

Agenda Date: April 27, 2023  
Item Number: B4

**Docket: TG- 230185**

Company Name: Rabanco LTD, d/b/a Eastside Disposal, d/b/a Republic Services

Staff: Jaclynn Simmons, Regulatory Analyst  
Benjamin Sharbono, Regulatory Analyst  
Mike Young, Regulatory Analyst  
John Cupp, Consumer Protection Staff

**Recommendation:**

Take no action, thereby allowing tariff pages filed by Rabanco LTD, d/b/a Eastside Disposal, d/b/a Republic Services, on February 14, 2023, as revised on April 20, 2023, to become effective May 1, 2023, by operation of law.

**Background**

On January 13, 2023, Rabanco LTD, d/b/a Eastside Disposal, d/b/a Republic Services (Eastside or Company) filed with the Washington Utilities and Transportation Commission (Commission) tariff revisions that, would generate approximately \$429,844 (6.04 percent) additional annual revenue. The Company serves approximately 29,000 residential and commercial garbage customers in King County. The Company's last general rate case became effective on June 1, 2021.

The main driver of the request is increasing expenses resulting in higher payroll, fuel, and the need to begin recovery of new assets obtained since the last rate case. Commission staff (Staff) adjusted the Company's fuel, bringing it to the most current 12 months of fuel costs per WAC 480-70-346 and removed the requested carbon tax increase, because most of the trucks run on compressed natural gas (CNG). Staff adjusted investment changing from average investment to netbook value per WAC 480-07-520(4)(h). Staff added new assets that were purchased and put into service after the end of the test year. Staff made minor adjustments to individual accounts to remove unallowable expenses such as food and sponsorship.

Staff and the Company agreed to a lower revised additional annual revenue amount of \$368,002 or 5.18 percent. The Company submitted revised pages on April 20, 2023 reflecting changes to the rate design. Staff found the revenue requirement and rates agreed on are fair, just, reasonable, and sufficient.

**Rate Comparison MSW**

Service	Current	Co. Proposed	Staff Revised	Percentage
<b>Appendix A</b>				
32 gal 1x wk.	\$15.18	\$16.48	\$16.27	6.9%
64 gal 1x a wk.	\$25.44	\$27.61	\$27.26	7.0%
4 yards	\$71.10	\$77.17	\$76.19	6.9%
30 yd	\$142.19	\$154.33	\$152.37	6.9%
<b>Appendix B</b>				
32-gal wk.	\$15.18	\$16.48	\$16.27	6.9%
64 gal toter	\$25.44	\$27.61	\$27.26	6.9%
MF 4 yard	\$94.01	\$109.81	\$101.11	7.27%
MF 30 yard	\$276.34	\$335.81	\$339.24	20.43%

**Rate Comparison Yard and Recycling**

Service	Current	Co. Proposed	Staff Revised	Percentage
<b>Appendix A</b>				
64 gal 1x wk. RC	\$10.54	\$11.15	\$11.15	5.6%
96 gal YW	\$10.93	\$10.03	\$9.99	-8.98%
<b>Appendix B</b>				
96 gal RC	\$13.09	\$13.85	\$13.85	5.6%
96 gal YW	\$14.80	\$13.58	\$13.53	-8.96%

**Customer Comments**

Seven customers stated that the Company's Public Statement of Earnings Reports from 2020, 2021, and 2022 show increasing profits so they are confused as to why the Company needs an increase. Several customers believe the requested rates are excessive. One customer identifying themselves as a senior citizen, feels it is unfair that they pay the same for service as their neighbors, but rarely fill their garbage can. Another customer who formerly worked on government contracts wanted to be sure Staff scrutinized the Company's contract to ensure all costs are within scope and justifiable.

**Staff Response**

Staff informed customers that state law requires rates to be fair, just, reasonable, and sufficient to allow the Company to recover reasonable operating expenses and the opportunity to earn a

reasonable return on its investment. Customers were also told that Commission Staff performs a thorough review of rate filings to ensure all rates and fees are appropriate.

**Conclusions**

Staff completed their review of the Company's documentation. Staff review shows that the tariff pages filed are reasonable and needed as part of the Company's operations.

**Recommendations:**

Take no action, thereby allowing tariff pages filed by Rabanco LTD, d/b/a Eastside Disposal, d/b/a Republic Services, on February 14, 2023, as revised on April 20, 2023, to become effective May 1, 2023, by operation of law.