

NSWMA's 2005 Tip Fee Survey

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Introduction

The National Solid Wastes Management Association (NSWMA) has collected tip (disposal) fee data for landfills and incinerators since 1982 when less than 65 facilities were surveyed. The NSWMA data were collected by directly contacting individual facilities. This data collection continued until 1995.

In 1992, Chartwell Information, publishers of *Solid Waste Digest*, began collecting tip fee data in a similar manner. Therefore, NSWMA discontinued its data collection effort and now relies on the Chartwell data.

The tip fee data contained in NSWMA's reports represent the "spot market" price for municipal solid waste (MSW) disposal. Other tip fees exist at MSW facilities (e.g., waste accepted under a long-term contract, volume discounts, and special wastes) and these fees may be higher or lower than the spot market price.

The 2004 tip fee data are from some 800 privately owned or operated municipal solid waste landfills (as identified by Chartwell Information) and 120 incinerators. Because the number of facilities represented in past surveys has changed dramatically since 1982, comparisons and conclusions drawn between older and newer data may not accurately represent actual conditions. In order to draw any conclusions, the historical national average tip fees were recalculated based on weighted averages for the number of facilities represented in each region in the 1995 survey. Additionally, tip fees prior to 1985 were not included in the regional data because the data set was too small and deemed unrepresentative of the region.

Landfill Tip Fees

Table 1 (below) provides data on national and regional tip fees since 1985, while Figure 1 (page 2) shows the change in national tip fees over time. The average national tip fee in 2004 was \$34.29 per ton, an increase of almost 2 percent from the 2002 survey when tip fees were \$33.70 per ton. This continues the overall trend of year-to-year increases in tip fees, except for the 1 percent decrease in the national tip fees observed in 1998 when the fees declined for the first time since NSWMA began tracking tip fees in 1982. The average national tip fees have remained relatively constant over the past 10 years (i.e., since 1995) changing less than 7 percent.

Prior to 1998, tip fees increased at about 7 percent a year. The change in the national tip fee from 1985 to 1998 was \$23.61 per ton, up almost 300 percent. The largest annual increase occurred between 1986 and 1987, when the tip fee increased by \$5.19 per ton. The smallest year-to-year increases occurred between 1998 and 2000, when the tip fee increased only \$0.19 per ton per year.

Table 1. Landfill Tip Fees (\$/ton)

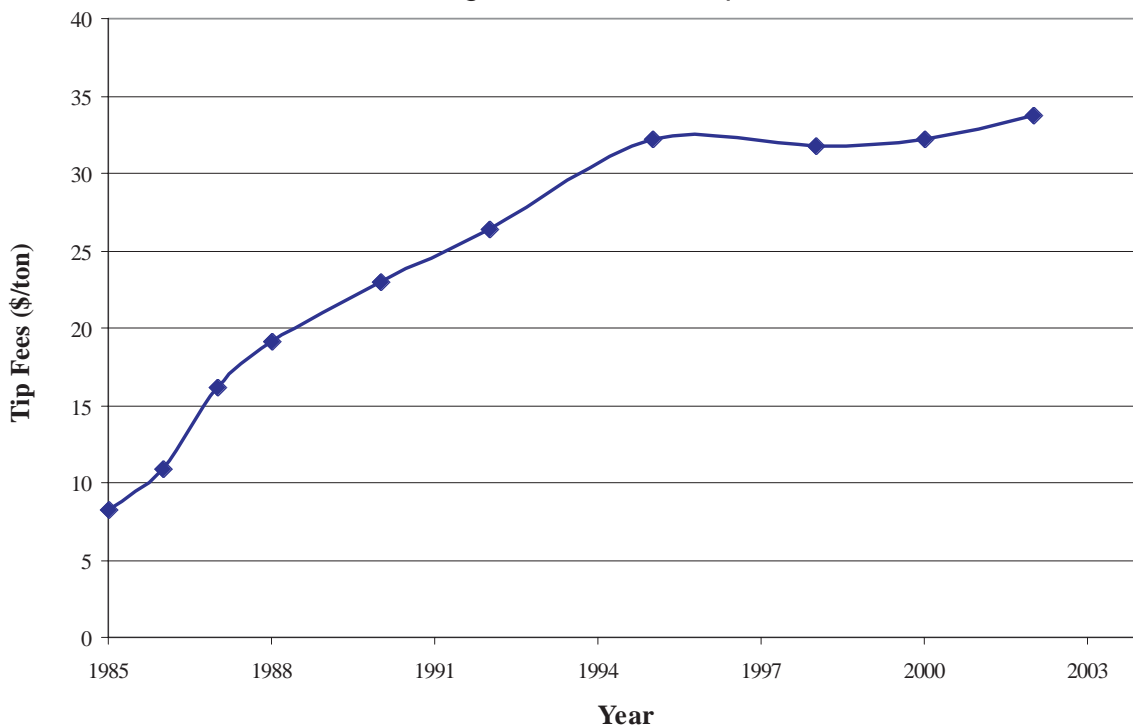
Region	2004	2002	2000	1998	1995	1992	1990	1988	1987	1986	1985
Northeast	70.53	69.07	69.84	66.68	73.17	65.83	64.76	61.11	52.41	17.11	12.66
Mid-Atlantic	46.29	45.26	45.84	44.11	45.68	47.94	40.75	33.84	26.32	22.08	16.99
South	30.97	30.43	30.53	30.89	28.50	22.48	16.92	16.46	13.13	5.76	3.24
Midwest	34.96	34.14	32.85	30.64	31.15	27.10	23.15	17.70	16.42	11.75	7.23
South Central	24.06	23.28	21.90	21.02	20.30	12.53	12.05	11.28	10.17	7.61	7.24
West Central	24.13	23.40	22.29	22.51	23.29	12.62	11.06	8.50	7.23	6.21	5.36
West	37.74	38.90	34.54	36.08	37.69	27.92	25.63	19.45	13.92	11.10	10.96
National	34.29	33.70	32.19	31.81	32.19	26.32	23.01	19.12	16.11	10.92	8.20

Regions

Northeast: CT, ME, MA, NH, NY, RI, VT
Mid-Atlantic: DE, MD, NJ, PA, VA, WV
South: AL, FL, GA, KY, MS, NC, SC, TN

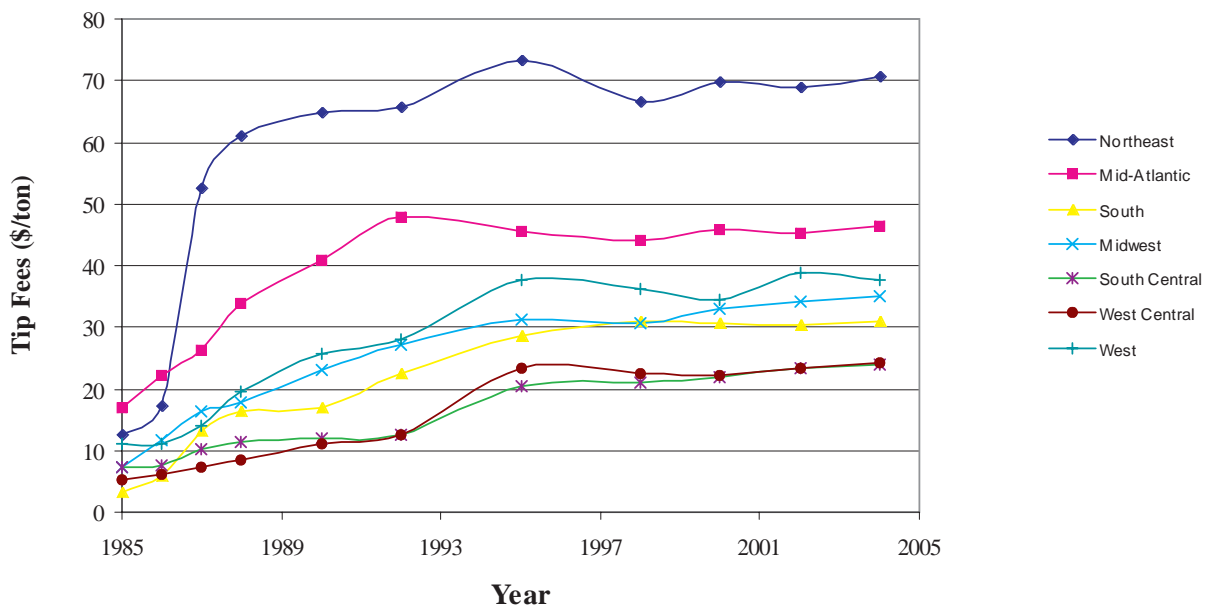
Midwest: IL, IN, IA, MI, MN, MO, OH, WI
South Central: AZ, AR, LA, NM, OK, TX
West Central: CO, KS, MT, NE, ND, SD, UT, WY
West: AK, CA, HI, ID, NV, OR, WA

Figure 1. National Tip Fees



As with the national tip fees, 6 of the 7 regional tip fees showed an increase in 2004 (Figure 2 below) when compared to 2002. The largest increase was in the Northeast region where the tip fee increased \$1.46 per ton (2%) followed by the Mid-Atlantic with an increase of \$1.03 (2%). The remaining four regions had tip fee increases of less than \$1.00 per ton, where the Mid-West increased \$0.82 (2%), South Central increased \$0.78 (3%), West Central increased \$0.73 (3%), and South increased \$0.54 (2%). Only the West showed a decline in tip fees during this period with a decline of \$1.16 per ton (-3%). As with national tip fees, tip fees in the regions have varied little since 1995. Regional tip fees appear to follow population densities where the highest regional tip fees (Northeast and Mid-Atlantic) are also where there is the highest population densities. The lowest regional tip fees are in the West Central and South Central where there is the lowest population densities.

Figure 2. Regional Tip Fees

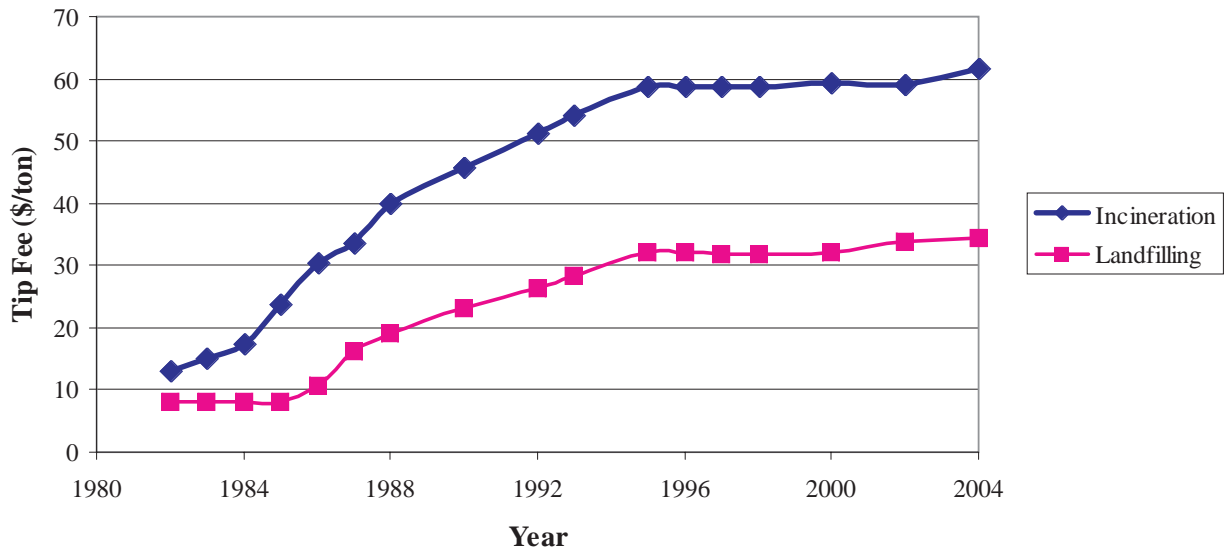


The Northeast region had the highest average tip fees at \$70.53 per ton, followed by the Mid-Atlantic (\$46.29/ton), West (\$37.74/ton), Mid-West (\$34.96/ton), and South (\$30.97). Both South Central and West Central had tip fees of about \$24.00 per ton with the South Central region having lowest average tip fees at \$24.06 per ton.

Landfill v. Incineration Tip Fees

Figure 3 (below) shows the average national tip fees for landfills and incinerators for the time period 1982 to 2004. The average national tip fee at landfills has always been less than at incinerators. In 1982, the average landfill tip fee was \$8.07 per ton and the incinerator tip fee was \$12.91 per ton, a difference of \$4.84. In 2004, the average landfill tip fee was \$34.29 per ton and the incinerator average tip fee was \$61.64 per ton, a difference of \$27.35 (i.e., almost 80% higher than landfills).

Figure 3. Landfill and Incinerator Tip Fees



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