

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

In the Matter of the Petition of)	DOCKET TG-100230
)	
BAINBRIDGE DISPOSAL, INC.,)	ORDER 01
G-143,)	
)	
Petitioner,)	ORDER APPROVING
)	RECYCLABLE COMMODITY
)	REVENUE ADJUSTMENT AND
Requesting Tariff Revisions to)	REQUIRING DEFERRED
Recyclable Commodity Revenue)	ACCOUNTING TREATMENT
Adjustment for Residential Curbside)	FOR RECYCLABLE
and Multi-Family Recycling Services)	COMMODITIES REVENUE
.....)	

BACKGROUND

- 1 On February 9, 2010, Bainbridge Disposal, Inc., (Bainbridge or Company) filed with the Washington Utilities and Transportation Commission (Commission) revised Page Nos. 2, 22 and 26 to its current Tariff No. 15.

- 2 The filing proposes to decrease the monthly recyclable commodity credits that the Company pays to its residential customers from \$1.02 to \$0.27 and to its multi-family customers from \$1.46 to \$0.60 per dwelling-unit. The Company states that the decreased credits are due to significant decreases in commodity values and tonnages collected. The Company serves approximately 6,000 residential and 1,300 multi-family customers in Kitsap County. The stated effective date is April 1, 2010.

- 3 The Commission has not issued an order authorizing the Company to use a deferred accounting treatment mechanism to adjust the amount paid to customers for the sale of recycled commodities. The established commodity adjustment methodology has two components: a true-up component that, for the previous twelve-month test period, compares the estimated commodity value to actual commodity value, and an estimate of the revenue (cost) of the next twelve months using the average twelve-month test period revenue (cost). Bainbridge has used only the estimate component.

- 4 Staff recommends that, going forward, the Commission require Bainbridge to implement deferred accounting treatment for the revenue (cost) received (paid) from the sale (disposal) of recyclable commodities collected in the Company’s recycling service using

the most recent twelve-month test period to true-up the estimated revenue to actual revenue, and to estimate revenue for the next twelve-month period. Staff also recommends that the Commission condition its approval on Bainbridge making its next commodity adjustment effective April 1, 2011, and each April 1 thereafter, and that the Company make all future commodity adjustment filings forty-five days prior to the proposed effective date to give Staff sufficient time to review the filing.

FINDINGS AND CONCLUSIONS

- 5 (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.*
- 6 (2) This matter came before the Commission at its regularly scheduled meeting on March 25, 2010.
- 7 (3) Bainbridge 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.
- 8 (4) After reviewing Bainbridge's request to allow the proposed recyclable commodity revenue adjustments filed on February 9, 2010, and giving due consideration, the Commission finds that Bainbridge's requests are reasonable and should be granted. The Commission also finds it is reasonable to require Bainbridge to implement deferred accounting treatment of the revenue (cost) received (paid) from the sale (disposal) of recyclable commodities collected from residential and multi-family customers.

ORDER

THE COMMISSION ORDERS:

- 9 (1) The proposed tariff revisions Bainbridge Disposal, Inc., filed on February 9, 2010, will be effective on April 1, 2010.

- 10 (2) Bainbridge Disposal, Inc., is required to use deferred accounting treatment of the recycling commodity revenues and costs related to its residential and multi-family recycling services. Bainbridge Disposal, Inc., shall make its next commodity adjustment effective April 1, 2011, and each April 1 thereafter, and shall make all future commodity adjustment filings forty-five days prior to the proposed effective date.
- 11 (4) The Commission delegates to the Executive Secretary the authority to approve by letter all compliance filings required in this Order.
- 12 (5) The Commission retains jurisdiction over the subject matter and Bainbridge Disposal, Inc., 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 March 25, 2010.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary