

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Request of

RABANCO LTD. d/b/a TRI-  
COUNTY DISPOSAL, REPUBLIC  
SERVICES, RABANCO  
RECYCLING

Seeking Approval of Tariff Revisions

DOCKET TG-230256

ORDER 01

ALLOWING TARIFF TO GO  
INTO EFFECT, SUBJECT TO  
CONDITIONS

**BACKGROUND**

- 1 On April 13, 2023, Rabanco Ltd. Company d/b/a Tri-County Disposal; Republic Services; Rabanco Recycling (Tri-County Disposal or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff No. 8 that would generate approximately \$534,000 (22.1 percent) additional annual revenue for the collection of garbage services. The Company filed replacement pages on May 15, 2023.
- 2 Included in the filing is an adjustment for increased fuel expense based on a third-party fuel provider's forecast of the costs of compliance with the Climate Commitment Act (CCA), which, among other things, requires petroleum companies to cap and gradually reduce carbon emissions.
- 3 Commission staff (Staff) reviewed the filing and revised paid-time-off and bonus accruals. Staff also revised the fuel expense to reflect the most recent 12-month period as required by WAC 480-70-346.
- 4 After completing its review, Staff found the Company's request for \$534,000 was understated. Staff and the Company agreed to a revised additional annual revenue amount of approximately \$538,500 (22.3 percent).
- 5 This matter came before the Commission at its regularly scheduled open meeting on May 25, 2023. Staff recommends the Commission allow the tariff filed on April 13, 2023, as revised on May 15, 2023, to take effect on June 1, 2023, subject to conditions set forth in prior dockets that included estimated costs for CCA compliance.

## DISCUSSION

- 6 The Commission agrees with Staff that the tariff should be allowed to go into effect, but we are concerned about including in base rates the estimated increased costs of fuel based on a third-party fuel provider's forecast of CCA compliance costs. The precise costs of compliance are unknown and likely to be volatile, and the fuel provider's estimates, which were made even before the first CCA auction of carbon allowances occurred, must be viewed as a rough estimate, at best. The usual Commission process for fuel cost adjustments beyond the cost knowable and allowed in rates by WAC 480-170-346 is through a fuel surcharge supplement in reaction to observed cost increases. Here, for its anticipated fuel costs, the Company relies on an estimate provided by its existing fuel vendor without seeking other competitive bids and without the benefit of carbon allowance auction purchase price history data. This could result in the rates approved being higher or lower than necessary to cover the actual fuel costs during the rate year without an avenue to adjust those rates before the Company's next general rate case.
- 7 This is the fourth filing to come before the Commission that includes an estimate of CCA compliance costs. However, because the proposed rates include only the lowest estimated cost, and because there is some evidence that the initial cost will be greater than that requested in these tariff revisions, we will allow the tariff to go into effect, subject to the condition that 12 months from the effective date of this Order the Company must file with the Commission: (1) invoices of actual fuel costs incurred over the last 12 months, and (2) documentation that the Company has shopped for competitive bids from multiple fuel vendors.
- 8 With the condition described above, we find that the tariff revisions filed on April 13, 2023, as revised on May 15, 2023, are fair, just, reasonable, and sufficient, and may go into effect as filed on June 1, 2023.

## FINDINGS AND CONCLUSIONS

- 9 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, regulations, practices, accounts and securities, transfers of property, and affiliated interests of public service companies, including solid waste companies.
- 10 (2) Tri-County Disposal is a solid waste company and a public service company subject to Commission jurisdiction.
- 11 (3) On April 13, 2023, Tri-County Disposal filed revised tariff pages, with a requested effective date of June 1, 2023.

- 12 (4) This matter came before the Commission at its regularly scheduled meeting on May 25, 2023.
- 13 (5) The Commission finds that the proposed rates are fair, just, reasonable, and sufficient, and allows the tariff filed on April 13, 2023, as revised on May 15, 2023, to go into effect on June 1, 2023, subject to the condition that 12 months from the date of this Order Tri-County Disposal must file with the Commission: (1) invoices of actual fuel costs incurred over the last 12 months and (2) documentation that the Company has shopped for competitive bids from multiple fuel vendors.

**ORDER**

**THE COMMISSION ORDERS:**

- 14 (1) The tariff filed on April 13, 2023, by Rabanco Ltd. d/b/a Tri-County Disposal; Republic Services; Rabanco Recycling, as revised on May 15, 2023, is approved and will become effective by operation of law, subject to the condition described in paragraph 13 of this Order.
- 15 (2) The Commission authorizes the Commission Secretary to accept by letter a filing that complies with the requirements of this Order.

- 16 (3) The Commission retains jurisdiction over the subject matter and Rabanco Ltd. Company d/b/a Tri-County Disposal; Republic Services; Rabanco Recycling to effectuate the provisions of this Order.

DATED at Lacey, Washington, and effective May 25, 2023.

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

MILTON H. DOUMIT, Commissioner