

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET TG-111689
)	
RABANCO, LTD., G-12,)	ORDER 01
)	
Petitioner,)	
)	
Seeking Partial Exemption from the)	
Provisions of WAC 480-07-520(4))	ORDER GRANTING PARTIAL
Relating to Supporting Work Papers)	EXEMPTION FROM RULE
.....)	

BACKGROUND

- 1 Docket TG-111689 involves a proposed tariff revision filed with the Washington Utilities and Transportation Commission (Commission) by Rabanco, Ltd., d/b/a Tri-County Disposal (Tri-County) and Rabanco, Ltd., d/b/a Allied Waste Services of Klickitat County (Klickitat County), business units of Rabanco, Ltd., (Rabanco or the Company), on September 16, 2011.
- 2 On September 16, 2011, Rabanco filed a petition requesting an exemption from the work paper filing requirements set out in WAC 480-07-520(4).
- 3 WAC 480-07-520(4) requires Rabanco to file work papers that contain detailed financial data for the Company, its affiliated interests, and its business units. The plain language of the rule requires work papers to address Company-wide finances as a whole, not a limited subset of one or more business units.
- 4 Rabanco claims that WAC 480-07-520(4) would require Rabanco to submit into the public record certain proprietary and confidential business records unrelated to the substantive audit of the tariffs filed on behalf of Tri-County and Klickitat County. In addition, Rabanco claims that preparing some components of the work paper requirements for Rabanco, as a whole, would impose a significant hardship on the Company because each business unit maintains its own general ledger, and the analysis would require manually consolidating data into one master ledger, a time-consuming and unproductive process without any commensurate benefit to the ratepayers.

5 Rabanco requested the Commission to grant an exemption from WAC 480-07-520(4) consistent with the following:

- (a) *WAC 480-07-520(4)(a) (detailed pro forma income statement)* – The required income statement is limited to the business units providing services under the tariff that Rabanco is seeking to amend.
- (b) *WAC 480-07-520(4)(b) (revenue impact calculation for proposed tariff revisions)* – No exemption requested.
- (c) *WAC 480-07-520(4)(c) (income statement listing all revenue and expense accounts by month)* – No exemption requested.
- (d) *WAC 480-07-520(4)(d) (detailed separation of all revenue and expenses between regulated/nonregulated operations if nonregulated revenue exceeds ten percent of total company test period revenue)* – Rabanco may provide a detailed separation of all revenue and expenses between (1) the business units that provide services under the tariff that the Company is seeking to amend and (2) any business unit within Rabanco with which the business units providing the tariff services have intra-company transactions or arrangements that, but for the fact that the business units are not separate corporations, would be affiliated interest transactions.
- (d) *WAC 480-07-520(4)(e) (detailed list of all nonregulated operations, including the rates charged for the services rendered)* – The required information is limited to nonregulated city contracts and businesses and any transactions or relationships between the business units providing services under the tariff that Rabanco is seeking to amend, and other Rabanco business entities.
- (f) *WAC 480-07-520(4)(f) (detailed price-out information)* – The required information is limited to the business units providing services under the tariff that Rabanco is seeking to amend.
- (g) *WAC 480-07-520(4)(g) (consolidated balance sheet)* – No exemption requested.

- (h) *WAC 480-07-520(4)(h) (detailed depreciation schedule)* – The assets for which a depreciation schedule must be provided may be limited to those utilized by the business units that provide services under the tariff that the Company is seeking to amend.
- (i) *WAC 480-07-520(4)(i) (computed average investment)* – The assets for which the Company must compute an average investment may be limited to those utilized by the business units that provide services under the tariff that the Company is seeking to amend.
- (j) *WAC 480-07-520(4)(j) (information about every transaction with affiliated interests or subsidiaries)* – No exemption requested.

6 Staff reviewed Rabanco’s request for an exemption from certain provisions of WAC 480-07-520(4) and recommends that the Commission grant that request, as set forth above.

FINDINGS AND CONCLUSIONS

- 7 (1) The Washington Utilities and Transportation 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. *RCW 80.01.040, RCW 81.01, RCW 81.04, RCW 81.16, RCW 81.28 and RCW 81.77.*
- 8 (2) Rabanco, Ltd., 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) Rabanco, Ltd., is subject to WAC 480-07-520(4), which requires the Company to file work papers that contain detailed financial data for the Company, its affiliated interests, and its business units. The plain language of the rule requires these work papers to address Company-wide finances as a whole, not a limited subset of one or more business units.

- 10 (4) Rabanco, Ltd., d/b/a Tri-County Disposal and Rabanco, Ltd., d/b/a Allied Waste Services of Klickitat County are business units of Rabanco, Ltd., and collect solid waste under one of Rabanco Ltd.'s six tariffs.
- 11 (5) Rabanco Ltd., d/b/a Tri-County Disposal and Rabanco, Ltd., d/b/a Allied Waste Services of Klickitat County filed a proposed tariff revision on September 16, 2011, seeking to increase Rabanco's rates in its Tri-County Disposal and Allied Waste Services of Klickitat County business units by approximately \$123,500 or 11.7 percent.
- 12 (6) In support of its proposed tariff revisions, Rabanco filed work papers containing financial information for: Rabanco, Ltd., d/b/a Tri-County Disposal; Rabanco, Ltd., d/b/a Allied Waste Services of Klickitat County; and, for all of the business units for Rabanco, Ltd.'s statewide operations.
- 13 (7) 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 purposes underlying regulation and applicable statutes. *See also WAC 480-07-110.*
- 14 (8) This matter came before the Commission at its regularly scheduled meeting on October 13, 2011.
- 15 (9) After review of the petition filed in Docket TG-111689 by Rabanco, Ltd., on September 16, 2011, 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:

- 16 (1) After the effective date of this Order, Rabanco, Ltd.'s Petition for Exemption from WAC 480-07-520(4) is granted, in part, consistent with the terms of this Order.

- 17 (2) The exemption granted to Rabanco, Ltd., in this Order applies only to the general rate proceeding in Docket TG-111689.
- 18 (3) The Commission retains jurisdiction over the subject matter and Rabanco, Ltd., 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 Olympia, Washington, and effective October 13, 2011.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary