

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

SOUND DISPOSAL HOLDINGS, INC.,  
d/b/a SOUND DISPOSAL,

Petitioner,

Seeking Exemption from the Provisions of  
WAC 480-70-351(2) Relating to Recycling  
Credits or charges, and Less Than Statutory  
Notice in Connection with Tariff Revisions

DOCKET TG 230706

ORDER 01

GRANTING EXEMPTION  
FROM RULE; GRANTING LESS  
THAN STATUTORY NOTICE

**BACKGROUND**

- 1 On August 31, 2023, Sound Disposal Holdings, Inc., d/b/a Sound Disposal (Sound Disposal or Company) filed with the Washington Utilities and Transportation Commission (Commission) a request petitioning an exemption from WAC 480-70-351(2), RCW 81.28.050, and WAC 480-70-266 (Petition).
- 2 WAC 480-70-351(2) requires solid waste companies that estimate the revenue from the sale 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.
- 3 In its Petition, Sound Disposal explains that due to the volatility in the recycling commodity markets, the Company is respectfully requesting a waiver from WAC 480-70-351(2). The Company submits that its calculation uses the most recent six-month historical period to estimate the recycling commodity processing expense/commodity adjustment. The Company also requests a six-month payback period, expiring March 31, 2024.
- 4 RCW 81.28.050 and WAC 480-70-266 require 45 days' notice to the Commission prior to the effective date of the tariff. The Company submitted tariff sheets to the Commission on August 31, 2023, with a proposed effective date of October 1, 2023, which provides less than 45 days' notice. Sound Disposal requests this treatment due to the current

commodity adjustment expiring on August 31, 2023, without a replacement rate. Sound Disposal stated it has experienced decreasing recycling costs over the last six months, compared to the previous six months, and wants to pass these changes on to its customers as soon as possible.

- 5 Commission staff (Staff) reviewed the request and notes that the Company missed a month in between filings. Staff submits that it is appropriate to use a new six-month period starting October 1, 2023, through March 31, 2024. Staff verified the Company did not charge customers in the month of September for any commodity adjustment. Staff recommends granting Sound Disposal's request for exemption.

### DISCUSSION

- 5 We agree with Staff that because of the volatility in the recycling commodity markets, an exemption from WAC 480-70-315(2) should be allowed. Pursuant to WAC 480-07-110, the Commission may, in response to a request or on its own motion, grant an exemption from its own rules when "consistent with the public interest, the purposes underlying regulation, and applicable statutes." Granting the exemption will help keep the commodity price adjustment less volatile from year to year. This exemption is subject to the condition that Sound Disposal must file another commodity price adjustment with the Commission, with an effective date of April 1, 2024.
- 6 We further agree allowing the lower rates into effect on less-than-statutory notice is consistent with the public interest. Pursuant to WAC 480-70-276, the Commission may allow tariff revisions for solid waste collection companies on less than statutory notice when there is an emergency or when merit is shown. Accordingly, we grant Sound Disposal's Petition.

### 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, accounts, and affiliated interests of public service companies, including solid waste companies.
- 8 (2) Sound Disposal 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) Sound Disposal is subject to WAC 480-70-351(2), which requires solid waste companies that estimate the revenue from the sale 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.
- 10 (4) Sound Disposal 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.
- 11 (5) 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.
- 12 (6) Staff has reviewed Sound Disposal's request in Docket TG-230706 and recommends the Commission grant the Company's less than statutory notice request. Staff further recommends the Commission grant an exemption from WAC 480-70-271 and require Sound Disposal to notify customers in its next billing.
- 13 (7) This matter came before the Commission at its regularly scheduled meeting on September 28, 2023.
- 14 (8) After reviewing the Petition filed in Docket TG-230706 by Sound Disposal on August 31, 2023, and giving due consideration, the Commission finds that the exemption is in the public interest and is consistent with the purposes underlying the regulation and applicable statutes and should be granted.

**ORDER**

**THE COMMISSION ORDERS:**

- 15 (1) Sound Disposal Holdings, Inc., d/b/a Sound Disposal's Petition for exemption from WAC 480-70-351(2) is granted. For the purpose of the revised tariff filed in Docket TG-230706 on August 31, 2023, Sound Disposal Holdings, Inc., d/b/a Sound Disposal may use a six-month historical period to estimate the revenue for the next six months. This exemption expires on March 31, 2024.
- 16 (2) This exemption is subject to the condition that Sound Disposal Holdings, Inc., d/b/a Sound Disposal must file another commodity price adjustment with an effective date of April 1, 2024.
- 17 (3) Sound Disposal Holdings, Inc., d/ b/a Sound Disposal's request for less than statutory notice is granted.
- 18 (4) Sound Disposal Holdings, Inc., d/ b/a Sound Disposal must provide notice to each affected customer in the next billing following the entry of this Order.
- 19 (5) The tariff revision Sound Disposal Holdings, Inc., d/ b/a Sound Disposal filed on August 31, 2023, will be effective on October 1, 2023.
- 20 (6) The Commission retains jurisdiction over the subject matter and Sound Disposal Holdings, Inc., d/b/a Sound Disposal to effectuate the provisions of this Order.
- 21 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 28, 2023.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

KATHY HUNTER  
Acting Executive Director and Secretary