

Agenda Date: October 26, 2005

Item Number: B1

Docket: TG-051235

Company: Yakima Waste Systems, Inc., G-89

Staff: Bob Colbo, Transportation Program Staff
John Cupp, Consumer Program Specialist

Recommendation:

Issue a Complaint and Order suspending the tariff provisions filed by Yakima Waste Systems, Inc., G-89, in Docket TG-051235.

Discussion:

On August 15, 2005, Yakima Waste Systems, Inc., G-89, (Yakima or the Company) filed revisions to its Tariff No. 19 proposing 7.66% increases in virtually all services they provide except recycling and yardwaste. The new rates originally proposed to become effective October 1, 2005, but the Company subsequently requested to postpone the effective date to November 1st. Present rates have been in effect since February 2003; the current filing will generate about \$490,000 of additional revenue. Yakima provides regulated service throughout Yakima County plus several contracts with various municipalities. Present rates have been in effect since February 2003.

Consumer Affairs received eleven comments on the filing. Two were in favor of what they considered a moderate and deserved increase. The rest expressed opposition. Only a few of these gave reasons, the most common being that rates are already too high, and the company needs to "tighten its belt."

The Company states that its filing was necessitated by increased payroll, medical and liability insurance premiums, fuel costs, and depreciation expenses. Staff reviewed the filing and the allocations to regulated operations. Significant differences between the Company and Staff center on those allocations, with staff believing that too much cost is being allocated to regulated services.

A representative sampling of present and proposed rates follows:

	<u>Present Rate</u>	<u>Proposed Rate</u>
<u>Residential Service</u> (Wkly Svc, Monthly Rate)		
One Can	\$6.25	\$6.73
Two Can	8.16	8.79
<u>Commercial Service</u> (Monthly Svc, Monthly Rate)		
One Yard	21.16	25.16
Three Yard	56.30	60.64
<u>Drop Boxes</u> (per PickUp)		
20 Yard	58.20	62.66
30 Yard	65.26	70.26

Recommendation

The Company has not yet demonstrated that the proposed rates are fair, just, reasonable, and sufficient. It is therefore recommended that the Commission issue a Complaint and Order suspending the tariff provisions filed by Yakima Waste Systems, Inc., G-89, in Docket TG-051235.

Attachment

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