# BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND	)	DOCKET TG-111994
TRANSPORTATION COMMISSION,	)	
, and the second se	)	ORDER 01
Complainant,	)	
-	)	
v.	)	
	)	
FIORITO ENTERPRISES, INC., &	)	
RABANCO COMPANIES	)	
d/b/a KENT MERIDIAN DISPOSAL	)	
COMPANY,	)	
d/b/a KENT DISPOSAL	)	COMPLAINT AND ORDER
d/b/a MERIDIAN VALLEY	)	SUSPENDING TARIFF; ALLOWING
DISPOSAL, G-60	)	RATES ON A TEMPORARY BASIS,
Respondent.	)	SUBJECT TO REFUND
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### **BACKGROUND**

- On November 17, 2011, Fiorito Enterprises, Inc., & Rabanco Companies d/b/a Kent Meridian Disposal Company, d/b/a Kent Disposal, d/b/a Meridian Valley Disposal (Kent Meridian or Company), filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff No. 27 designated as 1<sup>st</sup> Revised Title Page, 24<sup>th</sup> Revised Page 1, 3<sup>rd</sup> Revised Page 5, 19<sup>th</sup> Revised Page 21, 20<sup>th</sup> Revised Page 25, 16<sup>th</sup> Revised Page 28, 16<sup>th</sup> Revised Page 29, 17<sup>th</sup> Revised Page 30, 17<sup>th</sup> Revised Page 31, 2<sup>nd</sup> Revised Page 38, 6<sup>th</sup> Revised Page 39, 6<sup>th</sup> Revised Page 40, 5<sup>th</sup> Revised Page 41, 4<sup>th</sup> Revised Page 42, 6<sup>th</sup> Revised Page 43 and 4<sup>th</sup> Revised Page 44. The stated effective date is January 1, 2012.
- In this filing, Kent Meridian proposes a general rate increase that increases residential and commercial garbage rates, due in part to a January 1, 2012, increase in King County disposal fees. The filing also proposes to increase rates for drop box, residential and multi-family recycling, and yard waste collection services. Kent Meridian's proposed rates are designed to increase revenues by \$924,600 (8.4 percent) annually.
- Staff has not completed its analysis of the Company's proposed rates and recommended that the November 17, 2011, tariff filing be suspended.

- 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 December 2, 2011, and on December 16, 2011, the Company filed revised rates to recover just the disposal increase portion of the proposed rates and the increase in the King County Board of Health's hazardous waste fee. The revised rates are designated as 25<sup>th</sup> Revised Page 1, 3<sup>rd</sup> Revised Page 5, 20<sup>th</sup> Revised Page 21, 21<sup>st</sup> Revised Page 25, 17<sup>th</sup> Revised Page 28, 17<sup>th</sup> Revised Page 29, 2<sup>nd</sup> Revised Page 38, 7<sup>th</sup> Revised Page 39, 7<sup>th</sup> Revised Page 40, 6<sup>th</sup> Revised Page 41 and 5<sup>th</sup> Revised Page 42. The revenue impact of the disposal increase is approximately \$464,000 of additional annual revenue. Staff recommends that Kent Meridian be allowed to file the tariff pages that increase rates to recover only increased disposal fees and the increased King County Board of Health's hazardous waste fee, and that these pages also be suspended and allowed to become effective on a temporary basis, subject to refund.
- Kent Meridian notified its customers of the proposed rate increase by mail on December 1, 2011. The Commission received comments from 10 customers concerning Kent Meridian's original November 17, 2011, filing. The customers believe that the Commission should not allow the Company to increase rates in the current economic conditions.
- The proposed revised rates might injuriously affect the rights and interests of the public. The Commission therefore suspends the tariff filings and allows the revised pages filed on December 2, 2011, and December 16, 2011, to become effective on a temporary basis, subject to refund.

### FINDINGS AND CONCLUSIONS

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. *RCW* 80.01.040, *RCW* 81.01, *RCW* 81.04, *RCW* 81.16, *RCW* 81.28 and *RCW* 81.77.

9 (2) Kent Meridian is a solid waste company and public service company subject to Commission jurisdiction.

- 10 (3) These matters came before the Commission at its regularly scheduled meeting on December 29, 2011.
- 11 (4) The tariff revisions Kent Meridian filed on November 17, 2011, increase rates for residential and commercial garbage, drop box, residential and multi-family recycling and yard waste collection services. The revised tariff pages filed on December 2, 2011, and December 16, 2011, increase rates to recover just disposal fees and the increased King County Board of Health's hazardous waste fee.
- 12 (5) Kent Meridian has not yet demonstrated that the proposed rates are fair, just, reasonable and sufficient. The Commission finds it reasonable to allow the revised rates that recover only the increased disposal fees and the increased King County Board of Health's hazardous waste fee, as filed on December 2, 2011, and December 16, 2011, to become effective January 1, 2012, on a temporary basis, subject to refund.
- In addition, the Commission invokes the rights, remedies and procedures contained in the reparations statute, RCW 81.04.220, to the extent the Commission finds that any rate subject to this investigation is excessive or exorbitant.
- 14 (7) Kent Meridian may be required to pay the expenses reasonably attributable and allocable to such an investigation consistent with the provisions of RCW 81.20.020.

#### **ORDER**

#### THE COMMISSION ORDERS:

15 (1) The tariff revisions Fiorito Enterprises, Inc., & Rabanco Companies d/b/a Kent Meridian Disposal Company, d/b/a Kent Disposal, d/b/a Meridian Valley Disposal filed on November 17, 2011, and the revised pages filed on December 2, 2011, and December 16, 2011, are suspended.

- The revised tariffs pages Fiorito Enterprises, Inc., & Rabanco Companies d/b/a Kent Meridian Disposal Company, d/b/a Kent Disposal, d/b/a Meridian Valley Disposal filed on December 2, 2011, and December 16, 2011, shall become effective on January 1, 2012, on a temporary basis, subject to refund if the Commission determines that different rates will be fair, just, reasonable and sufficient.
- 17 (3) The Commission may hold hearings if needed at such times and places as required.
- 18 (4) Fiorito Enterprises, Inc., & Rabanco Companies d/b/a Kent Meridian Disposal Company, d/b/a Kent Disposal, d/b/a Meridian Valley Disposal must not change or alter the tariff pages filed in this docket during the suspension period, unless the Commission authorizes the change in this docket.
- 19 (5) The Commission will institute an investigation of Fiorito Enterprises, Inc., & Rabanco Companies d/b/a Kent Meridian Disposal, d/b/a Kent Disposal, d/b/a Meridian Valley Disposal's books, accounts, practices, activities, property and operations as necessary and as described above.
- 20 (6) Fiorito Enterprises, Inc., & Rabanco Companies d/b/a Kent Meridian Disposal Company, d/b/a Kent Disposal, d/b/a Meridian Valley Disposal shall pay the expenses reasonably attributable and allocable to the Commission's investigation, consistent with RCW 81.20.020.

DATED at Olympia, Washington, and effective December 29, 2011.

## WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner