

Agenda Date: July 28, 2011

Item Number: B2

Docket: TG-111290

Company Name: Waste Management of Washington, Inc., d.b.a Waste Management - Spokane, G-237

Staff: David Gomez, Deputy Assistant Director – Water and Transportation

Recommendation

Staff recommends that the commission allow revised pages in Tariff No. 16 filed by the company on July 18, 2011, to go into effect on August 1, 2011, with less than 45 days notice to the commission and condition its approval on Waste Management making its next commodity adjustment effective August 1, 2012, and each August 1 thereafter, and that the company make all future commodity adjustment filings forty-five days prior to the proposed effective date to give staff sufficient time to review the filing.

Background

On July 18, 2011, Waste Management of Washington, Inc., dba Waste Management – Spokane (Waste Management or company) filed with the Washington Utilities and Transportation Commission (commission) revised Page Nos. 2, 21, and 25 to its current Tariff No. 16. The stated effective date is August 1, 2011.

The filing proposes to increase the commodity credits that Waste Management pays to residential single family and multi-family customers for the value of the recyclable materials that the company collects as part of its residential curbside and multi-family recycling services. The proposed monthly credit for residential single family recycling customers increases from \$0.24 to \$0.73. Multi-family recycling monthly credits also increase from \$0.13 per yard to \$0.21 per yard.

In TG-090923, Order 01 (Order 01), the commission issued an order authorizing the company to use a deferred accounting treatment mechanism to adjust the amount paid to customers for the sale of recycled commodities. Waste Management has filed annual commodity adjustments since then using the deferred accounting mechanism approved in Order 01. The commodity adjustment has two components: a true-up component that, for the previous twelve-month test period, compares the estimated commodity value to actual commodity value, and an estimate of the revenue (cost) of the next twelve months using the average twelve-month test period revenue (cost).

In Order 01, the commission specified in ordering paragraph two, that the company; “shall make its next commodity adjustment effective August 1, 2010, and each August 1 thereafter, and shall make all future commodity adjustment filings forty-five days prior to the proposed effective date.” The company filed 13 days prior to the effective date of the proposed tariff revisions.

Staff recommends that the commission grant the company’s request to file the recyclable commodity revenue adjustment in less than 45 days and condition its approval on Waste Management making its

next commodity adjustment effective August 1, 2012, and each August 1 thereafter, and that the company make all future commodity adjustment filings forty-five days prior to the proposed effective date to give staff sufficient time to review the filing.

Conclusion

Allow revised pages in Tariff No. 16 filed on July 18, 2011, to go into effect on August 1, 2011 with less than 45 days notice to the commission and condition its approval on Waste Management making its next commodity adjustment effective August 1, 2012, and each August 1 thereafter, and that the company make all future commodity adjustment filings forty-five days prior to the proposed effective date to give staff sufficient time to review the filing.