

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

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,)	DOCKET TG-070109
)	
Complainant,)	ORDER 02
)	
v.)	
)	
HAROLD LEMAY ENTERPRISES, INC., d/b/a PACIFIC DISPOSAL AND BUTLERS COVE REFUSE SERVICE, G-98)	ORDER DISMISSING COMPLAINT AND ORDER SUSPENDING TARIFF REVISIONS; GRANTING TARIFF REVISIONS
)	
Respondent.)	
.....)	

BACKGROUND

- 1 On January 12, 2007, Harold Lemay Enterprises, Inc., d/b/a Pacific Disposal and Butlers Cove Refuse Service, (Pacific Disposal or Company) filed with the Washington Utilities and Transportation Commission (Commission) 1st Revised Page No. 15, 4th Revised Page No. 21 and 3rd Revised Page No. 22 to its Tariff No. 7.7.
- 2 On December 4, 2006, the Thurston County Board of County Commissioners approved Ordinance No. 13696, which amended the county code and established a new minimum residential recycling collection service (minimum service level). Thurston County’s ordinance changes the residential recycling program from a source separated three-bin system to a modified single-stream collection program.
- 3 In accordance with the provisions of RCW 81.77.130, the Commission is responsible for regulating solid waste collection companies by requiring compliance with local solid waste management plans and ordinances implementing those plans. To implement Thurston County’s new minimum service level ordinance, the Company must purchase new 65 and 96 gallon carts, new recycling trucks and add a recycling coordinator position.
- 4 The Company’s filing to implement the county ordinance would increase residential recycling rates. Pacific Disposal’s proposed rates increased revenues by \$1,405,800

(9.20 percent) annually. Under RCW 81.28, the Commission is responsible for determining if the proposed rates are fair, just, reasonable, and sufficient, but not whether the county's ordinance is appropriate. Commission Staff's review revealed that the proposed rates were excessive. Staff and the Company negotiated revised rates that would increase annual revenues by approximately \$1,194,900 (7.82 percent). On February 22, 2007, Pacific Disposal filed revised, lower rates on substitute tariff pages to reflect this reduced revenue level.

5 The Commission received 143 customer comments concerning the Company's original (January 12, 2007) filing.

6 On February 28, 2007, the Commission entered a Complaint and Order Suspending Tariff Revisions to allow customers the opportunity to comment on the revised rates before determining whether the revisions were fair, just, reasonable, and sufficient. The Commission allowed the revised rates to go into effect on a temporary basis, subject to refund.

7 On March 6, 2007, Consumer Affairs staff sent each customer who had commented on Pacific Disposal's filing a letter or an e-mail advising them of staff's recommended revised rates. Ten customers commented on the revised rates. All of them say the increase is still too drastic.

FINDINGS AND CONCLUSIONS

8 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts, securities, affiliated transactions, and transfers of public service companies, including solid waste companies. *RCW 80.01.040, RCW 81.01, RCW 81.04, RCW 81.28, RCW 81.16, and RCW 81.77.*

9 (2) Pacific Disposal is a solid waste company and is a public service company subject to the jurisdiction of the Commission.

10 (3) This matter was brought before the Commission at its regularly scheduled meeting on March 28, 2007.

- 11 (4) The tariff revisions filed by Pacific Disposal on January 12, 2007, and the substitute pages filed on February 22, 2007, increase solid waste rates.
- 12 (5) The Commission allowed the revised rates filed on February 22, 2007, to become effective March 1, 2007, on a temporary basis subject to refund.
- 13 (6) Pacific Disposal has demonstrated that it requires additional revenues due to the new county ordinance and the revised rates, now in effect on a temporary basis are fair, just, reasonable and sufficient, and should become effective permanently.

ORDER

THE COMMISSION ORDERS:

- 14 (1) The Complaint and Order Suspending Tariff Revisions in Docket TG-070109 dated February 28, 2007, is dismissed.
- 15 (2) The proposed revised rates Harold LeMay Enterprises, Inc., d/b/a Pacific Disposal and Butlers Cove Refuse Service filed on February 22, 2007, reflecting Staff recommended levels are approved to become effective April 1, 2007, on a permanent basis.

DATED at Olympia, Washington, and effective March 28, 2007.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner