

Agenda Date: January 14, 2010
Item Number: B1

Dockets: TG-091933
Company Name: Waste Management of Washington, Inc., G-237

Staff: Christopher Mickelson, Regulatory Analyst
Nancy Paulson, Consumer Protection Staff

Recommendation

Issue a Complaint and Order Suspending the Tariff Revisions filed by Waste Management of Washington, Inc., on December 17, 2009.

Discussion

On December 17, 2009, Waste Management of Washington, Inc., (WMW or company) filed with the Utilities and Transportation Commission (commission) tariff revisions for the operations it conducts under the registered trade name Waste Management Sno-King (Sno-King) that would generate \$475,301 (4.4 percent) in additional annual revenue. The proposed effective date is February 1, 2010.

The tariff revisions propose to increase rates for residential and commercial garbage collection, residential recycling collection, drop box, and decrease rates for yard waste collection services. The proposed rate revisions are prompted by increases in fuel, labor, health care, insurance, and other general operating expenses. Sno-King provides regulated service to approximately 21,200 residential and commercial customers in the northeastern part of King County. Sno-King's last general rate increase became effective on September 1, 2005.

By letter dated April 16, 2009, (Attachment 1) the commission advised all solid waste collection companies that it would begin rigorous enforcement of the commission's rules and would reject general rate case filings that do not comply with the filing requirements of WAC 480-07-505 and 480-07-520. WAC 480-07-520 sets forth the minimum filing requirements for a general rate case. By letter, dated November 3, 2009, (Attachments 2A, 2B and 2C) staff provided additional technical assistance on compliance with the filing requirements.

WMW provided information pertinent to its Sno-King operations, but did not provide the remainder of the information for WMW, that staff believes is required by WAC 480-07-520. WMW disagrees with staff's interpretation of WAC 480-07-520 and filed a petition, docketed as TG-091945, asking the commission to interpret WAC 480-07-520(4) to require work papers that provide financial analysis for Sno-King only, in accordance with WMW's interpretation and staff's past practices; or, in the alternative, grant WMW exemptions from complying with specific rules.

Staff requires the information at issue in WMW's petition for interpretation in order to complete its audit and investigation of the tariff revisions proposed in this docket. As the commission must first resolve the issues WMW presents in its petition for interpretation before staff can complete its review of the tariff filing, and it is not likely that the commission would be able to resolve the

issues identified in WMW's petition prior to the January 28, 2010, open meeting, staff recommends the commission suspend the filing and allow both the general rate increase filing and petition to be addressed together in an adjudicative proceeding. WMW's filing would become effective February 1, 2010, by operation of law, unless the commission takes action to suspend the filing.

Customer Comments

On December 31, 2009, the company notified its customers of the proposed rate increase by mail. The commission has received no customer comments on this filing. Customers have access to all of the company's documents pertinent to this rate case at www.utc.wa.gov, and that they may contact Nancy Paulson with questions or concerns.

Rate Comparison

Residential Monthly Rates	Current Rate	Proposed Rate
32-Gallon Can Weekly Pick-up	\$10.60	\$11.30
35-Gallon Cart Weekly Pick-up	\$11.70	\$12.50
64-Gallon Cart Weekly Pick-up	\$17.90	\$19.20
96-Gallon Cart Every-Other-Week Pick-up (Mandatory Recycling Service)	\$7.75	\$7.95
96-Gallon Cart Every-Other-Week Pick-up (Optional Yard Waste Service)	\$9.60	\$8.65

Commercial Per Pick-up Rates	Current Rate	Proposed Rate
1 Yard Container	\$17.60	\$18.90
2 Yard Container	\$28.90	\$31.10
10-40 Yard Drop Box (Non-Compacted)	\$97.40	\$124.70
15-40 Yard Drop Box (Compacted)	\$130.20	\$166.70

Bill Comparison – Residential Customer

Monthly Rates	Current Rate	Proposed Rate
35-Gallon Cart (Weekly Garbage Service)	\$11.70	\$12.50
Recycling Cart (Mandatory Every Other Week Service)	\$7.75	\$7.95
Total Monthly Bill	\$19.45	\$20.45
Increase		5.1%

Conclusion

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