

Agenda Date: May 20, 2021
Item Numbers: B4

Docket: TG-210298
Company Name: Mason County Garbage Co., Inc.

Staff: Tiffany Van Meter, Regulatory Analyst
John Cupp, Consumer Protection Staff

Recommendation

Grant a less than statutory notice request as allowed per WAC 480-70-276 and exemptions from workpapers rules in WAC 480-07-520(4), allowing the tariff pages filed on April 28, 2021, as revised on May 14, 2021, to take effect June 1, 2021.

Discussion

On April 28, 2021, Mason County Garbage Co., Inc. (Mason or Company), filed for rate increases and revisions to Tariff No. 14, and less than statutory notice as allowed per WAC 480-70-276, along with exemptions from workpapers rules in WAC 480-07-520(4), with the Washington Utilities and Transportation Commission (Commission) that would generate approximately \$37,000 (0.53 percent) in additional annual revenue for the collection of garbage, recycling, and yard waste. The additional annual revenue is amortized over two years, increasing rates across the board by 0.27%. This filing is to recover non-ordinary expenses due to the Covid-19 pandemic that began in March 2020, and which Commission staff (Staff) removed from the recent general rate case that became effective April 1, 2021. The Company has operations in Mason County and serves approximately 13,800 residential garbage and recycling customers, 1,000 commercial customers, and 100 roll-off customers. The Company's last general rate case took effect April 1, 2021, and brought \$269,000 (4.1 percent) of additional annual revenue.

In February 2021, the Company filed a general rate increase request in which staff removed the expenses related to the Covid-19 pandemic, as those costs are one-time expenses not normally incurred for the Company's operations. Staff asked the Company to file for recovery of these expenses in a separate filing request.. The Company did file an accounting petition under docket TG-210261 and withdrew that filing with this submission as requested by Staff. These costs were incurred in good faith during the beginning of the 2020 Covid-19 pandemic, when times were uncertain, and before the federal government declared solid waste hauling an essential service. The costs are specifically an incentive, an hourly increase to entice employees to continue serving the community in this unprecedented time of safety concern. Once solid waste hauling was declared an essential service, the Company halted these hourly incentive additions and paid employees a small lump sum amount for their efforts during the initial stages of the pandemic. The Company was able to successfully serve the community without additional over time cost that would have resulted had employees not gone to work for health and safety reasons.

Upon completion of its review, Staff found the proposed rates to be fair, just, reasonable, and sufficient.

Rate Comparison

Residential Rates (Per Month)	Current Rates	Revised Rates	Increase/ Decrease
64 Gal. Monthly Garbage (w/ Recy.)	\$ 19.13	\$ 19.18	0.26%
64 Gal. EOW Garbage (w/ Recy.)	\$ 27.22	\$ 27.29	0.26%
64 Gal. Weekly Garbage (w/ Recy.)	\$ 39.24	\$ 39.34	0.26%
96 Gal. Cart Weekly Garbage (w/ Recy.)	\$ 46.84	\$ 46.96	0.26%
Every-Other-Week Recycling	\$ 9.54	\$ 9.57	0.31%
<u>Commercial Rates (Per Pickup)</u>			
1.5 Yard Container First Pickup	\$ 18.49	\$ 18.54	0.27%
2 Yard Container First Pickup	\$ 27.21	\$ 27.28	0.26%

Customers will be notified on the first bill reflecting the change.

Conclusion

Grant a less than statutory notice request as allowed per WAC 480-70-276 and exemptions from workpapers rules in WAC 480-07-520(4), allowing the tariff pages filed on April 28, 2021, as revised on May 14, 2021, to take effect June 1, 2021.