

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

LESS THAN STATUTORY NOTICE REQUESTED BY:

Company Name: Methow Valley Sanitation Service, Inc Certificate No. G- 146 UBI No. 601 038 660

Registered Trade Name(s): Methow Valley Sanitation Service, Inc.

Company proposes to change Tariff Number 8.

The company requests Commission approval to amend its filed Tariff Number 8 on Less the Statutory Notice to include a Special Fuel Surcharge Tariff Supplement to recover the rising cost of fuel. Fuel index prices have increased from \$1.9274 per gallon for the base period to \$3.9351 per gallon current price. Proposed changes are to add a Special Fuel Surcharge Supplement No. 80 in the amount of 1.88%.

(This section to be completed if filing is made by other than owner, partner, or corporate officer of the company)

Name and title of issuing agent: Robert Cole is authorized to issue and file tariffs and/or time schedules on behalf of (name of company): Methow Valley Sanitation Service, Inc. Signature and title of authorizing agent: Chad Patterson-President

Telephone number/fax/e-mail of authorizing agent: 509-997-8862 Fax: 509-997-7662

I request these provisions become effective: May 1, 2014 to expire on: May 31, 2014

Signature and Title of Issuing Agent: Robert C. Cole

Printed name of Issuing Agent: Robert C. Cole

Telephone No. 425-882-3118 FAX No. 425-558-9336 E-mail: coleascpa@aol.com

Mailing Address: 15600 Redmond Way Ste 202 City: Redmond State: Washington Zip 98052

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

ORDER

- 1. The Commission finds good cause to support the request and authorize the proposed changes to become effective with Less Than Statutory Notice on: May 1, 2014.
2. The proposed changes will expire on: May 31, 2014.
3. The temporary 1.88% fuel surcharge in all rates and charges is the result of increased fuel costs incurred by the company during the months of March 2014, to be collected from customers as follows:

For customers who are billed monthly for services in arrears, the fuel surcharge applies to all services provided in the month of May 2014.

DATED and signed at Olympia, Washington, this 28th day of April, 2014

By direction of the Commission,

Handwritten signature of Steven V. King
Steven V. King
Executive Director and Secretary

**SPECIAL FUEL SURCHARGE SUPPLEMENT NO. 80**

**Cancels**

**SPECIAL FUEL SURCHARGE SUPPLEMENT NO. 79**

**Applies on Carrier's Tariff No. 8**

The Commission approves a temporary 1.88% fuel surcharge in all rates and charges as a result of increased fuel costs incurred by the company during the month of March 2014, to be collected from customers as a separate line item on the billing, as follows:

Customers who are billed monthly for services in arrears:

The fuel surcharge applies to all services provided in the month of May 2014.

**Issued By: Chad Patterson, President  
Methow Valley Sanitation Service, Inc. G-146**

**Mailing Address:  
P.O. Box 656  
Twisp, WA 98836  
Telephone: 509-997-8862  
FAX: 509-997-7662  
E-mail:**

**Issue Date: 04-23-14**

**Effective Date: 06-09-14**

**FOR OFFICIAL USE ONLY**

**Effective Date: \_\_\_\_\_ Expiration Date: \_\_\_\_\_**

**Docket TG- \_\_\_\_\_ By \_\_\_\_\_**

Tariff No. 8

81 Revised Page No. 2

Company Name/Permit Number: Methow Valley Sanitation Service, Inc.G-146

CHECK SHEET

All pages contained in this tariff are listed below in consecutive order. The pages in the tariff and/or any supplements to the tariff listed on this page have issue dates that are the same as, or are before, the issue date of this page. "O" in the revision column indicates an original page.

Title Page	0	25	0		
Check sheet	81	26	0		
		27	0		
3	0	28	0		
4	0	29	0		
5	0	30	0		
6	0	31	0		
7	1 <sup>st</sup>	32	0		
8	0	33	0		
9	0	34	0		
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11	0	36	0		
12	0	Last	0		
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22	0				
23	0				
24	1st				

Supplements in effect:

Special Fuel Surcharge Supplement No. 80

Issued by: Chad Patterson - President  
Issue date: 04-23-14

Effective date: 06-09-14

(For Official Use Only)

Docket No. TG-

Date:

By:

## Fuel Surcharge Worksheet (Solid Waste)

<b>INPUTS</b>	a) Company Name	Methow Valley Sanitation Service, Inc.
	b) Proposed Effective Date	May 1, 2014
	c) Regulated Revenue (most recent filing with the UTC)	\$565,568

<b>OUTPUTS</b>	1) Allowable Fuel Surcharge (Order 02 Methodology)	2.58%
	2) Staff Demonstrated Allowable Fuel Surcharge (Lesser of Line 31 or Line 47)	1.88%

Your company's last general rate case is older than 3 years; and therefore, if you choose to file a fuel surcharge staff will conduct an earnings review and may request the commission to issue a formal complaint against rates pursuant to Order 05.

Line No.

1	<b>1. Using the appropriate company name, look up base period information from last GRC.</b>		
2	Base Revenue	\$	499,732
3	Base Fuel Expense	\$	17,199
4	Base Fuel Index Period		December 31, 2004
5	Effective Date (GRC)		December 1, 1995
6	Billing Period		1
7	Geographic Location		East
8	Annual Report Revenue (most recent)	\$	565,568
9			
10	<b>2. Using the appropriate base period information, calculate how much of total revenue was spent on fuel.</b>		
11	Base Fuel Expense	\$	17,199
12	Divided by Base Revenue	+ \$	499,732
13	Equals Base Fuel vs. Base Revenue Ratio	=	0.0344
14	Multiplied By 100	x	100
15	Equals Base Fuel Expense as % of Base Revenue	=	3.44%
16			
17	<b>3. Calculate the fuel index increase.</b>		
18	Current OPIS Fuel Index	\$	3.9351
19	Minus Base Fuel Index	- \$	1.9274
20	Equals Difference in Fuel Index Price	= \$	2.008
21	Divided By Base Fuel Index	+ \$	1.927
22	Equals Relative Fuel Index Price Difference Ratio	=	1.0417
23	Multiplied By 100	x	100
24	Equals Fuel Index Percent Increase	=	104.17%
25			
26	<b>4. Calculate amount of revenue increase needed to recover fuel price increases.</b> The calculation in this step is the same as the old methodology and is provided here as a reference for the company and commission staff and to comply with Order 05 which specifies that the new fuel surcharge process encompass all of the procedures and requirements set forth on October 26, 2005, at the commission's open meeting.		
27	Base Fuel Expense as % of Base Revenue		3.44%
28	Multiplied By Fuel Percent Price Increase	x	104.17%
29	Equals Fuel Index Increase as a % of Base Revenue	=	3.58%
30	Minus One Percentage Point	-	1.00%
31	Equals Allowable Fuel Increase as a % of Base Revenue	=	2.58%
32			
33	<b>5. Fuel Surcharge Revenue Test.</b> Demonstration of the allowable fuel increase and possible adjustment to allowable fuel increase. This is staff's calculation of the demonstration referred to in Order 05, Ordering Paragraph 2(b) that the surcharge will not generate revenues in excess of the authorized portion of the difference between current fuel prices and the fuel costs embedded in the company's fares that the surcharge is intended to recover. A company may file additional data and methodologies that they believe makes the same demonstration.		
34	Allowable Fuel Increase as a % of Base Revenue (Line 31)		2.58%
35	Multiplied by Base Revenue	x \$	499,732
36	Equals Allowable Fuel Increase to Base Revenue	= \$	12,910
37			
38	Base Fuel Expense as % of Base Revenue (Line 15)		3.44%
39	Multiplied by Most Recent Regulated Revenue (greater of Line 8 or Input "Regulated Revenue")	x \$	565,568
40	Equals Fuel Expense as \$ of Most Recent Regulated Revenue	= \$	19,456
41			
42	Base Fuel Expense (Line 3)	\$	17,199
43	Plus Allowable Fuel Increase to Base Revenue (Line 36)	+ \$	12,910
44	Minus Fuel Expense as \$ of Most Recent Regulated Revenue (Line 40)	- \$	19,456
45	Equals Difference Between Fuel Expenses	= \$	10,654
46	Divided by Most Recent Regulated Revenue (Line 39)	+	\$565,568
47	Equals Demonstrated Allowable Fuel Increase as a % of Regulated Revenue	=	1.88%

**Robert Cole  
& Assoc.**

Certified Public Accountants

**Robert C. Cole, CPA, Richard B. Edwards, CPA, Denise E. Ireland, EA**

April 23, 2014

Mr. Steven V. King  
Executive Director and Secretary  
Attn: Records Center  
Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Dr SW  
P.O. Box 47250  
Olympia, WA. 98504-7250  
RE: Methow Valley Sanitation Service, Inc. G-146  
Special Fuel Surcharge Supplement 80

Dear Secretary:

Enclosed herewith are proposed tariff 8, pages 2 and special fuel surcharge supplement #80 for Methow Valley Sanitation Service, Inc, issued April 23, 2014 to become effective June 9, 2014. The revisions are due to rising fuel prices and changes in fuel indexes, resulting in a surcharge of 1.88%

In conjunction, we submit the following in regards to the revised pages.  
Copies of revised pages  
LSN application asking for permission for May 1, 2014 effective date  
Solid Waste Fuel Surcharge Worksheet

If we can provide any further information, please call Bob Cole at 206-525-2614 or 206-498-5135.

Sincerely,  
Robert C. Cole  
Enclosures

Member: AICPA, WSCPA, WRRRA

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15600 Redmond Way, Suite 202 Redmond, WA 98052, (206) 498-5135, (425) 821-9777  
Fax (425) 558-9336

**Young, Mike (UTC)**

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**From:** Snyder, Jennifer (UTC)  
**Sent:** Thursday, April 24, 2014 8:53 AM  
**To:** coleasccpa@aol.com  
**Cc:** Young, Mike (UTC); Cheesman, Melissa (UTC); Eckhardt, Gene (UTC); Deferia, Virginia (UTC); Santos, Virgil (UTC); Kern, Cathy (UTC); Wallace, Sharon (UTC); UTC DL Records Center; Martin, Roland (UTC); Pratt, David (UTC); Vasconi, Mark (UTC); UTC DL Utilities Transportation Section  
**Subject:** TG-140695 - Methow Valley Sanitation Service, Inc. - Fuel Surcharge Tariff  
**Attachments:** TG-140695 Checksheet06 alt.pdf; TG-140695 Supplement 80.pdf; TG-140695 Transmittal Letter.pdf; TG-140695 LSN\_May\_01\_14.pdf; TG-140695 Checksheet06 alt.doc; TG-140695 LSN\_May\_01\_14.doc; TG-140695 MVS\_Fuel\_Srch\_May\_01\_14.xls; TG-140695 Supplement 80.doc; TG-140695 Transmittal Letter.doc

Mr. Cole,

The commission received your electronic tariff filing on behalf of Methow Valley Sanitation Service, Inc. on April 23, 2014. The filing has been posted to the commission's Records Management System (RMS2).

The Docket Number for this filing is: **TG-140695**

The filing is scheduled to become effective on: **June 9, 2014**

The LSN request is scheduled to become Effective on: **May 1, 2014**

The filing is currently assigned to: **Mike Young & Melissa Cheesman**

The current filing summary is: Less than statutory notice request to revise Tariff No. 8, reflecting the addition of Special Fuel Surcharge Supplement No. 80.

If you have questions, please reply to this e-mail.

Thank you,

**Jennifer Snyder**  
Customer Service Specialist 3  
Records Management  
Utilities and Transportation Commission  
1300 South Evergreen Park Drive SW  
Olympia, WA 98504  
(360)664-1260