costs? What are the current routes and schedules for "City can" service and how will this change? What are the associated cost changes? |

|                          |  |
|--------------------------|--|
| Changes to FTE count     | Please specify what the additional FTE will support. In addition, please provide information on budgeted FTE's vs actuals in current rate years.   |
| List of Fees and Charges | Please provide list of all fees and charges. Please identify any fees not included in one of the 6 rate schedules  |
| Pension Costs            | For the 2-year rate period, please explain what the annual cost is assumed for the cash-funded portion of the pension contribution, and what it is by month for each of the 24 month periods.  |
| Contamination Charge     | Please describe how the current contamination charge is being implemented and how that will change. How much revenue is being generated by the contamination charge? What are the associated costs? Under the new proposal, who will the contamination charges affect, and what is the impact on the average monthly bill? How will changes to contamination fees be communicated with ratepayers? |