

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND	)	DOCKET TG-111503
TRANSPORTATION	)	
COMMISSION,	)	ORDER 01
	)	
Complainant,	)	
	)	
TORRE REFUSE AND	)	
RECYCLING, LLC, d/b/a	)	
SUNSHINE DISPOSAL AND	)	
RECYCLING, G-260 ,	)	ORDER AUTHORIZING
	)	CARRIER TO INSTITUTE A
	)	DEFERRED ACCOUNTING
Respondent	)	MECHANISM FOR
.....	)	RESIDENTIAL RECYCLING

**BACKGROUND**

- 1 On August 17, 2011, Torre Refuse and Recycling, LLC, d/b/a Sunshine Disposal and Recycling, (Sunshine or Company) filed with the Utilities and Transportation Commission (Commission) a new Tariff No. 3 replacing Tariff No. 2 with an effective date of October 1, 2011.
  
- 2 The filing proposes to implement a mandatory pay comingled residential and multi-family recycling program as described in Spokane County Ordinance 11-0642. The ordinance designates a portion of western Spokane County (County) to receive this service. The Company proposes a recycling rate of \$5.00 per month. Sunshine has also filed rates for a Company sponsored voluntary organic recycling service in the same program area designated by the County’s ordinance. The proposed rate for the voluntary organic recycling service is \$12.00 per month.
  
- 3 Sunshine has also filed for a recyclable commodity revenue adjustment reflecting a credit of \$0.60 per month for all residential recycling customers. This monthly recyclable commodity revenue adjustment will be adjusted annually in accordance with the Commission’s established deferred accounting method.
  
- 4 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). Staff recommends that the Commission require Sunshine to implement deferred accounting treatment for the revenue (cost) received (paid) from the sale (disposal) of recyclable commodities collected in the Company's recycling service using the most recent twelve-month test period to true-up the estimated revenue to actual revenue, and to estimate revenue for the next twelve-month period.

- 5 Staff has completed its audit and determined that the Company's financial information supports the proposed rates for residential and multi-family comingled recycling service and the voluntary organic recycling service. Staff recommended that the Commission take no action and allow the rates filed on August 17, 2011, to become effective October 1, 2011, by operation of law.

#### **FINDINGS AND CONCLUSIONS**

- 6 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts and affiliated interests of public service companies, including solid waste companies. RCW 80.01.040, RCW 81.01, RCW 81.04, RCW 81.16, RCW 81.28 *and* RCW 81.77.
- 7 (2) Sunshine is engaged in the business of providing solid waste services within the state of Washington and is a public service company subject to Commission jurisdiction.
- 8 (3) This matter came before the Commission at its regularly scheduled meeting on September 28, 2011.
- 9 (4) Sunshine filed proposed tariff revisions on August 17, 2011, to implement a County mandated mandatory residential and multi-family recycling service and to offer organic recycling service on a voluntary basis.
- 10 (5) The tariff revisions filed on August 17, 2011, are fair, just, reasonable and sufficient because Sunshine has demonstrated that it requires additional revenues to provide the County mandated and voluntary recycling programs.

- 11 (6) The Commission also finds it is reasonable to require Sunshine to implement deferred accounting treatment of the revenue (cost) received (paid) from the sale (disposal) of recyclable commodities collected in Sunshine's recycling service.

**ORDER**

**THE COMMISSION ORDERS:**

- 12 (1) The new Tariff No. 3 filed by Torre Refuse and Recycling, LLC, d/b/a Sunshine Disposal and Recycling filed in this docket on August 17, 2011, shall become effective on October 1, 2011.
- 13 (4) Torre Refuse and Recycling, LLC, d/b/a Sunshine Disposal and Recycling is required to use deferred accounting treatment of the recycling commodity revenues and costs related to its residential recycling services. Torre Refuse and Recycling, LLC, d/b/a Sunshine Disposal and Recycling shall make its next commodity adjustment effective January 1, 2013, and each January 1 thereafter, and shall make all future commodity adjustment filings forty-five days prior to the proposed effective date.

DATED at Olympia, Washington, and effective September 28, 2011.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner