

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

WASTE MANAGEMENT OF
WASHINGTON, INC.,

Petitioner,

Seeking Exemption from WAC 480-70-
271(a)(a) Relating to customer notice
requirements

DOCKETS TG-180190, TG-180191,
TG-180192, TG-180193, TG-180194

ORDER 01

ORDER DENYING REQUEST FOR
EXEMPTION FROM RULE

BACKGROUND

- 1 On March 1, 2018, Waste Management of Washington, Inc. (North Sound/Marysville; South Sound/Seattle; WM Spokane; WM of Skagit County; Brem Air Disposal; collectively the Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting an exemption from WAC 480-70-271(1)(a), customer notice requirements (Petition). The Petition was filed in connection with proposed revisions to five of the Company’s operating tariffs. The proposed revisions would implement a surcharge for recycling rates to mitigate the impacts of volatile markets for recyclable material due to the consequences of China’s “National Sword” policy. The surcharge would be effective May 1, 2018.
- 2 WAC 480-70-271(1)(a) requires solid waste companies to provide customers at least 30 days’ notice prior to the effective date when a company proposes to increase recurring monthly rates. In its Petition, the Company states that notifying customers 30 days prior to the effective date of the filed surcharge undercuts the need for responsiveness to a volatile situation that the surcharge is intended to address. The Company states in its Petition that it would be burdensome, costly, and unnecessary to provide a separate mailing to all customers 30 days prior to the effective date. Instead, the Company proposes to provide customers a notice of the change through alternate means, namely a statement on each customer invoice, and therefore requests an exemption from the 30-day customer notice requirements.

3 Commission staff (Staff) reviewed the request and recommends the Commission deny the Company's request for an exemption from the customer notice requirement because the proposed surcharge meets the definition of a rate increase, which requires notice to customers, and will appear as a new charge on customers' billing statements.

DISCUSSION

4 The Commission concurs with Staff's recommendation. The customer notice requirements in WAC 480-70-271(1) ensure that solid waste carriers provide customers with sufficient notice of an expected increase in recurring monthly rates. In its Petition, the Company argues that the purpose of the proposed surcharge is to mitigate the lack of certainty over future charges for handling and processing recyclable materials. The Company argues that providing 30 days' notice of this surcharge to residential customers who are billed on a quarterly basis would undermine the responsiveness of the cost-recovery mechanism intended by the filing. Although the surcharge is proposed to be effective May 1, Waste Management argues that providing notice to customers would require a separate mailing, the cost of which would create an undue hardship for the Company.

5 As the Company acknowledges in its Petition, however, the proposed surcharge does not fit within any of the exceptions to the customer notice requirements set out in WAC 480-70-271(2).¹ Because the proposed surcharge will be effective May 1, the Company has ample time to provide 30 days advance notice through a separate mailing, as permitted by the rule. Notice requirements serve the public interest by providing the Company's customers the opportunity to comment on the proposed charge. We decline to find that the one-time cost of providing 30 days' notice outweighs this important consumer protection.

6 Accordingly, an exemption from this requirement for purposes of the filing in these dockets is not consistent with the public interest and the purposes underlying the rule, and therefore should be denied.

¹ Exceptions are limited to non-recurring charges, local taxes, disposal fee increases, fuel surcharges, credits or refunds, and commodity credits and charges.

FINDINGS AND CONCLUSIONS

- 7 (1) The 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.
- 8 (2) Waste Management of Washington, Inc., 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.
- 9 (3) Waste Management of Washington, Inc., is subject WAC 480-70-271(1)(a), which requires companies to provide 30 days' notice to customers prior to the effective date of a proposed rate increase.
- 10 (4) Under WAC 480-70-051, the Commission may grant an exemption from the provisions of any rule in WAC 480-70, if consistent with the public interest, the purposes underlying regulation and applicable statutes. See also WAC 480-07-110.
- 11 (5) This matter came before the Commission at its regularly scheduled meeting on March 15, 2018.
- 12 (6) After review of the petition filed in Dockets TG-180190, TG-180191, TG-180192, TG-180193, TG-180194 by Waste Management of Washington, Inc., on March 1, 2018, and giving due consideration, the Commission finds that the exemption from WAC 480-70-271(1)(a) is not in the public interest and should be denied.

ORDER

THE COMMISSION ORDERS:

- 13 (1) The requested exemption from WAC 480-70-271(1)(a), customer notice requirements, is denied. Waste Management of Washington, Inc. must provide a copy of the customer notice to Commission Staff for review prior to the notice being sent to customers.

- 14 (2) The Commission retains jurisdiction over the subject matter and Waste Management of Washington, Inc. to effectuate the provisions of this Order.

DATED at Olympia, Washington, and effective March 15, 2018.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner