# BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND	)	DOCKET TG-131794
TRANSPORTATION	)	
COMMISSION,	)	ORDER 01
	)	
Complainant,	)	
	)	
v.	)	COMPLAINT AND ORDER
	)	SUSPENDING TARIFF; AND,
Waste Control, Inc., G-101	)	ALLOWING RATES ON A
	)	TEMPORARY BASIS, SUBJECT TO
Respondent.	)	REFUND
	)	

# **BACKGROUND**

- On September 23, 2013, Waste Control, Inc. (Waste Control or Company), filed new Tariff No. 15 with the Utilities and Transportation Commission (Commission) that would generate approximately \$392,000 (11.4 percent) additional annual revenue. The proposed increases are prompted by increased disposal fees, payments to affiliates, employee wages and benefits, fuel, and other general operating expenses. The Company's last general rate increase became effective February 1, 2010. The Company serves approximately 11,000 customers in Cowlitz, Clark, and Skamania County.
- Commission Staff has completed its review of the Company's supporting financial documents, books and records. The Company and Staff have not agreed to a revenue requirement. Therefore, Staff takes the position that the Company has not demonstrated the proposed rates are fair, just, reasonable or sufficient. Staff recommends the Commission issue a Complaint and Order Suspending new Tariff No.15 filed by Waste Control on September 23, 2013, as revised on November 25, 2013.
- If the Commission suspends a tariff that includes rates to recover disposal fees, RCW 81.77.160 requires the Commission to allow the rates related to the disposal fees to become effective on the originally filed effective date on an interim basis, subject to refund, pending the Commission's final order.
- On November 25, 2013, the Company filed a request to allow rates related to the disposal fees to become effective on an interim basis, subject to refund, and filed revised tariff pages designed to recover just the disposal increase portion of the proposed rates. The

revenue impact of the disposal fee increase is approximately \$176,000 (4.9 percent) additional annual revenue.

Because this matter involves an increase to recover a disposal fee, Commission Staff recommended that the Commission Issue a Complaint and Order Suspending Tariff No. 15 filed by Waste Control on September 23, 2013, and revised on November 25, 2013, and allow new Tariff No. 15 and the revised pages filed on November 25, 2013, to become effective on December 1, 2013, on a temporary basis, subject to refund.

## **DISCUSSION**

We agree with Staff's recommendation to suspend the proposed rates. Because the proposed rates include increased disposal fees, RCW 81.77.160 requires the Commission to allow the rates related to the disposal fees to become effective on the originally filed effective date on an interim basis, subject to refund, pending the Commission's final order. We therefore agree with Staff's recommendation to allow rates to recover only the disposal fee portion of the proposed increase to become effective on December 1, 2013, on a temporary basis, subject to refund.

#### FINDINGS AND CONCLUSIONS

- 7 (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, regulations, practices, accounts and affiliated interests of public service companies, including solid waste companies.
- 8 (2) Waste Control is a solid waste company and a public service company subject to Commission jurisdiction.
- 9 (3) This matter came before the Commission at its regularly scheduled meeting on November 27, 2013.
- 10 (4) If the Commission suspends a tariff that includes rates to recover disposal fees, RCW 81.77.160 requires the Commission to allow the rates related to the disposal fees to become effective on the originally filed effective date on an interim basis, subject to refund, pending the Commission's final order.

11 (5) New Tariff No. 15 filed by Waste Control on September 23, 2013, would increase charges and rates for service provided by Waste Control.

- As required by RCW 81.70.160, the Commission allows the rates related to the disposal fees to become effective on December 1, 2013, on an interim basis, subject to refund, pending the Commission's final order.
- Waste Control has not yet demonstrated that the tariff revisions would ultimately result in rates that are fair, just, reasonable and sufficient.
- To determine whether the tariff revisions would result in rates that are fair, just, and reasonable, the Commission should investigate Waste Control's books, accounts, practices and activities, and should investigate and appraise various phases of Waste Control's operations.
- Waste Control bears the burden of proof to show that the proposed increases are just, reasonable, and sufficient. Nothing in this Order is intended to limit the issues as to the fairness, justness, reasonableness and sufficiency of the proposed increases.

## **ORDER**

# THE COMMISSION ORDERS:

- 16 (1) New Tariff No. 15 filed by Waste Control, Inc., on September 23, 2013, and the revised pages filed on November 25, 2013, are suspended.
- 17 (2) New Tariff No. 15 filed by Waste Control, Inc., on September 23, 2013, and the revised pages filed on November 25, 2013, shall become effective on December 1, 2013, on a temporary basis, subject to refund if the Commission determines that different rates will be fair, just, reasonable and sufficient.
- 18 (3) The Commission will hold hearings at such times and places as may be required.
- 19 (4) Waste Control, Inc., must not change or alter the tariffs filed in this Docket during the suspension period, unless authorized by the Commission.

20 (5) The Commission will institute an investigation of Waste Control, Inc.'s books, accounts, practices, activities and operations as described above.

DATED at Olympia, Washington, and effective November 27, 2013.

# WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

PHILIP B. JONES, Commissioner

JEFFREY D. GOLTZ, Commissioner