

November 15, 2018

Mark Johnson, Executive Director and Secretary 1300 South Evergreen Park Drive SW
PO Box 47250
Olympia, WA 98504-7250

RE: Sanitary Service Company, Inc. G-14 —Recycling Commodity Price Adjustment, Item 230 passes through disposal fees and rates for WUTC residential and commercial garbage collection services.

**Dear Secretary Johnson:** 

Enclosed are revised pages to Solid Waste Tariff No. 8 for Sanitary Service Company, Inc.

Due to the volatility in the recycling markets as a result of China Sword restrictions, were are requesting a waiver from WAC 480-70-351(2). The recycling commodity calculation uses the most recent six-month historical period to estimate the recycling commodity credit/debit for the next six months. Using six months instead of twelve lessens the fluctuations.

The impact of the revised tracker is an increase in the residential recycling commodity rate from a debit of \$0.89 to a debit of \$1.99 per customer, per month and an increase in the multi- family recycling commodity rate from a debit of \$0.31 to a debit of \$0.54 per yard per pickup.

Affected customers will be mailed a separate 30 day notice of the change in the recycling commodity charge. A copy of this notice, which was reviewed and approved by John Cupp, is enclosed.

These proposed revised tariff pages also contain increases due to a rise in disposal fees for Item 230 pass-through fees and rates for WUTC residential, and commercial garbage collection services.

The requested garbage rate increases are necessary to recover increased disposal fees imposed upon SSC at the RDS Transfer Station. The notification from the facility is included with this filing.

SSC is only requesting revisions to its tariff rates to recoup disposal fee component increases. This filing does not ask for any changes to the service component of customers' rates for the company's performance of solid waste collection services.

Residential and commercial customer revenue resulting from the tip fee increases at the third-party disposal site would increase by approximately \$153,000 and the proposed rates would go up between 0.65% and 1.66%. The impact to pass through disposal fee customers for the Item 230 pass through increase will be approximately \$192,000 and the pass through rates would go up by approximately 6.67%. The effective date of these proposed tariff revisions is January 1, 2019. Work papers showing the calculation of the disposal fee increase are enclosed.

In accordance with WAC 480-70-271(2), to the extent the Commission approves the rates reflecting the disposal fee increases, affected customers will be notified of this rate increase on their next regularly scheduled billing.

Please feel free to call me at (360) 527-9783 if you have any questions about this filing.

Sincerely

**Amber Jones** 

Chief Financial Officer