# BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND	)	DOCKET TG-091761
TRANSPORTATION	)	
COMMISSION,	)	ORDER 01
	)	
Complainant,	)	
	)	COMPLAINT AND ORDER
V.	)	SUSPENDING TARIFF;
	)	ALLOWING RATES ON A
BASIN DISPOSAL OF YAKIMA,	)	TEMPORARY BASIS, SUBJECT TO
LLC, G-45	)	REFUND; AND, ORDERING
	)	COMPLIANCE WITH WAC 480-07-
Respondent.	)	520
	)	

## **BACKGROUND**

- On November 9, 2009, Basin Disposal of Yakima, LLC (Basin or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff No. 5, designated as 23<sup>rd</sup> revised page 1, 2<sup>nd</sup> revised page 18, 5<sup>th</sup> revised page 22, 2<sup>nd</sup> revised page 23, 2<sup>nd</sup> revised page 24, 2<sup>nd</sup> revised page 28, 3<sup>rd</sup> revised page 29, 6<sup>th</sup> revised page 31, and 2<sup>nd</sup> revised page 32. On December 10, 2009, Basin filed substitute pages designated as 2<sup>nd</sup> revised page 18, 5<sup>th</sup> revised page 22, 2<sup>nd</sup> revised page 23, 2<sup>nd</sup> revised page 24, 2<sup>nd</sup> revised page 28, 6<sup>th</sup> revised page 31, and 2<sup>nd</sup> revised page 32. The purpose of the filing is to increase rates due to an increase in a disposal fee. The stated effective date is January 1, 2010.
- A disposal fee increase falls within the definition of a general rate increase pursuant to WAC 480-07-505. WAC 480-07-520 lists the minimum required information the Company must provide in a general rate increase filing. The Company provided information pertinent to the disposal fee increase but did not provide the remainder of the information required by the rule.
- If the Commission suspends a tariff that includes rates to recover disposal fees, RCW 81.77.160 requires the commission to allow the rates related to the disposal fees to become effective on the originally filed effective date on an interim basis, subject to refund, pending the Commission's final order.

- Because this matter involves an increase to recover a disposal fee, Commission Staff recommended that the Commission take no action and allow the proposed rates to become effective on January 1, 2010, by operation of law.
- However, Staff's review of the Company's filing shows that the proposed rates, as filed in this Docket, may generate more revenue than the Company requires in order to pay reasonable operating expenses and earn a reasonable return. Therefore, Basin's rates that will become effective January 1, 2010, may be unjust and unreasonable, in which case, the Commission should issue a complaint against those rates.
- In this filing, Basin proposes to increase charges and rates for service it provides.

  Because those increases might injuriously affect the rights and interests of the public and Basin has not demonstrated that the increases would ultimately result in rates that are fair, just, reasonable, and sufficient, the Commission suspends the tariff filing but allows the proposed rates to become effective on a temporary basis on January 1, 2010, subject to refund, and will hold public hearings if necessary.

#### FINDINGS AND CONCLUSIONS

- The Washington Utilities and Transportation 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. *RCW* 80.01.040, *RCW* 81.01, *RCW* 81.04, *RCW* 81.16, *RCW* 81.28 and *RCW* 81.77.
- 8 (2) Basin is a solid waste company and a public service company subject to Commission jurisdiction.
- 9 (3) This matter came before the Commission at its regularly scheduled meeting on December 23, 2009.
- 10 (4) If the Commission suspends a tariff that includes rates to recover disposal fees, RCW 81.77.160 requires the commission to allow the rates related to the disposal fees to become effective on the originally filed effective date on an interim basis, subject to refund, pending the Commission's final order.

- 11 (5) The tariff revisions Basin filed on November 9, 2009, and the substitute pages filed on December 10, 2009, would increase charges and rates for service provided by Basin, and might injuriously affect the rights and interest of the public.
- 12 (6) As required by RCW 81.70.160, the Commission allows the proposed rates to become effective, subject to refund.
- 13 (7) Basin has not yet demonstrated that the tariff revisions would ultimately result in rates that are fair, just, reasonable and sufficient.
- In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 81.04.130 and RCW 81.04.220, the Commission believes it is necessary to investigate Basin's books, accounts, practices and activities, and to investigate and appraise various phases of Basin's operations.
- 15 (9) As required by RCW 81.04.130, Basin bears the burden of proof to show that the proposed increases are just, reasonable and sufficient. Nothing in this Order is intended to limit the issues as to the fairness, justness, reasonableness and sufficiency of the proposed increases.
- 16 (10) In addition, the Commission invokes the rights, remedies and procedures contained in the reparations statute, RCW 81.04.220, to the extent the Commission finds that any rate subject to this investigation is excessive or exorbitant.
- 17 (11) Basin may be required to pay the expenses reasonably attributable and allocable to such an investigation consistent with the provisions of RCW 81.20.

# **ORDER**

## THE COMMISSION ORDERS:

18 (1) The tariff revisions that Basin Disposal of Yakima, LLC, filed on November 9, 2009, and the substitute pages filed on December 10, 2009, are suspended.

- The tariff revisions that Basin Disposal of Yakima, LLC, filed on November 9, 2009, and the substitute pages filed on December 10, 2009, shall become effective on January 1, 2010, on a temporary basis, subject to refund if the Commission determines that different rates will be fair, just, reasonable and sufficient.
- 20 (3) The Commission orders Basin Disposal of Yakima, LLC, to file all documents required for a general rate case as provided in WAC 480-07-520 by March 1, 2010, together with any additional documents that may be requested by Commission Staff.
- 21 (4) The Commission will hold hearings at such times and places as may be required.
- 22 (5) Basin Disposal of Yakima, LLC, must not change or alter the tariffs filed in this Docket during the suspension period, unless authorized by the Commission.
- 23 (6) The Commission will institute an investigation of Basin Disposal of Yakima, LLC's books, accounts, practices, activities and operations as described above.
- 24 (7) Basin Disposal of Yakima, LLC, shall pay the expenses reasonably attributable and allocable to the Commission's investigation consistent with RCW 81.20.

DATED at Olympia, Washington, and effective December 23, 2009.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner