

Agenda Date: December 27, 2013
Item Number: B3

Docket: TG-132101

Company Name: Torre Refuse and Recycling, LLC, G-260
dba Sunshine Disposal and Recycling

Staff: Mike Young, Regulatory Analyst
Brett Shearer, Regulatory Analyst
Sheri Hoyt, Consumer Protection Staff

Recommendation

Take no action, thereby allowing the tariff revisions filed on November 15, 2013, as revised on December 17, 2013, by Torre Refuse and Recycling, LLC, dba Sunshine Disposal and Recycling, to become effective on January 1, 2014, by operation of law.

Discussion

On November 15, 2013, Torre Refuse and Recycling, LLC, dba Sunshine Disposal and Recycling (Torre or company) filed tariff revisions with the Utilities and Transportation Commission (commission) that would generate approximately \$77,500 (3.4 percent) additional annual revenue. The proposed increases are driven primarily by increases in labor, fuel, disposal fees, and other operating expenses. Torre provides regulated service to approximately 4,500 residential and commercial customers in Stevens and Spokane Counties. The company's last general rate increase became effective on August 1, 2009.

On September 10, 2013, the Stevens County Board of County Commissioners voted to increase tipping fees at county facilities from \$61.00 per ton to \$64.50 per ton effective January 1, 2014. Stevens County Department of Public Works notified haulers on October 21, 2013, that the \$64.50 per ton disposal fee rate included the refuse collection tax, so the actual tip fee would be \$62.18 per ton without the refuse tax. The company initially filed tariff pages increasing disposal fees to \$62.18 per ton. On December 12, 2013, Stevens County notified the company that the county's previously-issued notification letter had misstated the disposal fee increase and that the actual disposal fee rate would be \$64.50 per ton, without the refuse tax. The company filed revised work papers reflecting the correct disposal fee, which added \$31,615 disposal expense, and resulted in a \$79,142 total revenue requirement.

Increased Revenue Requirement

Expense	Proposed	Revised
Disposal	\$10,659	\$31,615
Non-Disposal	\$66,841	\$47,527
Total	\$77,500	\$79,142

Staff has completed its review of the company's supporting financial documents, books and records. Staff and the company agreed to a final revised revenue requirement, including the

revised disposal fee, of approximately \$78,800 (3.5 percent). On December 17, 2013, the company filed revised rates at staff recommended levels.

Rate Comparison

	Current Rate	Revised Rate	Percentage Increase
Residential Monthly Rates			
32-Gallon Toter	\$20.50	\$21.25	3.7%
64-Gallon Toter	\$25.00	\$25.95	3.8%
96-Gallon Toter	\$30.00	\$31.15	3.8%
Commercial Monthly Rates			
1-Yard	\$ 86.60	\$ 89.85	3.8%
2-Yard	\$134.23	\$139.40	3.8%
4-Yard	\$207.84	\$216.20	4.0%
6-Yard	\$255.47	\$265.95	4.1%
8-Yard	\$303.10	\$315.50	4.1%

Customer Comments

On November 27, 2013, the company notified its customers of the proposed rate increase by mail. Staff received one consumer comment in favor of the proposed rate increase. The customer requested no further contact beyond providing her comment.

General Comments

- The customer is in favor of the proposed rate increase. She stated it is approximately 40 miles round trip to the nearest disposal facilities; the company provides good service and only wants another 90 cents per month when it has not had an increase for a few years. The customer states that she is a senior citizen and is pleased that she just has to wheel the can out to the curb.

Recommendation

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 customers' comments do not change staff's opinion that the company's financial information supports the staff's revised revenue requirement. Therefore, the revised rates and charges are fair, just, reasonable, and sufficient.

Take no action, thereby allowing the tariff revisions filed on November 15, 2013, as revised on December 17, 2013, by Torre Refuse and Recycling, LLC, dba Sunshine Disposal and Recycling, to become effective on January 1, 2014, by operation of law.