

Agenda Date: December 28, 2005

Item Number: B1

**Docket: TG-051904**

Company Name: Rabanco LTD. and Rabanco Recycling, Inc. d/b/a Eastside Disposal Co., Inc. G-12

Staff: Layne Demas, Transportation Program Staff

**Recommendation:**

Issue a complaint and order suspending the residential curbside recycling commodity credits and multi-family commodity credit filed by Eastside Disposal Co., Inc., (Eastside) in Docket TG-051904 and allowing the suspended commodity credits to become effective January 1, 2006, on a temporary basis subject to refund, on less than statutory notice.

**Discussion:**

On December 7, 2005, Eastside filed revisions to its Tariff No. 11 proposing new curbside recycling commodity credits for Eastside to become effective January 1, 2006. The residential curbside commodity credit for the service area in Eastside is proposed to increase from \$1.55 to \$1.84 per customer per month. The service area in Issaquah is proposed to increase from \$1.34 to \$1.50 per customer per month. The multi-family commodity credit is proposed to decrease from \$.34 to \$.14 per yard.

RCW 81.77.185 allows a company collecting recyclable materials to retain up to thirty percent of the revenue paid to the company for the material if the company submits a plan to the commission that is certified by the appropriate local government authority as being consistent with the local government solid waste plan and that demonstrates how the revenues will be used to increase recycling. Eastside and King County are currently in discussions relating to the recycling plan and renewal of the revenue sharing. The proposed commodity credits are calculated using a 30% revenue sharing component, which may not be appropriate. King County may choose not to renew the revenue sharing or may determine that a percentage less than 30% is appropriate.

Staff has not determined that the proposed commodity credit is fair, just, reasonable, nor sufficient. In addition to the unresolved revenue sharing issue discussed above, staff has not verified the underlying statistical factors used to calculate the proposed credit amounts.

To facilitate the ongoing revenue sharing discussions between Eastside and King County and allow staff to verify the underlying commodity credit numbers, staff recommends that the Commission issue a complaint and order suspending the residential curbside commodity credits and multi-family commodity credit filed by Eastside in Docket TG-051904 and allow the suspended commodity credits to become effective January 1, 2006, on a temporary basis subject to refund, on less than statutory notice.