

Agenda Date: October 27, 2011
Item Number: B6

Docket: TG-111689
Company Name: Rabanco, Ltd., d/b/a Tri-County Disposal and Rabanco, Ltd., d/b/a Allied Waste Services of Klickitat County, G-12

Staff: Layne Demas, Regulatory Analyst
John Cupp, Consumer Protection Staff

Recommendation

Issue a Complaint and Order Suspending the Tariff Revisions filed by Rabanco, Ltd., d/b/a Tri-County Disposal and Rabanco, Ltd., d/b/a Allied Waste Services of Klickitat County on September 16, 2011.

Discussion

On September 16, 2011, Rabanco, Ltd. (company), d/b/a Tri-County Disposal (Tri-County) and Rabanco, Ltd., d/b/a Allied Waste Services of Klickitat County (Klickitat) filed tariff revisions with the Utilities and Transportation Commission (commission). The tariff revisions would generate approximately \$123,500 (11.7 percent) in additional annual revenue. The proposed increases are prompted by increases in labor, healthcare, pension, maintenance and fuel costs. Tri-County and Klickitat provide regulated service to approximately 3,200 residential and commercial customers in Klickitat County. The company's last general rate increase became effective January 1, 2008.

Commission staff has not completed its review of the of the company's supporting financial documents, books and records. Therefore, the company has not demonstrated the proposed rates are fair, just, reasonable or sufficient.

Rate Comparison

Residential Monthly Rates	Current Rate	Proposed Rate	Percent Increase
One 32-Gallon Can Weekly Pick-up	\$ 10.65	\$ 11.99	12.58%
Two 32 Gallon Cans Weekly Pick-up	\$ 14.14	\$ 15.92	12.59%
Commercial Per Pick-up Rates			
Commercial can	\$ 2.28	\$ 2.44	7.02%
1.5 Yard Container	\$13.86	\$15.60	12.55%
2.0 Yard Container	\$17.55	\$19.76	12.59%
40 Yard Drop Box (Non-Compacted)	\$120.00	\$135.10	12.58%

Customer Comments

On October 1, 2011, the company notified its customers of the proposed rate increase by mail. Three comments have been received to date; all are opposed to the proposed increase. Customers were notified that they may access documents pertinent to this rate case on the commission's website, and that they may contact John Cupp at 1-888-333-WUTC (9882) or jcupp@utc.wa.gov with questions or concerns.

General Comments

- All three customers said they believe the company should better manage its costs to avoid the need for higher rates. They also believe the amount of the increase is too drastic.

Staff response

Customers were advised 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 investment. Regulatory staff will review the filing to ensure that all rates and fees are appropriate.

Conclusion

Commission staff has not completed its review of the of the company's supporting financial documents, books and records. The company has not demonstrated that the proposed rates are fair, just, reasonable, or sufficient. Therefore, staff recommends the commission issue a Complaint and Order Suspending the Tariff Revisions filed by Rabanco, Ltd., d/b/a Tri-County Disposal and Rabanco, Ltd., d/b/a Allied Waste Services of Klickitat County on September 16, 2011.