

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND
TRANSPORTATION
COMMISSION,

Complainant, v.

SANITARY SERVICE COMPANY.,
INC.,

Respondent.

DOCKET TG-210251

ORDER 01

ALLOWING RATES TO GO INTO
EFFECT JUNE 1, 2021, SUBJECT TO
CONDITION

BACKGROUND

- 1 On April 15, 2021, Sanitary Service Company, Inc., (Sanitary or Company) filed Tariff No. 9 with the Washington Utilities and Transportation Commission (Commission), which would generate approximately \$2,767,345 (13.86 percent) in additional annual revenue for the collection of garbage, recycling, and yard waste. The Company operates in Whatcom County and serves approximately 28,000 regulated customers. The Company's last general rate increase became effective on June 1, 2011.
- 2 Commission staff (Staff) reviewed the filing and supporting documentation and determined that the Company demonstrated a need for \$2,549,159 (12.77 percent) additional annual revenue. Based on adjustments to the salvage value of several assets that have been amortized over a four-year period, Staff recommends that the Commission direct Sanitary to make a compliance filing with an effective date no later than June 1, 2025, to remove those costs from rates. The Company agreed to Staff's proposed revenue requirement and filed revised pages on May 12, 2021. Staff finds the revised rates are fair, just, reasonable, and sufficient.
- 3 On April 26, 2021, the Company notified customers by mail of the proposed rate increase. Staff received five consumer comments opposed to the proposed rate increase. The customer comments do not change Staff's opinion that the Company's financial information supports the revised revenue requirement, and that the revised rates and charges are fair, just, reasonable, and sufficient. Staff's review shows that the expenses are reasonable and required as part of the Company's operations.

DISCUSSION

4 The Commission agrees with Staff's recommendation and finds that Sanitary's proposed Tariff revisions, as revised on May 12, 2021, result in rates that are fair, just, reasonable, and sufficient. We approve the proposed revisions subject to the condition that Sanitary makes a compliance filing to remove asset salvage values from rates with an effective date no later than June 1, 2025, once those values have been recovered from customers to ensure that rates remain fair, just, and reasonable.

FINDINGS AND CONCLUSIONS

- 5 (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, practices, accounts and affiliated interests of public service companies, including solid waste companies.
- 6 (2) Sanitary is a solid waste company and a public service company subject to Commission jurisdiction.
- 7 (3) This matter came before the Commission at its regularly scheduled meeting on May 20, 2021.
- 8 (4) Sanitary has demonstrated that the increased revenue requirement and rates are fair, just, reasonable, and sufficient.
- 9 (5) The increased revenue requirement and rates should be allowed to go into effect by operation of law on June 1, 2021, subject to the condition that Sanitary makes a compliance filing to remove asset salvage values from rates with an effective date no later than June 1, 2025.

ORDER

THE COMMISSION ORDERS:

- 10 (1) The tariff revision filed by Sanitary Service Company, Inc., in this docket on April 15, 2021, and revised on May 12, 2021, shall become effective by operation of law on June 1, 2021.

- 11 (2) Sanitary Service Company, Inc., is required to make a compliance filing in four years with an effective date no later than June 1, 2025, to remove from rates certain asset salvage values.
- 12 (3) This Order shall not affect the Commission's authority over rates, services, accounts, valuations, estimates, or determination of costs, on any matters that may come before it.

DATED at Lacey Washington, and effective May 20, 2021.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner