

Agenda Date: January 26, 2012  
Item Number: B5

**Docket:** TG-111975  
Company Name: Nooksack Valley Disposal, Inc., G-166

Staff: Amy White, Regulatory Analyst  
Pam Smith, Consumer Protection Staff

### **Recommendation**

Take no action, thereby allowing the proposed rates filed by Nooksack Valley Disposal, Inc., on November 15, 2011, to become effective February 1, 2012, by operation of law.

### **Discussion**

On November 15, 2011, Nooksack Valley Disposal, Inc. (Nooksack or company) filed revisions to its currently effective Tariff 4 that proposes increased rates for solid waste collection that would generate approximately \$107,000 (9.3 percent) in additional annual revenue. The proposed rate revisions are prompted by increases in labor costs, health and welfare benefits, disposal fees, business taxes, increased investment, and other operating expense increases. Nooksack serves approximately 2,700 residential and commercial customers in Whatcom County. Nooksack's last general rate increase became effective December 1, 2009.

The original filing, which was solely electronic in nature, had a stated effective date of January 1, 2012. On December 5, 2011, the company completed its filing by sending hard copy versions of all workpapers as required in WAC 480-07-520. Nooksack also extended the effective date of the filing to February 1, 2012.

### **Customer Comments**

On November 30, 2011, the company notified its customers of the proposed rate increase by mail. At the time of the December 29, 2011, open meeting no comments had been received. At that meeting the filing was extended. One comment has been received to date. Consumer Protection staff advised the customer that she may access company documents pertinent to this rate case at [www.utc.wa.gov/water](http://www.utc.wa.gov/water), and that she may contact Pam Smith at 1-888-333-WUTC (9882) with questions or concerns.

### **General Comments**

- The customer wants to make sure the company is improving efficiency to reduce costs.

#### **Staff Response**

The customer was advised that state law requires solid waste and recycling 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 investment. The customer was advised that commission regulatory staff will review the filing to ensure that all rates and fees are appropriate and cost effective.

**Rate Comparison**

<b>Residential Monthly Rates</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Percent Increase</b>
32 Gallon Can, Weekly Pick-up	\$15.86	\$17.43	9.9%
68 Gallon Cart, Weekly Pick-up	\$22.59	\$24.83	9.9%
68 Gallon Cart, Monthly Pick-up	\$9.10	\$10.00	9.8%
<b>Commercial Per Pick-up Rates</b>			
Commercial Cans	\$3.85	\$4.25	10.4%
1.5 Yard Container	\$25.02	\$27.55	10.1%
2.0 Yard Container	\$30.34	\$33.45	10.2%
25-Yard Drop Box (Non-Compacted)	\$131.20	\$140.70	7.2%

Commission staff has completed its review of the company's supporting financial documents, books, and records. Staff's review shows that the expenses are reasonable and required as part of the company's operations. The company's financial information supports the requests revenue requirement and the proposed rates and charges are fair, just, reasonable, and sufficient.

**Conclusion**

Staff recommends that the commission take no action, thereby allowing the proposed rates filed by Nooksack Valley Disposal, Inc., on November 15, 2011, to become effective February 1, 2012, by operation of law.