

Agenda Date: March 28, 2024
Item Number: B1

Docket: TG-231050
Company Name: Bainbridge Disposal, Inc. G-37

Staff: Jeanine Leggett, Regulatory Services
Kris Irelan, Consumer Protection

Recommendation

Take no action, thereby allowing tariff pages filed on December 21, 2023, and revised on March 21, 2024, to become effective April 1, 2024.

Discussion

On December 21, 2023, Bainbridge Disposal, Inc. G-143 (Bainbridge or Company), filed Tariff No. 18 with the Utilities and Transportation Commission (Commission) that would generate approximately \$1,498,000 (27 percent) additional annual revenue. Bainbridge provides regulated solid waste collection services to approximately 7,200 residential garbage and recycling, 4,000 yard waste and 450 commercial garbage customers in Kitsap County. The Company's last general rate increase became effective on February 1, 2017.

Commission staff (Staff) made some minor adjustments to payroll related to the Company's bonus program. The Company did not separate costs of garbage, recycling, or yard waste and used a single Lurito Gallagher (LG) model to determine its return. The Company provides recycling and yard waste to most of its customers, but those rates are far below the actual cost to provide those services. Commission practice has been to separate lines of business with each having its own LG model to avoid one customer group subsidizing another. However in this instance, the same customers pay for both garbage and recycling service. So to settle the case, Staff and the Company agreed to a larger increase in recycling rates and a lower increase for garbage rates to bring the rate spread more in line with the cost of service. In its next filing, the Company will separate the lines of business to better determine costs of service and appropriate rates.

Staff has completed its review of the Company's books and records and believes the Company has demonstrated the rate increase is necessary to provide service. Staff believes the revised rates agreed upon by the Company are fair, just, reasonable, and sufficient.

Rate Comparison

Residential Monthly Rates	Current Rate	Proposed Rate	Revised Rate	Percent Increase
Mini-Can Weekly	\$6.86	\$8.73	\$7.79	14%
1 Can Weekly Garbage	\$15.49	\$19.72	\$17.58	14%
64 Gal. EOW Recycling Only	\$7.35	\$9.36	\$9.92	35%
64 Gal. EOW Recycling (w/WG)	\$6.25	\$7.96	\$10.00	60%
96 Gal. EOW Yardwaste (w/WG)	\$10.04	\$12.78	\$12.78	27%
Commercial Per Pick-up Rates				
1 Can Permanent Service	\$10.73	\$13.66	\$13.66	27%
2-Yard Container	\$25.34	\$32.26	\$32.26	27%
Drop Box				
10 Yard	\$54.87	\$69.86	\$69.86	27%
20 Yard	\$76.56	\$97.48	\$97.48	27%
50 Yard	\$137.94	\$175.63	\$175.63	27%

Customer Comments

On February 15, 2024, Bainbridge Disposal notified its customers of the proposed initial tariff filing by mail. Staff received 15 consumer comments regarding the proposed rate increase; 12 opposed to the initial tariff filing, three in favor, and zero undecided. Customers were notified that they may access relevant documents about this initial tariff filing on the Commission's website, and that they may contact Kris Ireland at 1-888-333-9882 or kris.ireland@utc.wa.gov with questions or concerns.

Conclusion

Take no action, thereby allowing tariff pages filed on December 21, 2023, and revised on March 21, 2024, to become effective April 1, 2024.