

Agenda Date: December 29, 2011
 Item Number: B2

Docket: TG-111970
Company Name: Consolidated Disposal Service, Inc., G-190

Staff: Amy White, Regulatory Analyst
 Pam Smith, Consumer Protection Staff

Recommendation

Issue a Complaint and Order Suspending the Tariff Revisions filed by Consolidated Disposal Service, Inc., on November 14, 2011.

Discussion

On November 14, 2011, Consolidated Disposal Service, Inc. (Consolidated or company), filed tariff revisions with the Utilities and Transportation Commission (commission). The tariff revisions would generate \$202,111 (2.7 percent) in additional annual revenue. Commission staff has not completed its review of the company’s supporting financial documents, books and records. Therefore, the company has not demonstrated the proposed rates are fair, just, reasonable or sufficient.

Rate Comparison

<u>Residential Monthly Rates</u>	<u>Current Rate</u>	<u>Proposed Rate</u>	<u>Percent Increase</u>
Adams County			
One 32-Gallon Can Weekly Pick-up	\$11.65	\$12.29	5.49%
Two 32-Gallon Cans Weekly Pick-up	\$14.90	\$15.72	5.50%
Grant County			
One 32-Gallon Can Weekly Pick-up	\$9.53	\$10.05	5.45%
Two 32-Gallon Cans Weekly Pick-up	\$12.17	\$12.84	5.51%
<u>Commercial Per Pick-up Rates</u>			
Adams County			
Commercial can	\$2.56	\$2.70	5.45%
1.5-Yard Container	\$15.65	\$16.51	5.49%
300 Gallons Monthly	\$67.82	\$71.55	5.49%
Grant County			
Commercial can	\$1.91	\$2.01	5.24%
1.5-Yard Container	\$11.75	\$12.40	5.53%
300 Gallons Monthly	\$50.92	\$53.72	5.49%

Customer Comments

On November 30, 2011, the company notified its customers of the proposed rate increase by mail. Staff received two customer comments opposing the rate increase. Consumer Protection staff advised the customers that they may access company documents pertinent to this rate case at www.utc.wa.gov, and that they may contact Pam Smith at 1-888-333-WUTC (9882 with questions or concerns.

General Comments

- One customer believes that it is bad timing for a rate increase due to the current economic conditions. The other customer is a senior citizen on a fixed income.

Staff Response

The customers were advised that state law requires rates to be fair, just, reasonable and sufficient to allow the company to recover reasonable operating expenses and the opportunity to earn a reasonable return on investment. Regulatory staff will review the filing to ensure all rates and fees are appropriate.

Conclusion

Commission staff has not completed its review of the company's supporting financial documents, books and records. The company has not demonstrated that the proposed rates are fair, just, reasonable and sufficient. Therefore, staff recommends the commission issue a Complaint and Order Suspending the Tariff Revisions filed by Consolidated Disposal Service, Inc., on November 14, 2011.