

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

TRILOGY MEDWASTE WEST, LLC,

Petitioner,

Seeking Exemptions from the Provisions
of WAC 480-07-520(4) Relating to the
Submission of Workpapers; From the
Provisions of RCW 81.28.050 and WAC
480-70-266 Relating to the Requirement
of 45-Day Notice to the Commission; and
From the Provisions of WAC 480-70-271
Relating to the Requirement of 30-Day
Notice to Customers

DOCKET TG-220638

ORDER 01

GRANTING EXEMPTION FROM
RULE; GRANTING LESS THAN
STATUTORY NOTICE;
ALLOWING TARIFF REVISION

BACKGROUND

- 1 On August 24, 2022, Trilogy MedWaste West, LLC, (Trilogy or Company) filed a petition (Petition) with the Washington Utilities and Transportation Commission (Commission) seeking less than statutory notice to revise a tariff rate set in Docket TG-220437, which became effective on August 1, 2022.
- 2 The Company stated in its Petition that the Company had accidentally used the rate of \$1.28 per gallon for the 51 to 100-gallon service in its tariff and was seeking to correct this to \$1.45 per gallon. The Company stated the \$1.45 price per gallon was initially set in Docket TG-210036 when it adopted Tariff No. 2 from Waste Management of Washington, Inc. Trilogy states it did not intend to reduce the rate during its recent rate case.
- 3 During Commission staff's (Staff) review, it determined the Company had used the incorrect rate in the calculation of rates. The Company had used a rate of \$1.18 per gallon for the test period instead of the \$1.45 per gallon listed in the Company's Tariff. This resulted in the Company calculating a revised rate of \$1.28 per gallon.
- 4 In seeking to correct the rate to \$1.45 per gallon, the Company is required to submit a general rate case per Washington Administrative Code (WAC) 480-07-505(1), which states that any filing by a solid waste collection company requesting to change its rates

initiates a general rate proceeding. When filing a general rate case, a solid waste company must comply with (1) WAC 480-07-520(4), which requires that companies include work papers in initial filings, (2) WAC 480-70-266, which requires 45-day notification to the Commission of any filing that will result in a rate increase, and (3) WAC 480-70-271 regarding customer notification requirements.

5 Staff recommends the Commission grant the Company an exemption from WAC 480-07-520(4) on its own motion under WAC 480-07-110. Staff believes the workpapers used in the prior rate case are recent enough to be used again to complete its review, analysis, and recalculation of rates. As such, Staff believes it is consistent with the public interest to use these documents and not require the Company to resubmit the same documents.

6 Staff has reviewed the workpapers from the prior case and reviewed the information from the Company in this Docket. The new rate will cause an increase of up to \$8.50 per load,¹ but the requested adjustment will not cause the Company to exceed the revenue requirement as Staff calculated it in Docket TG-220437.

7 Staff believes there has been adequate time to review the information to justify the rate increase requested by the Company. If the Company were to seek additional revisions outside of administrative corrections, Staff believes a more thorough review would be necessary.

8 As part of the filing, the Company requested that the Commission allow the tariff to become effective with less than statutory notice, which would require that the Commission waive the 45-day notice requirement of RCW 81.28.050 and WAC 480-70-266. The tariff sheet bears an effective date of October 7, 2022, which accommodates the required statutory notice, however Trilogly requests that the revision become effective October 1, 2022.

9 The request to allow less than statutory notice also requires the Commission to waive WAC 480-70-271, which requires solid waste companies to provide each affected customer a notice at least 30 days before the requested effective date.

10 Staff recommends the Commission grant the Company's request for less than statutory notice and allow the revised rate to go into effect. Staff believes that granting the Company's request for less than statutory notice is justified based on the facts of the case.

¹ \$1.45 per gallon – \$1.28 per gallon = \$0.17 per gallon x 50 gallons = \$8.50 maximum charge per load.

DISCUSSION

- 11 We agree with Staff that the proposed tariff revision requires resolution in a general rate case because the Company proposes to increase the rates authorized in the Company's last general rate case. The Company has recently provided the necessary materials in Docket TG-220437, and there would be little additional information gained by having the Company resubmit the same documents already reviewed. As such we believe granting an exemption from WAC 480-07-520(4) is reasonable and consistent with the public interest.
- 12 Staff confirmed that when the Company submitted the rates to the Commission for review it used a lower rate than what was in effect at the time for the service addressed in this filing. The Company is now seeking to reinstate the previous rate that was in use until August 1, 2022, which it inadvertently reduced. Because the Company was seeking to increase revenues through its last general rate case, we agree this was likely an inadvertent reduction in a rate calculation that should be returned to its prior rate.
- 13 With respect to the Company's request for less than statutory notice, we agree that implementing the change to this rate is prudent to prevent additional losses the Company is experiencing due to an error in its calculation of rates. Accordingly, we find that good cause exists to grant an exemption from the statutory notice requirements, and that granting the exemption is consistent with the public interest.

FINDINGS AND CONCLUSIONS

- 14 (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.
- 15 (2) Trilogy 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.
- 16 (3) Trilogy is subject to WAC 480-07-520(4), which requires solid waste companies to submit specific workpapers supporting the Company's request for a general rate case.
- 17 (4) Under WAC 480-07-110, the Commission may grant an exemption from the provisions of any of its own rules, or procedural rules, if doing so is consistent

with the public interest, the purposes underlying regulation, and applicable statutes.

- 18 (5) Trilogy is subject to RCW 81.28.050 and WAC 480-70-266, which require solid waste companies to file changes in any rate or charge with 45 days' notice. For good cause shown, however, the Commission may allow changes without requiring 45 days' notice by order specifying the changes to be made and the time when it shall take effect. See also WAC 480-70-276.
- 19 (6) 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.
- 20 (7) Staff has reviewed Trilogy's request in Docket TG-220638 and recommends the Commission grant the Company's less than statutory notice request. Staff further recommends the Commission grant the Company an exemption from WAC 480-70-271 and allow the Company to notify customers through notifications in their next bill.
- 21 (8) This matter came before the Commission at its regularly scheduled meeting on September 29, 2022.
- 22 (9) After reviewing Trilogy's proposed tariff revision filed on August 24, 2022, in this Docket and giving due consideration to all relevant matters and for good cause shown, the Commission finds the proposed tariff revision should become effective October 1, 2022.
- 23 (10) After review of the Petition filed in Docket TG-220638 by Trilogy on August 24, 2022, and giving due consideration, the Commission finds that exemptions from WAC 480-07-520(4) and WAC 480-70-266 are in the public interest and are consistent with the purposes underlying the regulation and applicable statutes and should be granted.
- 24 (11) The Commission also finds Trilogy should be granted an exemption from the customer notice requirements in WAC 480-70-271.

ORDER

THE COMMISSION ORDERS:

- 25 (1) After the effective date of this Order, Trilogy MedWaste West, LLC, is granted an
exemption from WAC 480-07-520(4) regarding the filing of workpapers.
- 26 (2) Trilogy MedWaste West, LLC's request for less than statutory notice is granted.
- 27 (3) Trilogy MedWaste West, LLC, is granted an exemption from WAC 480-70-271
regarding notice to customers. Trilogy MedWaste West, LLC must provide notice
to customers in its next customer billing.
- 28 (4) The tariff revision Trilogy MedWaste West, LLC, filed on August 24, 2022, will
be effective on October 1, 2022.
- 29 (5) The Commission retains jurisdiction over the subject matter and Trilogy
MedWaste West, LLC, to effectuate the provisions of this Order.

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 September 29, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

AMANDA MAXWELL
Executive Director and Secretary