

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of Tariff Revisions to Implement Superfund Surcharge Filed by	DOCKET TG-171130
BASIN DISPOSAL, INC.,	ORDER 01
Certificate G-118	ORDER AUTHORIZING SURCHARGE

**BACKGROUND**

- 1 On November 16, 2017, Basin Disposal, Inc. (BDI or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its Tariff 94 to that would generate approximately \$86,886 (2 percent) additional annual revenue. The tariff revisions create a surcharge tracker to recover the Company's legal expenses associated with the Pasco Sanitary Landfill (PSL) Superfund site. BDI serves approximately 5,500 residential and commercial customers in Benton, Franklin, and Walla Walla counties.
- 2 The Company submits this filing pursuant to Order 02 in Docket TG-170189, which allows the Company to recover legal costs associated with the PSL Superfund site subject to the following conditions: 1) BDI must implement a tracker for its annual Superfund costs from October 1 through September 30 each year; 2) BDI must submit a 45-day filing with supporting documents and an effective date of January 1 each year, beginning January 1, 2018; 3) BDI must divide its annual Superfund costs by its total tonnage and allocate its costs between customer classes; 4) BDI must maintain revenue collected through the tracker in a separate account; and 5) if BDI over- or under-collects for any year, the following year will be adjusted to true-up the difference.
- 3 Consistent with the requirements set out in Order 02, the Company seeks to recover the costs it incurred for legal representation from October 2016 to September 2017. The fees total \$327,027, a \$99,460 portion of which is allocated to regulated customers.<sup>1</sup>

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<sup>1</sup> The allocation was determined by dividing regulated tonnage by total Company tonnage. The \$99,460 is also allocated between regulated services by using tonnage. The allocation result is \$21,326 to residential, \$13,928 to commercial, and \$66,206 to industrial customers. The residential and commercial amounts are divided by customer counts and divided by 12 months. The industrial portion is charged per ton disposed.

- 4 Commission staff (Staff) reviewed the Company's filing and determined that the Company's proposed rates are insufficient because they include only 11 months of legal fees. Staff and the Company agreed to a revised revenue requirement of approximately \$99,440 (2.2 percent) additional annual revenue, which allows the Company to recover costs for the 12 months ending September 30, 2017. On December 20, 2017, BDI filed revised tariff pages with proposed rates at Staff recommended levels.
- 5 Staff recommends the Commission approve the surcharge, as revised on December 20, 2017, to recover legal costs incurred from October 1, 2016, through September 30, 2017.

### DISCUSSION

- 6 The Commission concurs with Staff's recommendation. The purpose of the surcharge is to provide the Company with timely recovery of required costs related to the PSL Superfund site cleanup. We find that the Company has satisfactorily demonstrated that the proposed rate increase is consistent with both the requirements set out in Order 02 in Docket TG-170189 and the public interest. Accordingly, we conclude that the surcharge is fair, just, reasonable, and sufficient, approve the tracker for the 2018 rate year.

### 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, and accounts of public service companies, including solid waste companies.
- 8 (2) BDI 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) Consistent with the requirements set out in Order 02 in Docket TG-170189, BDI filed with the Commission revisions to its currently effective Tariff 94 to create a surcharge tracker to recover legal expenses related to the PSL Superfund site cleanup.
- 10 (4) This matter came before the Commission at its regularly scheduled meeting on December 28, 2017.
- 11 (5) Staff reviewed the Company's filing and recommends the Commission approve the surcharge tracker as revised on December 20, 2017.

- 12 (6) After reviewing the tariff revision BDI filed in Docket TG-171130 and giving due consideration, the Commission finds it consistent with the public interest to allow the revisions to Tariff 94 filed on November 16, 2017, and revised on December 20, 2017, to become effective on January 1, 2018.

**ORDER**

**THE COMMISSION ORDERS:**

- 13 (1) The Commission approves the tariff revision filed by Basin Disposal, Inc., on November 16, 2017, as revised on December 20, 2017, to become effective on January 1, 2018.
- 14 (2) Basin Disposal, Inc. must continue to request Commission review and approval of its surcharge tracker each year pursuant to the requirements set out in Order 02 in Docket TG-170189.

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

DATED at Olympia, Washington, and effective December 28, 2017.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary