

Waste Services

**Multi-Unit Strategy  
Alternative Business Model  
(CO00581rev)**

March 25, 2022  
Utility Committee  
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Edmonton

## Background

- 25-year Waste Strategy commits to source separation in all sectors to improve waste diversion
- CO00581 (June 2021) recommended a mandatory three-stream source separation program for all residential properties receiving communal collection
- CO00581rev responds to Utility Committee's motion to:

*“provide an alternative business model for consideration, which allows for a fully privately operated service within the regulated utility model along with a robust data sharing and accountability framework to ensure that diversion targets contained within the 25 year waste strategy are met.”*

## Business Case Process

- Outreach to key private sector contacts
- Four categories of services considered:
  - waste collection
  - waste processing
  - container provision
  - education and outreach
- Range of options identified as viable:
  - complete privatization of all services
  - privatization of some services
  - keeping current service model (City managed)
- Costs, risks and stakeholder impacts assessed



## Recommendation

### City Managed Services; Mandatory Co-location

- Best for achieving Waste Strategy objectives
- Allows transformational changes with stable and consistent rates
- Will continue to engage private operators for both collections and processing
- Balances individual interests with equity/public good
- Enables a coordinated Citywide rollout with high standards for education, outreach and public support



## Challenges with Privatization

- Legal challenges to privatizing services under a regulated utility
- Long-term investments mean that privatization would result in significant stranded costs
- Significant limitations related to data sharing, performance monitoring and targeted education and outreach
- Inconsistent standards and practices likely to compromise outcomes in both the short and long-term
- Loss of efficiency (e.g. routing, pre-processing)

## Calls for a “Hybrid Model”

- “Hybrid model” means fully deregulating some range of services
- Utility rates are the result of long-term investments - there is no “hybrid model” that does not result in significant stranded costs
- Different costs in other cities reflect very different systems
- Waste Services utility has capacity to deliver steady growth in waste diversion without a rate shock to residents

## Implementation Plan

Implementation plan includes:

- Variable pricing program details
- Excess waste program
- Enforceable Development Standards
- Bylaw update
- Regular waste characterization studies
- Investigating the formation of stakeholder working groups
- Illegal dumping research
- Bin aesthetics research
- Coordinated approach to communication, education, outreach and public support





# Thank you

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