

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

WASHINGTON UTILITIES AND)	DOCKET TG-090086
TRANSPORTATION COMMISSION,)	
)	ORDER 01
Complainant,)	
)	
v.)	
)	
WASTE MANAGEMENT OF)	
WASHINGTON, D/B/A WASTE)	
MANAGEMENT OF WASHINGTON)	
- NORTHWEST, G-237)	COMPLAINT AND ORDER
)	SUSPENDING TARIFF; ALLOWING
Respondent.)	RATES ON A TEMPORARY BASIS,
.....)	SUBJECT TO REFUND

BACKGROUND

- 1 On January 14, 2009, Waste Management of Washington, d/b/a Waste Management of Washington - Northwest (Northwest or Company) filed with the Washington Utilities and Transportation Commission (Commission) a new Tariff No. 17, replacing Tariff No. 16. The stated effective date is March 1, 2009.

- 2 In this filing, Northwest proposes to increase rates for solid waste, curbside recycling, and yardwaste collection service. Northwest's proposed rates were designed to increase revenues by \$6,900,000 (17.5 percent) annually. Commission Staff's review revealed that the proposed rates were excessive. Staff and Northwest negotiated revised rates that would increase annual revenues by approximately \$6,300,000 (15.4 percent) annually. On February 18, 2009, Northwest filed revised, lower rates on substitute tariff pages to reflect the lower revenue level.

- 3 The Commission received comments from 149 customers concerning Northwest's original January 14, 2009 filing; 4 are in favor, 138 opposed, and 7 undecided. The majority of the comments are from customers who believe the amount of the increase is unacceptable and unaffordable considering today's increased cost of living and economic conditions. Consumer Protection Staff advised customers that state law requires rates to be fair and reasonable for customers, but sufficient to allow the company the opportunity to recover operating expenses and earn a return on investment. Several customers state

that charges should not be billed when services are not provided such as during inclement weather. Staff responded the companies are not required to credit for missed pickups if they collect what they missed when conditions permit, as long as the amount of the extra garbage is reasonably what would have accumulated during the missed period.

Customers also commented on the current drop in fuel prices and the effect it should have on any proposed rate increase. Consumer Protection Staff did not respond directly to this comment citing the case is still in process. The customers have not yet had the opportunity to comment on the proposed revised rates filed by Northwest on February 18, 2009.

- 4 The Commission should consider all information, including any additional customer comments on the revised rates, in deciding whether to conduct an evidentiary hearing on the revised rates. Northwest, therefore, has not yet demonstrated the revised rates are fair, just, reasonable and sufficient.
- 5 The proposed revised rates might injuriously affect the rights and interests of the public. The Commission therefore suspends the tariff filing. The Commission accepts the proposed revised rates as temporary rates and allows those revised rates to become effective on March 1, 2009, on a temporary basis, subject to refund.

FINDINGS AND CONCLUSIONS

- 6 (1) The Washington Utilities and Transportation 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. *RCW 80.01.040, RCW 81.01, RCW 81.04, RCW 81.16, RCW 81.28 and RCW 81.77.*
- 7 (2) Northwest is a solid waste company and a public service company subject to Commission jurisdiction.
- 8 (3) This matter came before the Commission at its regularly scheduled open meeting on February 26, 2009.

- 9 (4) The tariff revisions Northwest filed on January 14, 2009, and the substitute pages filed on February 18, 2009, would increase rates for solid waste, curbside recycling, and yardwaste collection service.
- 10 (5) Northwest has not yet demonstrated that the proposed rates are fair, just, reasonable and sufficient. The Commission finds it reasonable to allow the revised rates filed on February 18, 2009, to become effective March 1, 2009, on a temporary basis, subject to refund.
- 11 (6) 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.
- 12 (7) Northwest may be required to pay the expenses reasonably attributable and allocable to such an investigation consistent with RCW 81.20.

ORDER

THE COMMISSION ORDERS:

- 13 (1) The tariff revisions Waste Management of Washington, d/b/a Waste Management of Washington - Northwest filed on January 14, 2009, are suspended.
- 14 (2) The proposed revised tariffs Waste Management of Washington, d/b/a Waste Management of Washington - Northwest filed on February 18, 2009, shall become effective on March 1, 2009, on a temporary basis, subject to refund if the Commission determines that different rates will be fair, just, reasonable and sufficient.
- 15 (3) The Commission may hold hearings if needed at such times and places as required.
- 16 (4) Waste Management of Washington, d/b/a Waste Management of Washington - Northwest 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.

- 17 (5) The Commission will institute an investigation of Waste Management of Washington, d/b/a Waste Management of Washington - Northwest's books, accounts, practices, activities, property and operations as necessary and as described above.
- 18 (6) Waste Management of Washington, d/b/a Waste Management of Washington - Northwest shall pay the expenses reasonably attributable and allocable to the Commission's investigation, consistent with RCW 81.20.

DATED at Olympia, Washington, and effective February 26, 2009.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner