

September 11, 2018

Mark L. Johnson  
Executive Secretary  
Washington Utilities and Transportation Commission  
P O Box 47250  
Olympia, WA 98504-7250

Received  
Records Management  
09/11/18 13:39  
State Of WASH.  
UTIL. AND TRANSP.  
COMMISSION

RE: General Rate Increase, G-63819

Dear Executive Secretary:

Attached is Tariff No. 2 to be effective January 1, 2019, which cancels Tariff No. 1, for Freedom 2000, LLC, d/b/a Cando Recycling and Disposal (Cando). Also attached is Whatcom County Ordinance 2018-031.

The tariff includes rates for Pt. Roberts and will implement service to an additional 1,800 residential garbage and recycling customers as part of Whatcom County's service plan. A major feature of that plan is to establish a "standard" service level of every-other-week garbage and recycling collection, which the county will charge customers as a fee on their annual property tax bills. The rate will be the UTC approved tariff rate, and the company will invoice the county for the standard service (per an agreement) and invoice customers for the difference in cost if the customer chooses a more expensive option, such as weekly garbage service. The county passed Ordinance# 2018-031 on June 5, 2018 to implement the changes to make this happen, and this is truly an out of the box solution to the problem of illegal dumping and burning that is an issue in Point Roberts.

This is the first general rate increase since Cando took over solid waste collection at Point Roberts in 2010. The filing will cover cost increases such as a disposal fee increase effective January 1, 2019, wage increases for drivers, as well as increases in fuel and other administrative expenses. A significant investment has also been made in new equipment, software, and personnel to expand service from the existing 300 residential customers to 2,100 residential customers. It is, therefore, necessary to increase rates to our customers to cover our ever increasing cost of providing service.

The Lurito-Gallagher formula provides an available increase in revenues of approximately \$268,000 or 66 percent. This represents an overall increase in revenues, including increased costs for the additional customers, wage increases, disposal fee increases, and additional investment.

The Company respectfully requests this filing to be processed with less than statutory notice, under the provisions of WAC 480-70-276. The effective date of the rates will remain January 1, 2019, but commission approval of the rate increase by October 11, 2018, is necessary for Whatcom County to establish a customer billing process and make changes to the property tax billing system within the time frame for the tax assessment procedures.

As required by Commission rules, a copy of this transmittal letter will be mailed to the Whatcom County Council. Customer notices to existing affected customers was sent September 11, 2018. Whatcom County will also be sending customer notices of the changes in rates and billing to all affected customers.

If you have questions regarding this filing, please contact David Gellatly at (360) 255-3710

Very truly yours,

**David Gellatly**

cc: Whatcom County Council, Chair