Service Date: February 28, 2018

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of Tariff Revisions to Increase Rates Due to a Disposal Fee Increase Filed by

ORDER 01

DOCKET TG-180053

AMERICAN DISPOSAL CO., INC.,

ORDER GRANTING EXEMPTION FROM RULE

Certificate G-87

BACKGROUND

- On January 15, 2018, American Disposal Co., Inc. (American or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its Tariff 27 to recover the increased cost of disposal fees. The tariff revisions have a proposed effective date of March 1, 2018. On January 31, 2018, and February 22, 2018, the Company filed revised pages. The Company serves approximately 19,000 customers in Pierce County. The Company's last general rate increase became effective on June 1, 2016.
- On March 1, 2018, Pierce County will increase disposal fees from \$153.48 per ton to \$157.38 per ton at Pierce County Recycling, Composting and Disposal, LLC d/b/a LRI. Commission staff's (Staff) analysis shows the Company's proposed rate increase to recover these increased costs would generate approximately \$102,000 (1.4 percent) additional annual revenue.
- 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 and did not request an exemption from the work paper filing requirements of WAC 480-07-520(4).
- WAC 480-07-110 allows the Commission to grant an exemption from, or modify the application of, its rules if consistent with the public interest, the purposes underlying regulation, and applicable statutes.¹

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¹ See also WAC 480-70-051.

- WAC 480-07-370(1)(b)(i) states, in part, that the Commission may undertake an action that would be the proper subject of a party's petition, such as authorizing exemption from a Commission rule, without receiving a petition from a party.
- Commission Staff reviewed the proposed tariff revisions and recommends the Commission allow the tariff to become effective by operation of law. Staff further recommends the Commission grant the Company an exemption from WAC 480-07-520(4), work paper filing requirements, for this filing for the following reasons:
 - (a) There have not been any significant changes since the last rate increase became effective on June 1, 2016. Customer numbers are relatively unchanged, inflation has been low, and the Company has not changed its collection methods.
 - (b) The increased disposal fees are set by Pierce County and are required as a part of Company's operations.
 - (c) Company's financial information supports the proposed revenue requirement and the proposed rates.
 - (d) Staff concluded the proposed rate increase, which reflects an increase in disposal fees, is fair, just, and reasonable.

DISCUSSION

The Commission concurs with Staff's recommendation. The purpose of the work paper filing requirements in WAC 480-07-520(4) is to provide the Commission with information to determine whether a proposed rate increase is fair, just, reasonable, and sufficient. Here, the Company has provided adequate information to enable the Commission to make that determination, and providing the additional information the rule requires would be unnecessary and unduly burdensome. Accordingly, an exemption from this requirement for purposes of the filing in this docket is consistent with the public interest and the purposes underlying the rule and should be granted.

FINDINGS AND CONCLUSIONS

8 (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.

- 9 (2) American 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.
- American is subject to the filing requirements of WAC 480-07-520, for general rate increase proposals. The Company did not file the work papers required by WAC 480-07-520(4) and did not request an exemption from WAC 480-07-520(4).
- 11 (4) This matter came before the Commission at its regularly scheduled meeting on February 28, 2018.
- An exemption from the general rate increase filing requirements set forth in WAC 480-07-520(4) for the filing in this docket is in the public interest and is consistent with the purposes underlying the regulation and applicable statutes and should, on the Commission's own motion, be granted.
- It is in the public interest to allow the revisions to Tariff 27 filed on January 15, 2018, and revised on January 31, 2018, and revised on February 22, 2018, to become effective on March 1, 2018, by operation of law.

ORDER

THE COMMISSION ORDERS, on its own motion, that American Disposal Co., Inc., is exempt from WAC 480-07-520(4), for purposes of the tariff revisions filed in Docket TG-180053 on January 15, 2018, and revised on January 31, 2018, and revised on February 22, 2018.

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 February 28, 2018.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary