

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Request of

HAROLD LEMAY ENTERPRISES, INC.,  
d/b/a CITY SANITARY CO., JOE'S  
REFUSE SERVICE, WHITE PASS  
GARBAGE CO.,

Petitioner,

Seeking Exemption from the Provisions of  
WAC 480-70-351(2) Relating to  
Recycling Credits or Charges

DOCKET TG-190399

ORDER 01

ORDER GRANTING EXEMPTION  
FROM RULE; ALLOWING TARIFF  
REVISIONS TO BECOME  
EFFECTIVE BY OPERATION OF  
LAW

**BACKGROUND**

- 1 On May 15, 2019, Harold LeMay Enterprises, Inc. d/b/a City Sanitary Co., Joe's Refuse Service, White Pass Garbage Co., (Joe's Refuse Service or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting an exemption from WAC 480-70-351(2) – Rates, recycling programs, credits, or charges (Petition).
- 2 WAC 480-70-351(2) states that solid waste companies that estimate revenue from the sales of recyclable materials collected in residential curbside programs as part of a deferred accounting program to return recycling revenues or charges to customers must use the most recent 12-month historical period to estimate the revenue for the next 12 months.
- 3 In its Petition, the Company asserts that the recycling commodity markets have become more volatile, and a shorter projection period for calculating commodity adjustments would avoid large swings in the credit or debit to customers based on changing commodity values. Due to the decreased value of recyclable commodities, the Company seeks approval to use a 6-month, rather than 12-month, average to calculate its proposed recycling commodity adjustment.
- 4 Commission staff (Staff) reviewed the Petition and determined that the request for an exemption from the 12-month historical period requirement is reasonable. Staff recommends granting Joe's Refuse Service's request for exemption.

## DISCUSSION

5 We agree with Staff's recommendation and grant Joe's Refuse Service's Petition for  
exemption from WAC 480-70-351(2). Using the most recent 6-month historical period  
to estimate revenues is reasonable because it reflects a more realistic estimate of  
recyclable commodity revenue. Accordingly, we find that granting the Company's  
request for an exemption is consistent with the public interest, the purposes underlying  
regulation, and applicable statutes.<sup>1</sup>

## FINDINGS AND CONCLUSIONS

- 6 (1) The Commission is an agency of the State of Washington vested by statute with  
the authority to regulate the rates, regulations, practices, accounts, and affiliated  
interests of public service companies, including solid waste companies.
- 7 (2) Joe's Refuse Service is a solid waste company and a public service company  
subject to Commission jurisdiction.
- 8 (3) Joe's Refuse Service is subject to WAC 480-70-351(2), which requires solid waste  
companies that estimate the revenue from the sales of recyclable materials  
collected in residential curbside programs as part of a deferred accounting  
program to return recycling revenues or charges to customers to use the most  
recent 12-month historical period to estimate the revenue for the next 12 months.
- 9 (4) Under WAC 480-70-051, the Commission may grant an exemption from the  
provisions of any rule in WAC 480-70 if doing so is consistent with the public  
interest, the purposes underlying regulation, and applicable statutes. See also  
WAC 480-07-110.
- 10 (5) Staff recommends the Commission grant Joe's Refuse Service's request for  
exemption from WAC 480-70-351(2).
- 11 (6) This matter came before the Commission at its regularly scheduled meeting on  
June 27, 2019.

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<sup>1</sup> See WAC 480-70-051 and WAC 480-07-110.

- 12 (7) After reviewing Joe's Refuse Service's proposed tariff revisions filed on May 15, 2019, in Docket TG-190399 and giving due consideration to all relevant matters and for good cause shown, the Commission finds that the requested exemption is in the public interest, is consistent with the purposes underlying the regulation and applicable statutes, and should be granted, and that the proposed tariff revisions should become effective July 1, 2019, by operation of law.

**ORDER**

**THE COMMISSION ORDERS:**

- 13 (1) The Commission grants Harold LeMay Enterprises, Inc. d/b/a City Sanitary Co., Joe's Refuse Service, White Pass Garbage Co.'s petition for an exemption from WAC 480-70-351(2). Harold LeMay Enterprises, Inc. may use the most recent six months of historical revenues to calculate its recycling commodity adjustment.
- 14 (2) The tariff Harold LeMay Enterprises, Inc. d/b/a City Sanitary Co., Joe's Refuse Service, White Pass Garbage Co. filed on May 15, 2019, will become effective on July 1, 2019, by operation of law.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Lacey, Washington, and effective June 27, 2019.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON, Executive Director and Secretary