

Agenda Date: October 29, 2009  
Item Number: B1

**Docket:** TG-091472  
Company Name: Waste Management of Washington, Inc., d/b/a Waste Management of Ellensburg, G-237

Staff: Nicki Johnson, Regulatory Analyst  
Christopher Mickelson, Regulatory Analyst  
Dennis Shutler, Consumer Protection Staff

### **Recommendation**

Take no action, allowing the revised rates to become effective November 1, 2009, by operation of law.

### **Discussion**

On September 15, 2009, Waste Management of Washington, Inc., d/b/a Waste Management of Ellensburg, (Waste Management of Ellensburg or company), filed with the Utilities and Transportation Commission (commission) tariff revisions that would generate \$152,770 (9.1 percent) in additional annual revenue.

The tariff revisions propose to increase rates for garbage service to its 3,070 residential and commercial regulated customers in Kittitas County. The proposed rate revisions are prompted by increases in labor, maintenance and other general operating expenses. Waste Management of Ellensburg's last general rate increase became effective on November 1, 2003.

After review and discussions, staff and the company agreed to a revised revenue requirement of \$99,925 (5.9 percent) in additional annual revenue. On October 21, 2009, the company filed revised rates at staff recommended levels.

### **Customer Comments**

The commission received one customer comment on this filing; the customer is opposed to the proposed increase. Consumer Protection staff advised the customer that the company's documents about this rate case may be accessed at [www.utc.wa.gov](http://www.utc.wa.gov), and to contact Dennis Shutler at 1-888-333-9882 with questions or concerns.

### **General Comments**

- One customer believes the proposed rates are excessive, and that the current rates are already too high.

### **Staff Response**

Although staff understands the customer's concerns, our responsibility is to recommend the "right" rates that will allow the company to recover prudent operating expenses and the opportunity to earn a reasonable return.

**Rate Comparison**

<b>Residential Monthly Rates</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Revised Rate</b>
Mini-Can Weekly Pick-up	\$9.00	\$10.00	\$9.80
One 32-Gallon Can Weekly Pick-up	\$10.75	\$12.00	\$11.45
One 35-Gallon Cart Weekly Pick-up	\$11.85	\$13.25	\$12.60

<b>Commercial per Pick-up Rates</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Revised Rate</b>
1.5 Yard Container	\$23.30	\$26.00	\$24.80
30 Yard Drop Box	\$77.60	\$89.50	\$89.50

**Average Customer Charge Comparison – One Can Customer**

<b>Monthly Rates</b>	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Revised Rate</b>
Garbage Service	\$10.75	\$12.00	\$11.45
Increase from Current Rate		11.6%	6.5%

Commission staff has completed its review of the company's supporting financial documents, books and records. Staff's review shows that the expenses are reasonable and required as part of the company's operations. The company's financial information supports the revised revenue requirement and the revised rates and charges are fair, just, reasonable, and sufficient.

**Conclusion**

Take no action, allowing the revised rates to become effective November 1, 2009, by operation of law.