

Agenda Date: November 28, 2007
Item Number: B4

Docket: TG-072041
Company Name: Rabanco LTD, d/b/a Allied Waste Services of Klickitat County and Tri-County Disposal, G-12

Staff: Nicki Johnson, Regulatory Analyst
Dennis Shutler, Consumer Program Specialist

Recommendation

1. Issue a Complaint and Order Suspending the Tariff Revisions filed by Rabanco LTD, d/b/a Allied Waste Services of Klickitat County and Tri-County Disposal.
2. Allow temporary rates at the staff recommended revised rates to become effective December 1, 2007, subject to refund.

Discussion

On October 16, 2007, Rabanco LTD, d/b/a Allied Waste Services of Klickitat County and Tri-County Disposal (Tri-County or company), filed a general rate increase for solid waste service. The overall impact of the proposed filing would be approximately \$278,600 (34.67 percent). Tri-County serves 2,700 regulated residential and commercial customers in Klickitat County. The major drivers of the proposed revision are increases in labor, benefits, and fuel expenses. The company's last general rate increase became effective April 2003.

The commission received seven comments in response to the filing. A count of issues from these customers is as follows:

Issue	Count of Issues Out of 7 Comments Received
Supports the increase	2
Objects to the amount of the increase	5

Staff's review of Tri-County's operations revealed that most proposed rates were excessive. On November 16, 2007, the company filed revised rates at the staff recommended level. The revised rates generate approximately \$114,800 (14.29 percent). Although the company filed revised rates at lower levels, customers have not yet been advised that staff and the company have agreed to revised rates and they have not had the opportunity to comment on the revised rates. Customers deserve to know about, and comment on, the revised rates. The commission should consider all information, including any additional customer comments on the revised rates, in deciding whether to approve the revised rates.

Rate Comparison

	<u>Present</u>	<u>Proposed</u>	<u>Revised</u>
<u>Residential - monthly rates</u>			
One 32 gallon can per week	\$9.68	\$12.49	\$10.65
Two 32 gallon can per week	\$12.85	\$16.58	\$14.14
<u>Commercial - per Pickup</u>			
1.5 yard container	\$12.60	\$15.75	\$13.86
1.5 yard container rent	NA	\$8.00	\$8.00
40 yard drop box	\$117.79	\$147.24	\$120.00
Monthly rent	\$37.00	\$50.00	\$45.00
Daily rent	\$1.23	\$4.00	\$1.41
Delivery charge	NA	\$65.00	\$35.00
Mileage	\$1.95	\$3.30	\$2.05

Conclusion

Staff recommends that the commission issue a Complaint and Order Suspending the Tariff Revisions filed by Rabanco LTD, d/b/a Allied Waste Services of Klickitat County and Tri-County Disposal in Docket TG-072041 and allow temporary revised rates at staff recommended levels, to become effective December 1, 2007, subject to refund.