

Agenda Date: January 31, 2008
Item Number: B1

Docket: TG-072202
Company Name: Fred W. & Crystal L. Stanley d/b/a Stanley's Sanitary Service

Staff: Chris Mickelson, Regulatory Analyst
Dennis Shutler, Consumer Affairs Specialist

Recommendations

1. Dismiss the Complaint and Order Suspending the Tariff Revisions filed by Fred W. & Crystal L. Stanley d/b/a Stanley's Sanitary Service.
2. Approve the staff recommended revised rates to become effective February 1, 2008, on a permanent basis.

Discussion

On November 14, 2007, Fred W. & Crystal L. Stanley d/b/a Stanley's Sanitary Service (Stanley or the company) filed with the Washington Utilities and Transportation Commission (commission) revisions to its currently effective Tariff WN U-08 that would generate \$46,069 (11.22 percent) in additional revenue per year. Stanley serves 728 regulated residential and commercial customers located in Eastern Wahkiakum County. The proposed revisions are prompted by increases in labor, benefits, fuel expenses, and new equipment costs. Stanley's last general rate increase became effective August 1, 2006.

Staff's review of Stanley's operations revealed that the company's proposed rates were excessive. On December 18, 2007, the company filed revised rates at the staff recommended level that would generate \$32,599 (7.77 percent) additional revenue per year. On December 27, 2007, the commission entered a Complaint and Order Suspending Tariff Revisions pending an investigation to determine whether the revisions was fair, just, reasonable, and sufficient. The commission allowed the revised rates to go into effect on a temporary basis on January 1, 2008.

Stanley notified its customers of the rate increase by mail on November 15, 2007. The commission received one customer comment on this filing as of January 22, 2008. The customer is concerned about the size of the overall increase. On December 27, 2007, Consumer Affairs staff sent the customer a letter advising him of staff's recommended revised rates. The customer has not commented on the revised rates.

Rate Comparison

	Current Rate (Previous)	Proposed Rate (Company)	Revised Rate (Temporary)
Residential Rate			
One can (weekly)	\$19.59	\$21.78	\$20.61
Two cans (weekly)	\$22.98	\$25.55	\$24.17
One can (every other week)	\$13.73	\$15.27	\$14.44
Two cans (every other week)	\$19.59	\$21.78	\$20.61
One mini-can (weekly)	\$12.59	\$14.00	\$13.23
Extra 32 gallon can (each)	\$5.75	\$6.39	\$6.05
Commercial Rate			
One 32 gallon can	\$19.83	\$22.05	\$20.86
One container (weekly)	\$117.21	\$130.34	\$123.30
Two containers (weekly)	\$234.43	\$260.68	\$246.62
Container Rent	\$15.24	\$16.95	\$16.03
Service Rate (per pick-up)			
Drop Box Service	\$170.04	\$189.08	\$178.88
Miles exceeding 5 miles /one-way	\$1.90/mile	\$2.11/mile	\$2.11/mile

Commission staff has completed reviewing the company's supporting financial documents, books and records. The company's records support the revised rates.

Conclusion

1. Dismiss the Complaint and Order Suspending the Tariff Revisions filed by Fred W. & Crystal L. Stanley d/b/a Stanley's Sanitary Service.
2. Approve the staff recommended revised rates to become effective February 1, 2008, on a permanent basis.