

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

WASHINGTON UTILITIES AND)	DOCKET TG-061854
TRANSPORTATION COMMISSION,)	
)	ORDER 01
Complainant,)	
)	
v.)	COMPLAINT AND ORDER
)	SUSPENDING TARIFF REVISIONS;
PULLMAN DISPOSAL, INC., G-42)	ALLOWING REVISED RATES TO
)	BECOME EFFECTIVE FEBRUARY 1,
Respondent.)	2007
.....)	

BACKGROUND

- 1 On December 14, 2006, Pullman Disposal, Inc., G-42, (Pullman or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its Tariff No. 17. The stated effective date was February 1, 2007. The filing would increase residential, commercial and drop box solid waste rates; also rates for curbside recycling and yard waste service.
- 2 Pullman’s proposed rates were designed to increase revenues by \$747,731 (26.8%) annually. The major cause of the proposed revisions was an increase in tipping fees at Whitman County Landfill from \$69 to \$95 per ton. Employee payroll costs and benefits are also increasing.
- 3 The customer comment presentation was made at the Open Meeting of January 10, 2007. Five customers commented on this filing. Three customers felt existing rates were already too high and that the proposed rates for the different can sizes were not in proportion with the can sizes. One customer was in favor of the increases, and one customer said the Company should get the increase only if it really needed it.
- 4 RCW 81.77.160(2) requires the Commission to pass on immediately the cost impacts of increased disposal fees. The effect of such a disposal increase in the present case is \$273,737 for residential and commercial customers, and \$71,409 for drop-box customers in Item 230 Disposal Fees. On January 19, 2007, the Company filed revised rates generating the above amounts for a total of \$345,146 (12.8%). The Commission accepts the revised rates and allows them to become effective February 1, 2007.

5 The Company has not yet demonstrated that the \$402,585 balance of the proposal (\$747,731 – \$345,146 = \$402,585) is fair, just, reasonable, and sufficient. Rate design issues also emerged that have also not yet been resolved. The additional amount might injuriously affect the rights and interests of the public. The Commission therefore suspends the balance of the proposal and will hold public hearings if necessary to determine whether the additional increases over and above the tip fee portion are fair, just, reasonable, and sufficient.

FINDINGS AND CONCLUSIONS

- 6 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, securities, affiliated transactions, and transfers of public service companies, including solid waste companies. *RCW 80.01.040; RCW 81.01; RCW 81.04; RCW 81.28; RCW 81.16; and RCW 81.77.*
- 7 (2) Pullman is a solid waste company and is a public service company subject to the jurisdiction of the Commission.
- 8 (3) This matter was brought before the Commission at its regularly scheduled meeting on January 24, 2007.
- 9 (4) The tariff revisions filed by Pullman on December 14, 2006, and the revised pages filed on January 19, 2007, increase solid waste rates. The revisions filed on January 19, 2007, will compensate the carrier for its increased disposal fees of \$345,146 and were filed as prescribed in RCW 81.77.160(2). The revisions will be allowed to become effective February 1, 2007.
- 10 (5) Pullman has not yet demonstrated that the balance of the increase in the filing for solid waste rates are fair, just, reasonable and sufficient. The \$402,585 in increased revenues still pending would increase charges and rates for service provided by Pullman, and might injuriously affect the rights and interest of the public.
- 11 (6) In order to carry out the duties imposed upon the Commission by law, and as authorized in RCW 81.04.130, the Commission believes it is necessary to

investigate Pullman's books, accounts, practices and activities; to make a valuation or appraisal of Pullman's property, and to investigate and appraise various phases of Pullman's operations.

- 12 (7) As required by RCW 81.04.130, Pullman bears the burden of proof to show that the proposed increases are fair, just, reasonable, and sufficient.
- 13 (8) Pullman may be required to pay the expenses reasonably attributable and allocable to such an investigation to the extent the requirements for such payment are in accordance with the provisions of RCW 81.20.

ORDER

THE COMMISSION ORDERS:

- 14 (1) The tariff revision(s) filed by Pullman Disposal, Inc., on December 14, 2006, are suspended.
- 15 (2) The proposed revised rates that Pullman Disposal, Inc., filed January 19, 2007, that compensate Pullman Disposal, Inc., for its \$345,146 in increased tip fees in accordance with RCW 81.77.160(2) should be allowed to become effective February 1, 2007. The \$402,484 balance of the proposal is suspended.
- 16 (3) The Commission may hold hearings if needed at such times and places as required.
- 17 (4) Pullman Disposal, Inc., must not change or alter the tariff filed in this docket during the suspension period, unless authorized by the Commission in this docket.
- 18 (5) The Commission will institute an investigation of Pullman Disposal, Inc.'s, books, accounts, practices, activities, property, and operations as necessary and as described above.

- 19 (6) Pullman Disposal, Inc. shall pay the expenses reasonably attributable and allocable to the Commission's investigation to the extent the requirements for such payment are in accordance with the provisions of RCW 81.20.

DATED at Olympia, Washington, and effective January 24, 2007.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner