

to make collection services available to all county residents and to ensure compatibility with WR/R programs. (See also Chapter III, Section B.)

2. Urban Solid Waste and Recyclables Collection

Most large cities maintain contracts with collectors to provide recyclables and solid waste collection for their residents; the remaining cities and towns allow franchised haulers to collect under a license or certificate. The unincorporated areas are served by franchise haulers. These services appear to be adequate. A collection system for secondary recyclables, such as appliances, furniture, food waste, mixed plastics, and bulky yard waste is needed. Residential collection vehicles generally are not equipped to handle bulky items, and residents who are unable to transport them to transfer stations or landfills must arrange special pickup. Depending on the location, this can be costly. The consequences can be illegal dumping or donations to local charities which may then be burdened with unusable furniture and appliances. (See Chapter III, Section B.)

b. Rural Solid Waste and Recyclables Collection

Solid waste collection services are available countywide; however, a comprehensive system for collecting recyclables and residential and commercial yard waste is needed in some rural areas.

c. Nonresidential Collection

Although the Business Recycling Program has been effective in providing businesses with information about how to improve WR/R activities, collection services for commercial recyclables are often unavailable or expensive. Local governments have not been given explicit authority to set service levels.

Achieving an integrated collection and billing program for nonresidential solid waste and recyclables is difficult because different statutes regulate the collection of commercial solid waste and recyclables (see Section IV.A.2.b.) The WUTC believes that because RCW 81.80 and RCW 81.77 utilize different rate-setting methods, it is inappropriate to allow a single firm with both types of authority to use income from one type of

operation to subsidize another (called "cross subsidization"). For example, solid waste collection income might be used to subsidize recyclables collection. If there are no significant increases in the volumes of recyclable materials collected in the nonresidential sector during 1992-93, King County may need to work with the WUTC to develop rate incentives, other forms of combined rates, or other means of stimulating commercial recyclables collection.

*d. Institutional and Incentive Rates

Because the authorities and responsibilities for setting service level standards are shared among the WUTC, counties, and cities, there is a need for clear and coordinated goals in solid waste management and rate design. Aggressive recycling goals set by the state, counties, and cities need to be supported by a rate design process that allows haulers to provide WR/R incentives and recover costs associated with improving service.

The WUTC's current rate methodology calculates collection rates based on a strict adherence to a historic cost-of-service allocation model, which only allows for limited cost differentials between service levels. It is expected that as collection, processing, and disposal costs rise and as further rate incentives are established, most customers will practice more waste reduction and recycling. Rate design that includes substantial cost differentials between different service levels is needed to support these alternatives.

Current procedures and the risks and limitations imposed on cost recovery discourage haulers from investing in additional or upgraded equipment and have inhibited innovation in the area of recycling. The mechanism for providing assistance to the collection industry for service modifications to support recycling and other programs needs to be improved.

3. Alternatives

This section identifies alternatives that address the needs discussed above (Table IV.6 summarizes these alternatives). There are no unserved areas in King County—the current system fulfills the first goal of ensuring availability of solid waste collection to all county residents. However, an increased

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