

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Request of  
  
WASTE MANAGEMENT OF  
WASHINGTON, INC., d/b/a WASTE  
MANAGEMENT OF SKAGIT COUNTY,  
  
Petitioner,  
  
Seeking Exemption from the Provisions of  
WAC 480-70-351(2) Relating to  
Recycling Credits or Charges

DOCKET TG-200423  
  
ORDER 01  
  
GRANTING EXEMPTION FROM  
RULE; ALLOWING TARIFF  
REVISIONS TO BECOME  
EFFECTIVE BY OPERATION OF  
LAW

**BACKGROUND**

- 1 On May 11, 2020, Waste Management of Washington, Inc., d/b/a Waste Management Skagit County, (Waste Management Skagit County 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 Under WAC 480-70-351(2), 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 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 that 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 Waste Management Skagit County’s request for exemption.

## DISCUSSION

5 We agree with Staff's recommendation and grant Waste Management Skagit County'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) Waste Management Skagit County is a solid waste company and a public service  
company subject to Commission jurisdiction.
- 8 (3) Waste Management Skagit County 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 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 Waste Management Skagit County'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 25, 2020.

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

- 12 (7) After reviewing Waste Management Skagit County's proposed tariff revisions filed on May 11, 2020, in Docket TG-200423 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, 2020, by operation of law.

**ORDER**

**THE COMMISSION ORDERS:**

- 13 (1) The Commission grants Waste Management of Washington, Inc., d/b/a Waste Management Skagit County's petition for an exemption from WAC 480-70-351(2). Waste Management Skagit County may use the most recent six months of historical revenues to calculate its recycling commodity adjustment.
- 14 (2) The tariff Waste Management of Washington, Inc., d/b/a Waste Management Skagit County, filed on May 11, 2020, will become effective on July 1, 2020, by operation of law.
- 15 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 25, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON  
Executive Director and Secretary