

Solid Waste Administrative Rule

AR 5.01-1300-T through 1315-T

Administrative Rule of Metro Code Chapter 5.01 Administrative Rule Adoption Record and Findings

These administrative rules are adopted under the authority of Metro Code Section 5.01.280(g), which authorizes the Chief Operating Officer to adopt an interim administrative rule without public notice, comment or a hearing upon a finding that a failure to act promptly will result in serious prejudice to the public interest or the interest of an affected party.

In 2018, Metro staff developed a draft putrescible waste tonnage allocation methodology that was designed to achieve several objectives outlined in the 2016 Transfer System Configuration Policy (Council Resolution 16-4716). In March 2019, Metro Council adopted the 2030 Regional Waste Plan which identifies more extensive and specific social and environmental goals and guides how Metro manages and makes investments in the regional solid waste system. In August 2019, Metro staff received the results of a detailed modeling analysis of the draft allocation approach which revealed unanticipated outcomes and indicated that the impact of implementing that approach would be less beneficial than anticipated.

In September 2019, Metro staff outlined a revised approach to the allocation of wet waste to advance Regional Waste Plan goals, ensure base system stability, offer flexibility in addressing Council priorities, and provide better overall public benefits than both the previous proposal and status quo allocations. The process to fully develop the proposal and incorporate input from Council, partners, stakeholders and public comment will require several more months of staff work.

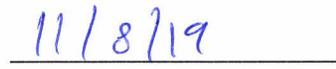
Metro has historically provided privately owned transfer stations with their annual tonnage allocations in November of the year prior to the effective date of the allocation to allow those facilities adequate time to plan and adjust their operations accordingly. In order to provide transfer stations with the information needed to plan their 2020 operations and ensure the least amount of disruption to the region's solid waste system, the Chief Operating officer finds it necessary to adopt an interim rule to allocate putrescible waste tonnage to privately owned transfer stations for calendar year 2020. The Chief Operating Officer further finds that a failure to act timely would result in serious prejudice to the public interest. **This interim rule will expire 180 days from the date of my signature below or upon adoption of a permanent rule if completed earlier than 180 days.**

The requirements of this administrative rule are in addition to all other requirements and provisions in Metro Code Chapter 5.01.

It is so ordered:

A handwritten signature in blue ink, appearing to read "Andrew Scott", is written over a horizontal line.

Andrew Scott
Acting Metro Chief Operating Officer

A handwritten date "11/8/19" in blue ink is written over a horizontal line.

Date

Solid Waste

Administrative Rule

AR 5.01 – 1300-T through 1315-T

Transitional Putrescible Waste Tonnage Allocation

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5.01 – 1300-T Definitions

Available regional tonnage means the amount of putrescible solid waste tonnage that Metro may allocate to privately owned transfer stations after Metro has first reserved the applicable minimum amount of putrescible tonnage for the Metro transfer stations.

Transitional putrescible waste tonnage allocation methodology is the process that Metro will use to determine putrescible waste tonnage allocations for privately owned transfer stations until a full implementation methodology is developed and approved by the Chief Operating Officer.

Unless otherwise specifically defined in these rules, all other applicable definitions are found in Metro Code Chapter 5.00.

5.01 – 1305-T Effective Dates

The transition putrescible waste tonnage allocation methodology will be applied to the FY20-21 Annual Solid Waste Forecast to determine the tonnage allocations that will be effective January 1, 2020, through December 31, 2020.

5.01 – 1310-T Transitional Putrescible Waste Tonnage Allocation Methodology

Allocations for privately owned transfer stations will be determined as follows, visualized in Figure 1 below:

1. Forty percent of the calendar year 2020 forecasted regional putrescible waste tonnage is reserved for Metro public stations. The remaining tonnage is the available regional tonnage.
2. The available regional tonnage is split into two equal components: a) **Base shares** (for system consistency and predictability for all authorized transfer stations) and b) **Proportional shares** (for a gradual transition to minimize system disruption).
3. **Base shares** are calculated for in-region and out-of-region transfer stations as follows:
 - a. Metro will determine tonnage amounts for out-of-region facilities that have historically received Metro area waste under non-system licenses. These amounts will reflect: 1) consistency with 2019 percentages, 2) anticipation of new designated facility status, and 3) an evaluation of the public benefits of allocating putrescible waste to facilities out of the region. The tonnage amounts for these facilities for 2020 are:
 - i. Covanta: 3,921 tons
 - ii. Waste Connections: 12,088

- iii. Kahut Waste Services: 16,053 tons
- b. Equal tonnage shares for each authorized in-region privately owned transfer station. This amount is determined by subtracting the out-of-region tonnage percentage from 30 percent and then dividing the remaining portion by six (which represents the current number of authorized in-region privately owned transfer stations).
- 4. **Proportional shares** are determined for each in-region transfer station by multiplying their 2019 time-weighted average allocation by 30 percent. A time-weighted average is calculated for each transfer station by summing the product of each authorized amount by the percent of the calendar year for which that allocation was effective.
- 5. The results of **3b** and **4** are added to determine the total percentage allocation for each in-region privately owned transfer station for calendar year 2020.

Transitional Phase Allocation Components

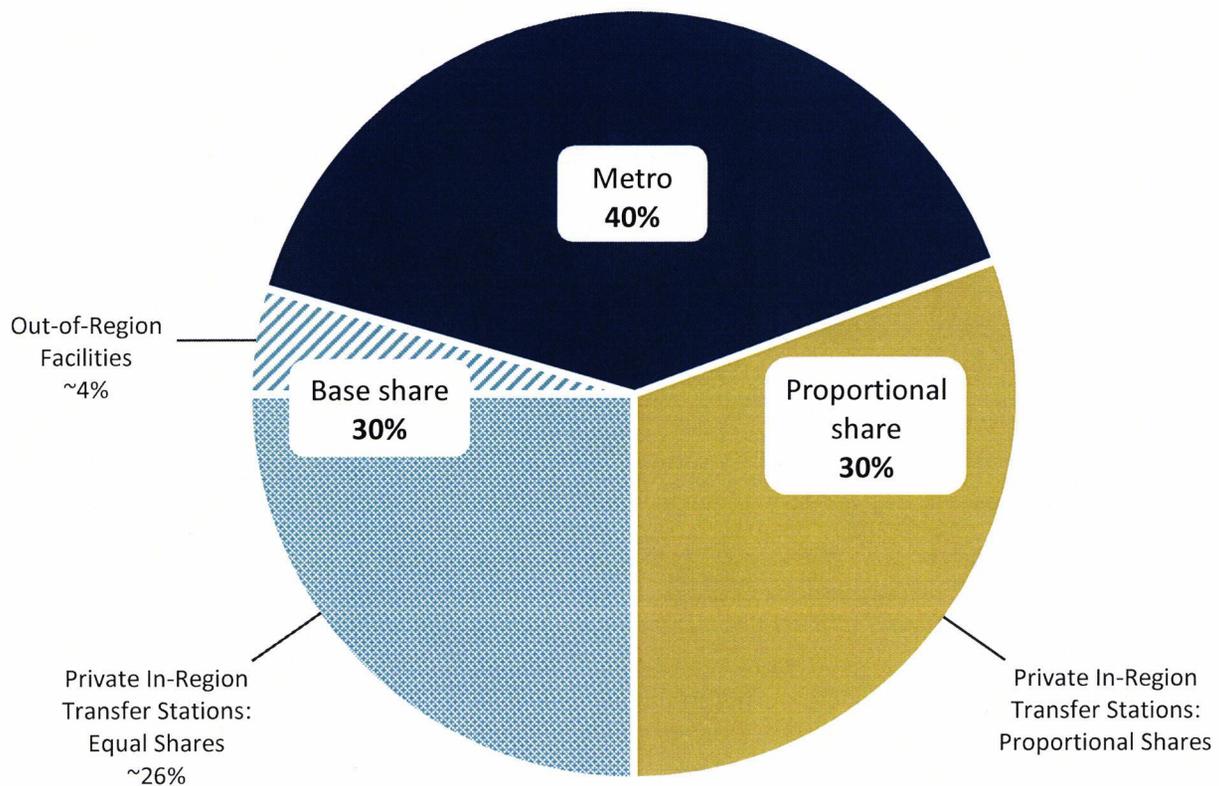


Figure 1. Transitional Phase Allocation Components

5.01 – 1315-T Conditions and Adjustments

1. Metro may not allocate more than 40 percent of the available regional tonnage to any single company.
2. Beginning July 1, 2020, an out-of-region transfer station must be a designated facility to receive a tonnage allocation. If a transfer station does not obtain designated facility status by that date, then it will not be authorized to receive putrescible waste from the Metro region regardless of the 2020 allocation amount that it initially received.

3. If actual regional tonnage varies from the forecast, Metro may consider an allocation adjustment to one or more privately owned transfer stations.
4. In order to minimize system disruption and serve broader public benefits, Metro may reassign tonnage allocations at the request of a transfer station that does not expect to fully utilize its original allocation.