

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

In the Matter of the Petition of	)	DOCKET TG-101075
	)	
FIORITO ENTERPRISES INC. &	)	ORDER 01
RABANCO COMPANIES, DBA	)	
KENT-MERIDIAN DISPOSAL	)	
COMPANY, G-60,	)	
	)	
Petitioner,	)	
	)	
Requesting Authority to Retain Fifty	)	
Percent of the Revenue Received From	)	ORDER AUTHORIZING
the Sale of Recyclable Materials	)	REVENUE SHARING FOR
Collected in Residential Recycling	)	RECYCLABLE COMMODITIES
Service	)	REVENUE
.....	)	

**BACKGROUND**

- 1 On June 15, 2010, Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal Company (Kent-Meridian or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff No. 27, designated as Tariff pages 21, 25 and 28 through 31.
  
- 2 The filing proposes to decrease the amount that Kent-Meridian pays to single family customers and increase the amount Kent-Meridian pays to multi-family customers for the value of the recyclable materials that Kent-Meridian collects in its residential recycling collection service. The monthly credit for single family customers will decrease from \$0.53 to \$0.15 and the monthly credit for multi-family customers will increase from \$0.05 per loose yard to \$0.12 per loose yard, and from \$0.18 per compacted yard to \$0.42 per compacted yard. The stated effective date is August 1, 2010. Kent-Meridian filed substitute pages 21, 25 and 28 through 31 on June 22, 2010. The Company has requested that the tariff revisions filed June 15, 2010, as revised on June 22, 2010, become effective August 1, 2010. The revised pages filed on June 22, 2010, contained administrative edits only and did not reflect amendments to the recyclable commodity revenue adjustments originally filed on June 15, 2010.
  
- 3 On June 15, 2010, Kent-Meridian filed with the Commission a request to retain fifty percent of the revenue Kent-Meridian receives from the sale of recyclable materials that it collects in its residential recycling collection service.

- 4 RCW 81.77.185 states that the Commission shall allow a solid waste collection company collecting recyclable materials from single family and multi-family customers to retain up to fifty percent of the revenue paid to the company for the material if the company submits a plan to the Commission that is certified by the appropriate local government authority as being consistent with the local government solid waste plan and that demonstrates how the revenues will be used to increase recycling. The remaining revenue shall be passed through to single family and multi-family customers.
- 5 On June 15, 2010, Kent-Meridian filed its King County recycling plan for the fiscal year ending July 31, 2010. The plan sets forth specific actions that Kent-Meridian will take using recyclable commodity revenues retained by the Company. The actions include: continued work with King County to implement the Regional Recycling Campaign; collecting, evaluating and reporting data; transitioning Covington and Black Diamond customers to 96-gallon curbside recycling containers; outreach efforts; further development of programs for food scrap collection and continued conversion of its fleet of collection trucks to Compressed Natural Gas (CNG) to further reduce the Company's carbon footprint. The plan also requires Kent-Meridian to file monthly reports with the King County Solid Waste Division.
- 6 Kent-Meridian's recycling and commodity revenue sharing plan, dated June 15, 2010, is signed by Kevin Kiernan, Solid Waste Division Director, King County, which states, in part, that King County certifies that the Company's plan is consistent with the King County Comprehensive Solid Waste Management Plan. Therefore, King County recommends to the Commission that Kent-Meridian be allowed to retain fifty percent of the actual value of recyclable commodity revenues received during the period of this agreement (August 1, 2010 through July 31, 2011). Staff recommends that the Commission grant Kent-Meridian's request to retain fifty percent of the revenue it receives from the sale of recyclable materials that it collects in its recycling collection service and require the Company to report to the Commission the amount of revenue it retained, the amount of money it spent on the activities identified in Kent-Meridian's recycling and commodity revenue sharing plan and the effect the activities had on increasing recycling.
- 7 In summary, Staff recommends that the Commission allow the proposed commodity credits to become effective August 1, 2010, and grant Kent-Meridian's request to retain

fifty percent of the revenues it receives from the sale of recyclable materials that it collects in its single family and multi-family residential recycling service.

### FINDINGS AND CONCLUSIONS

- 8 (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.*
- 9 (2) This matter came before the Commission at its regularly scheduled meeting on July 29, 2010.
- 10 (3) Kent-Meridian 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.
- 11 (4) RCW 81.77.185 states that the Commission shall allow a solid waste collection company collecting recyclable materials from single family and multi-family customers to retain up to fifty percent of the revenue paid to the company for the material if the company submits a plan to the Commission that is certified by the appropriate local government authority as being consistent with the local government solid waste management plan and that demonstrates how the revenues will be used to increase recycling. The remaining revenue shall be passed through to single family and multi-family customers.
- 12 (5) King County is responsible for managing waste through its Comprehensive Solid Waste Management Plan. The Director of King County's Solid Waste Division certified that Kent-Meridian's recycling plan is consistent with the County's Comprehensive Solid Waste Management Plan and the Commission accepts his recommendation to allow Kent-Meridian to retain fifty percent of the revenue the Company receives from the sale of recyclable material collected from single family and multi-family customers.

- 13 (6) After reviewing Kent-Meridian's request to allow the proposed commodity credits filed on June 15, 2010, to become effective August 1, 2010, and request to retain fifty percent of the revenue received from the sale of recyclable materials collected in its recycling service, and giving due consideration, the Commission finds that Kent-Meridian's requests are reasonable and should be granted.

**O R D E R**

**THE COMMISSION ORDERS:**

- 14 (1) The revised tariff revisions Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal Company, filed on June 15, 2010, as revised on June 22, 2010, will be effective on August 1, 2010.
- 15 (2) Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal Company, is authorized to retain fifty percent of the revenue it receives from the sale of recyclable materials collected in its single family and multi-family residential recycling programs from August 1, 2010, through July 31, 2011. Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal Company, will report to the Commission no later than June 17, 2011, the amount of revenue it retained, the amount of money it spent on the activities identified in Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal Company's recycling plan and the effect the activities had on increasing recycling.
- 16 (3) Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal Company, shall make its next commodity adjustment effective August 1, 2011, and each August 1 thereafter, and shall make all future commodity adjustment filings forty-five days prior to the proposed effective date.
- 17 (4) The Commission delegates to the Secretary the authority to approve by letter all compliance filings required in this Order.
- 18 (5) The Commission retains jurisdiction over the subject matter and Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal Company, 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 July 29, 2010.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary