



# Oregon E-cycles: Conceptual registration fee models



Stakeholder Committee

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## Overview

1. Recap last meeting
2. Present 3 models
3. Discussion



## Re-Cap last meeting (fee discussion only)

1. Manufacturers would like some certainty about their annual fee
  - How long until the revised fees are revisited again?
2. DEQ registration costs don't vary between manufacturers
3. How do we deal with revenue excess or shortfall?
4. Market share determined by units or converted to pounds?
5. What should minimum fee be?
6. Keep it simple



## Fee Models Reviewed in the last meeting:

- ~~1. 25% increase~~
- ~~2. Straight market share~~
3. 6-tier market share
4. 6-tier market share w/ 20K cap
- ~~5. Flat fee~~
- ~~6. 8-tier~~
7. 6-tier surcharge



## Registration Fee Models Reviewed Today:

1. 6-tier market share
2. 6-tier market share with caps
3. 6-tier surcharge



## Tier systems

Current Structure

Tier	Market Share	Fee
1	> 1%	\$15,000
2	0.1% ≤ 1%	\$5,000
3	0.01% < 0.1%	\$200
4	< 0.01%	\$40

Structure A

Tier	Market Share	Fee
1	≥ 10%	calculated
2	≥ 5% < 10%	
3	> 1 < 5%	
4	0.1% ≤ 1%	
5	0.01% < 0.1%	
6	< 0.01%	\$50

Structure B

Tier	Market Share	Fee
1	≥ 5%	calculated
2	≥ 1% < 5%	
3	≥ 0.1% < 1%	
4	≥ 0.03% < 0.1%	
5	≥ 0.01% - 0.03%	\$50
6	< 0.01%	



## Model #1 – “6-tier market share”

Tier	Facility	2011 Market Share	6 tier market share	Current fee
3	Manufacturer 10	3.64%	\$12,700	\$15,000
3	Manufacturer 11	3.50%	\$12,700	\$15,000
3	Manufacturer 12	3.09%	\$12,700	\$15,000
3	Manufacturer 13	3.00%	\$12,700	\$15,000
3	Manufacturer 14	1.71%	\$12,700	\$15,000
Total market share =		14.93%		
		<b>X</b>		
Target Revenue =		\$425,000	<b>=</b>	<b>\$12,700</b>
		<b>÷</b>		
Number of Tier 3 Manufacturers =		5		



## Model #1 – “6-tier market share” con’t...

2011 manufacturers	2011 MS%	Tier A	Structure A	Tier B	Structure B	Current fee
			6 tier market share		6 tier market share	
Manufacturer 1	13.77%	1	\$54,476	1	\$36,638	\$15,000
Manufacturer 2	13.62%	1	\$54,467	1	\$36,638	\$15,000
Manufacturer 3	11.22%	1	\$54,467	1	\$36,638	\$15,000
Manufacturer 4	8.74%	2	\$27,516	1	\$36,638	\$15,000
Manufacturer 7	5.72%	2	\$27,516	1	\$36,638	\$15,000
Manufacturer 9	5.13%	2	\$27,516	1	\$36,638	\$15,000
Manufacturer 10	3.64%	3	\$12,700	2	\$12,700	\$15,000
Manufacturer 13	3.00%	3	\$12,700	2	\$12,700	\$15,000
Manufacturer 14	1.71%	3	\$12,700	2	\$12,700	\$15,000
Manufacturer 15	0.97%	4	\$1,891	3	\$1,891	\$5,000
Manufacturer 29	0.13%	4	\$1,891	3	\$1,891	\$5,000
Manufacturer 30	0.09%	5	\$146	4	\$274	\$200
Manufacturer 44	0.01%	5	\$146	5	\$60	\$200



## WA state model – 2012 fees

Tier	% market share	WA 2012 fee	Simulated OR 2011 fee
1	≥ 5%	\$41,182	\$36,638
2	≥ 1% < 5%	\$9,763	\$12,695
3	≥ 0.1% < 1%	\$1,232	\$1,895
4	≥ 0.03% < 0.1%	\$194	\$274
5	≥ 0.01% - 0.03%	\$67	\$60
6	< 0.01%	\$8	\$50



## Model #2 - “6-tier market share with caps”

2011 and target revenue scenarios	2011 MS %	MS % by tier	proportioned by tier	over cap of \$40k	Re-distribution	Actual
Manufacturer 1	13.77%		\$54,480	\$14,480		\$40,000
Manufacturer 2	13.62%		\$54,480	\$14,480		\$40,000
Manufacturer 3	11.22%	38.6%	\$54,480	\$14,480		\$40,000
Manufacturer 4	8.74%		\$27,500		\$4,597	\$32,097
Manufacturer 5	8.39%		\$27,500		\$4,597	\$32,097
Manufacturer 6	5.83%		\$27,500		\$4,597	\$32,097
Manufacturer 7	5.72%		\$27,500		\$4,597	\$32,097
Manufacturer 8	5.17%		\$27,500		\$4,597	\$32,097
Manufacturer 9	5.13%	39.0%	\$27,500		\$4,597	\$32,097
Manufacturer 10	3.64%		\$12,644		\$2,114	\$14,758
Manufacturer 11	3.50%		\$12,644		\$2,114	\$14,758
Manufacturer 12	3.09%		\$12,644		\$2,114	\$14,758
Manufacturer 13	3.00%		\$12,644		\$2,114	\$14,758
Manufacturer 14	1.71%	14.9%	\$12,644		\$2,114	\$14,758



## Model #2 – “6-tier market share with caps”

Tier	2011 manufacturers	2011 MS%	20K cap	30K cap	40K cap	Current fees	Straight MS
1	Manufacturer 1	13.77%	\$20,000	\$30,000	\$40,000	\$15,000	\$58,282
1	Manufacturer 2	13.62%	\$20,000	\$30,000	\$40,000	\$15,000	\$57,653
1	Manufacturer 3	11.22%	\$20,000	\$30,000	\$40,000	\$15,000	\$47,504
2	Manufacturer 4	8.74%	\$20,000	\$30,000	\$32,097	\$15,000	\$37,009
2	Manufacturer 7	5.72%	\$20,000	\$30,000	\$32,097	\$15,000	\$24,227
2	Manufacturer 9	5.13%	\$20,000	\$30,000	\$32,097	\$15,000	\$21,699
3	Manufacturer 10	3.64%	\$20,000	\$20,433	\$14,758	\$15,000	\$15,389
3	Manufacturer 13	3.00%	\$20,000	\$20,433	\$14,758	\$15,000	\$12,685
3	Manufacturer 14	1.71%	\$20,000	\$20,433	\$14,758	\$15,000	\$7,245
4	Manufacturer 15	0.97%	\$8,545	\$3,050	\$2,203	\$5,000	\$4,088
4	Manufacturer 29	0.13%	\$8,545	\$3,050	\$2,203	\$5,000	\$543
5	Manufacturer 30	0.09%	\$665	\$237	\$171	\$200	\$388
5	Manufacturer 44	0.01%	\$664.79	\$237	\$171	\$200	\$61



## Model #3 – “6 tier surcharge”

Tiers	Market Share	Current Fees	6-tier surcharge
1	≥ 10%	\$15,000	\$25,000
2	≥ 5% <10%	\$15,000	\$20,000
3	> 1 < 5%	\$15,000	\$18,000
4	0.1% ≤ 1%	\$5,000	\$3,600
5	0.01% < 0.1%	\$200	\$360
6	< 0.01%	\$40	\$40



	2008	2009	2010	2011
Example revenue	\$441,880	\$429,440	\$394,680	\$349,720
4-year average	\$403,930			



## Surcharge distribution example

Example revenue generated	\$349,720
Example target revenue	\$425,000
Surcharge amount	\$75,280
Number of Tier 1 and 2 manufacturers	9
Surcharge cost per manufacturer	\$8,364



## Discussion

Which models do you like or dislike? Why?