

Agenda Date: May 15, 2008
Item Number: B2

Docket: **TG-080671**
Harold LeMay Enterprises, Inc., G-98
d/b/a Pacific Disposal and Butlers Cove Refuse Service

Staff: Nicki Johnson, Regulatory Analyst
Dennis Shutler, Consumer Affairs Specialist

Recommendation

Take no action on this filing at this time to allow for customer comments.

Discussion

On April 17, 2008, Harold LeMay Enterprises, Inc., (Pacific or company), filed with the Utilities and Transportation Commission (commission) tariff revisions for solid waste collection that would generate \$400,000 (3.0 percent) in additional revenue per year. Pacific serves approximately 42,000 customers in Thurston County. The proposed rate revisions are prompted by an increase in labor, fuel, equipment and medical insurance costs.

Today's presentation allows customers or other interested parties to comment to the commission. No action is required by the commission. Staff will make its recommendation to the commission at the open meeting on May 28, 2008. Although the company's rates increased on January 1, 2008, to pass-through the Hawks Prairie Transfer Station's disposal increase, this is Pacific's first general rate increase since January 2001.

On April 25, 2008, the company notified its customers of the rate increase by mail. Staff asked the company to advise customers that the commission would take public comments at the May 15, 2008, open meeting and that the commission would make a decision at the May 28, 2008, open meeting. Although the company decided to not include the open meeting dates in its notice, the company's notice complies with the current rule requirements.

The commission has received nine customer comments on this filing as of May 5, 2008. The following statements summarize the customers' comments: (1) the requested rate increase is just another increase that hurts the average consumer and exceeds any cost of living adjustments, (2) the commission should find out how much the company receives for selling the recycled materials before granting any increases, (3) the company provides outstanding service and the proposed increase is small compared to the recent increases in fuel and equipment costs, and (4) if the company's cost to provide medical insurance for its employees is going up, require the employees to pay more rather than passing on the increased cost to the consumers.

Rate Comparison

	Present	Proposed
Residential Monthly Rates		
35 gallon cart weekly garbage service	\$10.39	\$10.95
65 gallon cart weekly garbage service	\$16.09	\$16.80
Residential recycling	\$6.22	\$6.22
Commercial		
Two yard container service per month	\$110.59	\$111.96
20 yard drop box service per pick-up	\$74.00	\$80.00

Average Customer Charge Comparison – 35 Gallon Cart Customer

Monthly Service	Present	Proposed
Garbage Component	\$10.39	\$10.95
Mandatory Recycling	\$6.22	\$6.22
Commodity Credit	(\$2.09)	(\$2.09)
Total Garbage and Recycling	\$14.52	\$15.08

Commission staff has not yet completed its review of Pacific's supporting financial documents, books and records.

Conclusion

Take no action on this filing at this time to allow for customer comments.