

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

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| <p>In the Matter of the Petition of</p> <p>MURREY'S DISPOSAL COMPANY, INC., d/b/a OLYMPIC DISPOSAL,</p> <p>Petitioner,</p> <p>Petitioning for Exemption from the Provisions of WAC 480-70-351(2) Relating to Recycling Credits or Charges</p> | <p>DOCKET TG-200062</p> <p>ORDER 01</p> <p>GRANTING EXEMPTION FROM RULE; ALLOWING TARIFF REVISIONS TO BECOME EFFECTIVE BY OPERATION OF LAW</p> |
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BACKGROUND

- 1 On January 24, 2020, Murrey’s Disposal Company, Inc., d/b/a Olympic Disposal, (Murrey’s Disposal or Company) filed a recycling commodity adjustment for its Pierce County operation with the Washington Utilities and Transportation Commission (Commission) requesting to establish a 12-month proposed adjustment using a six-month historical period. Commission staff (Staff) recommends that the Commission, on its own motion, grant the Company an exemption from WAC 480-70-351(2).

- 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. Murrey’s Disposal was previously granted an exemption from WAC 480-70-351(2) due to instability in the recycling market.

- 3 Murrey’s Disposal asserts that recently the recycling commodity markets are becoming more stable, and that a shorter projection period for calculating commodity adjustments is no longer necessary to avoid large swings in the credit or debit to customers based on changing commodity values. Going forward, the Company will no longer request an exemption from WAC 480-70-351(2). Nevertheless, for this adjustment, the Company seeks to use a six-month historical period rather than a 12-month period because the recycling commodity markets have only recently stabilized, but they are likely to remain stable for the foreseeable future. As such, the Company seeks to return to a recycling

commodity adjustment to its customers over the next 12 months, and has calculated the credit based on the most recent six-month historical period.

- 4 Staff agrees with the Company that the most recent six months of historical data will produce a more accurate estimate of annual revenues than the most recent 12 months, and thus recommends that the Commission, on its own motion, grant Murrey's Disposal an exemption from WAC 480-70-351(2).

DISCUSSION

- 5 The Commission agrees with Staff's recommendation and grants Murrey's Disposal an exemption from WAC 480-70-351(2) on its own motion. Using the most recent six-month historical period to estimate revenues is reasonable because it reflects a more realistic estimate of current recyclable commodity revenue on a going-forward basis. Accordingly, we find that granting the Company's request for an exemption is consistent with the public interest, the purposes underlying regulation, and applicable statutes.¹

FINDINGS AND CONCLUSIONS

- 6 (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.
- 7 (2) Murrey's 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.
- 8 (3) Murrey's 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 to use the most recent 12-month historical period to estimate the revenue for the next 12 months.
- 9 (4) Under WAC 480-70-051, the Commission may grant an exemption from the provisions of any rule in WAC 480-70, if consistent with the public interest, the

¹ See WAC 480-70-051 and WAC 480-07-110.

purposes underlying regulation and applicable statutes. See also WAC 480-07-110.

- 10 (5) Staff recommends the Commission grant Murrey's Disposal an exemption from WAC 480-70-351(2) on its own motion.
- 11 (6) This matter came before the Commission at its regularly scheduled meeting on February 20, 2020.
- 12 (7) After review of the petition filed in Docket TG-200062 by Murrey's Disposal on January 24, 2020, 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:

- 13 (1) After the effective date of this Order, Murrey's Disposal Company, Inc., d/b/a Olympic Disposal, is granted an exemption from WAC 480-70-351(2). Murrey's Disposal Company, Inc., d/b/a Olympic Disposal, may use the most current six month of historical revenues to calculate its recycling commodity adjustment.
- 14 (2) The tariff filed by Murrey's Disposal Company, Inc., d/b/a Olympic Disposal, on January 24, 2020, will become effective on March 1, 2020, by operation of law.
- 15 (3) The Commission retains jurisdiction over the subject matter and Murrey's Disposal Company, Inc., d/b/a Olympic Disposal, 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 February 20, 2020.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON
Executive Director and Secretary