

# Exhibit D

## **Sample Calculations for Rate Increases**

The Rate adjustments will be based upon two indices. The first is the Consumer Price Index for All Urban Consumers (CPI-U), and the second is the Producer Price Index (PPI) and percent change for commodity groupings and individual items, #2 diesel fuel.

### **Fixed Fee Adjustments**

Fixed Operating Costs rate adjustments will only be adjusted by the (CPI-U).

Using Exhibit A and Table 1 as an example:

(Rate to County for Operations) x (CPI-U)= New Rate

Example:

$\$174,701.00 \times (3.5\% \text{ or } 1.035\%) = \$180,815.54$

$\$180,815.54 =$  The New Operating Fee from July, 1<sup>st</sup> – June 30<sup>th</sup>

### **Variable Fee Adjustments**

The Variable Fee Adjustments will apply to the Transfer and Processing of Solid Waste and Recyclables. These rates will use a combination formula. 90% of the increase will be based upon the CPI-U as shown in Table 1 and 10% of the rate increase will be based on the PPI #2 diesel fuel as shown in Table 2.

(Rate to County per Unit Cost For Transfer & Processing) x (90% x CPI-U)=CPI adjustment.

(Rate to County per Unit Cost For Transfer & Processing) x (10% x PPI)= PPI adjustment.

CPI rate adjustment + PPI rate adjustment = change

Rate to County per unit Cost For Transfer & Processing + change = New rates

Example:

$\$101.37 \times (90 \text{ or } 90\%) \times (3.5\% \text{ or } 1.035) = \$3.19$

$\$101.37 \times (.1 \text{ or } 10\%) \times (26.4\% \text{ or } 0.246) = \$2.68$

$\$3.19 + \$2.68 = \$5.87$

$\$101.37 + \$5.87 =$  New Rate for Transfer & Processing July 1<sup>st</sup>-June 30<sup>th</sup>.

**Table 1. Consumer Price Index for All Urban Consumers (CPI-U): U.S. city average, by expenditure category and commodity and service group**

(1982-84=100, unless otherwise noted)

Item and group	Relative importance, December 2006	Unadjusted indexes		Unadjusted percent change to Oct. 2007 from—		Seasonally adjusted percent change from—		
		Sep. 2007	Oct. 2007	Oct. 2006	Sep. 2007	July to Aug.	Aug. to Sep.	Sep. to Oct.
<b>Expenditure category</b>								
All items .....	100.000	208.490	208.936	3.5	0.2	-0.1	0.3	0.3
All items (1967=100) .....	-	624.543	625.879	-	-	-	-	-
Food and beverages .....	14.992	205.279	206.124	4.4	.4	.4	.5	.3
Food .....	13.885	204.941	205.796	4.4	.4	.4	.5	.3
Food at home .....	7.896	203.193	204.333	4.7	.6	.4	.5	.3

<http://www.bls.gov/cpi/cpid0710.pdf>

## Table 1

**Table 6. Producer price indexes and percent changes for commodity groupings and individual items, not seasonally adjusted—Continued**

(1982=100 unless otherwise indicated)

Commodity	Commodity code	Other index base	Index			Percent change to Oct. 2007 from:	
			June 2007 <sup>1</sup>	Sep. 2007 <sup>1</sup>	Oct. 2007 <sup>1</sup>	Oct. 2006	Sep. 2007
Residential electric power .....	0541	1200	142.1	143.3	140.9	4.1	-1.7
Commercial electric power .....	0542		172.2	172.7	165.6	3.1	-4.1
Industrial electric power .....	0543		186.7	188.5	182.0	6.3	-3.4
Other electric power .....	0545	1200	138.1	143.0	142.2	12.3	-8
Utility natural gas .....	055	1200	238.1	222.0	223.6	10.6	.7
Residential natural gas .....	0551	1200	227.9	224.5	223.3	7.7	-5
Commercial natural gas .....	0552	1200	241.1	232.5	231.1	7.0	-8
Industrial natural gas .....	0553	1200	253.7	224.8	226.4	10.3	2.0
Natural gas to electric utilities .....	0554	1200	200.5	174.7	180.7	22.3	3.4
Crude petroleum (domestic production) .....	0561		177.4	212.2	220.0	41.1	3.7
Petroleum products, refined .....	057		221.3	220.6	220.1	27.7	-2
Gasoline .....	0571		239.3	225.6	223.9	32.4	-8
Unleaded premium gasoline .....	03		241.1	228.5	226.3	29.2	-1.0
Unleaded regular gasoline .....	04		236.7	222.7	220.7	33.7	-9
Unleaded mid-premium gasoline .....	05	1287	306.3	374.6	372.5	30.4	-8
Kerosene and jet fuels .....	0572		201.8	220.9	211.2	14.5	-4.4
Kerosene .....	02		211.8	235.8	238.4	28.3	1.1
Jet fuel .....	03		201.8	220.7	210.4	13.7	-4.7
Light fuel oils .....	0573		222.4	239.0	243.4	22.9	1.8
Home heating oil and other distillates .....	02		214.8	235.1	233.3	16.2	3.2
#2 diesel fuel .....	03		227.6	248.2	249.6	26.4	1.4

<http://www.bls.gov/ppi/ppidr200710.pdf>

## Table 2