



WASTE CONNECTIONS
Connect with the Future®

June 3, 2022

Ms. Amanda Maxwell
 Executive Director and Secretary
 Washington Utilities and Transportation Commission
 P.O. Box 47250
 Olympia, WA 98504-7250

Received
 Records Management
 06/06/22 08:27:00
 State Of WASH.
 UTIL. AND TRANSP.
 COMMISSION

Re: Waste Connections Response to Rulemaking Docket TG-220140

Dear Ms. Maxwell:

This letter contains Waste Connection's response to the Washington Utilities & Transportation Commission's (WUTC) rulemaking to consider changes and improvements to solid waste rules related to customer notice requirements, electronic filing and billing, low-income residential rates, missed pickups, residential customer deposits and fees, and other ministerial changes – Docket TG-220140.

Waste Connections (WC) operates the following 16 G-Cert companies in the State of Washington:

Waste Connections of WA, Inc.	G-253
Columbia River Disposal, Inc.	G-48 & G-51
Waste Control, Inc.	G-101
Waste Connections of Oregon, Inc. dba Sanitary Disposal	G-173
Yakima Waste Systems, Inc.	G-89
Harold LeMay Enterprises, Inc. dba Pierce County Refuse	G-98
Harold LeMay Enterprises, Inc. dba Pacific Disposal and Butlers Cove Refuse; dba Rural Garb	G-98
Harold LeMay Enterprises, Inc. dba Harbor Disposal and Eastern Gray's Harbor Disposal	G-98
Harold LeMay Enterprises, Inc. dba City Sanitary, Joe's Refuse, White Pass Garbage	G-98
Murrey's Disposal Co., Inc.	G-9
Murrey's Disposal Co., Inc. dba Olympic Disposal	G-9
Amercian Disposal Co., Inc. dba Vashon Disposal	G-87
Island Disposal, Inc.	G-154
Empire Disposal, Inc.	G-75
Mason County Garbage Co., Inc.	G-88
Peninsula Sanitation Service, Inc.	G-11

WC has responded below to all questions to the best of our ability given the time allowed for response and depth/breadth of the questions posed. WC will continue to make an effort to comment at the upcoming workshop and throughout the rulemaking process.

Missed Pick-ups

1. Please identify events since 2012 that have led to missed pick-ups for customers company wide, or for specific routes, or for a significant group of customers. Please include:

- a. Year and brief description of event
- b. What services were missed, e.g., residential weekly, drop box, recycling, etc.
- c. Number of customers affected
- d. How missed pickups were resolved, e.g., through refunds, bill credits, extra pick-ups, etc.

WC Response: This information would be nearly impossible to quantify over the last 10 years. WC management and drivers make safety driven decisions every day about whether all customers can be serviced. Every effort is made to provide service on time to our customers, however some situations are out of our control, such as severe weather events where operating large commercial vehicles on icy or snow road surfaces is unsafe.

Additionally, a distinction should be made between a 'missed pick-up' and a 'delayed pick-up.' WC does not consider a pick-up to be 'missed' when the collection of materials is delayed due to safety related challenges. Safety challenges could include a wide range of issues, including inclement weather and unsafe road conditions resulting from snow and ice, as well as conditions at a specific stop which lead the driver to deem it is not safe to access the container or provide service at that time. These situations are generally outlined in Item 30 in the tariff and may cause a 'delayed pick-up.' WC follows all rules set forth in the WAC and tariffs in the event service is delayed, and we believe those rules are sufficient and customers are still assured of safe and reliable service at a later pick-up.

2. Do you think there should be a specified time limit for resolving missed pick-ups? Why or why not?

WC Response: No, please refer to the response provided by the WRRRA for additional explanation.

Notification Requirements

3. RCW 81.28.050 requires 45 days' notice to the Commission and the public for any solid waste tariff changes. Commission Staff interprets this requirement to override current practices in rule of allowing 30 days' notice to customers for rate or rule changes, 1 day notice to the Commission for rate reductions, and 7 days' notice to the Commission for adding new services to tariffs. This interpretation would also prohibit notice of changes after Commission action.

- a. How often would this change affect your company – often, not often, never?
- b. What processes would you have to change to comply with this requirement?
- c. What suggestions do you have, if any, to create new process and procedures for providing notices to the commission and customers?

WC Reponses: The change would affect WC frequently. Every General Rate Filing, Disposal Fee and Commodity Adjustment Filing timeline would be lengthened, creating additional regulatory lag. The suggestion of not allowing notice of changes/revisions after Commission action is further

concerning, as that suggests a separate notification letter would need to be sent for each of these types of filings (disposal fee, commodity adjustment) or that somehow the clock would start again. This would cause additional expense that would necessarily be borne by the ratepayers. WC strongly opposes this proposed change in customer notification requirements.

WC agrees with WRRRA's response that the notice requirement to the general public is fulfilled when a requested tariff change is timely docketed on the Commission's website.

Allowing for electronic notice for customers who opt-in would also be an improvement to the current notification process.

4. WAC 480-70-271(2)(d) requires companies to provide notice to customers by bill insert, bill message, message printed on the back of the billing envelope, separate mailing, or by can tag.
- Would your company be likely to provide notice to customers electronically, if allowed?
 - Would your company be likely to provide notice to customers electronically if you were required to get and retain permission from each customer who allows electronic notices?

WC Response: *Yes to both a. and b.*

Low Income Rates

5. Does your company currently provide low-income rates to customers?
- If so, how many customers by line of service are receiving low-income rates?
 - If so, how do you determine eligibility?
 - If not, what barriers prevent you from offering low-income rates?

WC Response: *WC does not currently provide low-income rates to any G-Cert customers. We would generally be willing to work with local counties and agencies to implement this rate structure, but the burden of developing the program and determining eligibility should not fall solely on the industry and more guidance is needed from county and state government(s) as to how this might impact rates and prescribed levels of service to all customers.*

Electronic Billing

6. Does your company provide electronic billings or statements?
- If so, how do you determine which customers receive electronic billings or statements?
 - If so, what is your record retention practice for electronic files?
 - If not, what barriers prevent you from providing electronic billings or statements?

WC Response: *Yes, customers enroll/opt-in via an online portal for electronic billings. We store electronic records as required by WAC 480-70-061.*

7. Does your company receive electronic payments?
- If so, what forms do you accept?
 - If not, what prevents you from accepting forms of electronic payment?

WC Response: *We accept debit/credit cards and ACH payments.*

Deposits

8. Does your company currently collect deposits from residential customers?
 - a. If so, please identify all references in your tariff governing residential customer deposits.
 - b. If so, please discuss the reasons for requiring deposits, and the advantages and disadvantages of collecting deposits.
 - c. If not, please discuss why your company chose not to include a provision in the tariff to collect deposits, and the advantages and disadvantages of forgoing deposits.

9. Please provide the following information regarding the residential customer deposits collected by your company in 2018 and 2019, respectively:
 - a. What was the total dollar amount your company collected for residential customer deposits each year?
 - b. How many customer accounts paid deposits each year?
 - c. What percent of retail revenue did your company derive from residential customer deposits each year?
 - d. How many customers used part or all of their deposit to offset account balances?

10. If available, please identify the percentage of low-income customers who paid deposits each year in 2018 and 2019, respectively.

WC Response to Questions 8-10: We do not collect deposits from residential customers due to the complexity of calculating interest on deposits. We also experience additional bad debt due to opting not to collect deposits. At a minimum, the WUTC should consider expanding, Prepayments – WAC 480-70-416, to be applied to temporary and on-call residential services. We do not currently maintain data on “low income” customers and as noted, do not collect deposits from residential customers.

Late Fees

11. Does your company’s tariff currently include a late fee for residential customers?
 - a. If so, please identify all the appropriate tariff references.
 - b. If so, provide discuss the advantages and disadvantages of charging the fee.
 - c. If not, please discuss why your company chose not to include late fees in the tariff. Please also provide a narrative describing any impacts of forgoing late fees.

WC Response: Yes, we currently charge late fees for residential customers. Late Fees are listed in Item 18 of all WC tariffs. They are listed as 1% per month on outstanding balances, minimum \$1.00 per month, as shown in the standard online tariff template, and noted in WAC 480-70-396 (b)(i).

Late charges help motivate customers to pay on time, reduce bad debt expense, and offset some collection costs. WC recommends increasing the minimum late fee amount. \$1.00 is a nominal amount that may no longer be motivating to customers to pay.

12. Please provide the following information regarding the late fees your company collected in 2018 and 2019, respectively:
 - a. Please provide the total dollar amount collected in late fees for each year.

- b. How many residential customer accounts paid late fees each year?
- c. What percent of retail revenue did your company derive from residential late fees each year?
- d. If late fees were no longer allowed to be recovered in base rates instead, how much would residential bill increase based on your current approved rate spread? Please provide both a percentage increase and an average residential customer bill increase amount.

WC Response: On average, late fees are less than 1% of our regulated revenues. As noted, WC does not support removing late fees from the tariff as they do provide incentive for customers to pay their bills and give more assurance that the cost causer is the cost payer. The current WAC has robust late charge and disconnection guidelines, and aside from the recommendations noted herein, WC does not see any need for significant changes.

13. If available, please identify the percentage of late fees that your company charged low-income customers each year in 2018 and 2019, respectively.

WC Response: Not applicable as noted above.

Disconnection Notices

14. Has your company identified opportunities to improve customer notice rules? Please describe those opportunities and the steps your company is taking to implement them.

WC Response: Allowing for electronic notification (email and text) would be preferable to most customers and is more efficient/cost effective.

15. Please provide a list of all languages in which your company provides translated disconnection notices.

WC Response: Currently only English.

16. How does your company determine in which language(s) the customer should receive written communications (particularly in relation to the disconnection notice)?

WC Response: We do not have a way to identify a language preference of our customers at this time.

17. Has your company identified any barriers in the process of providing notices to customers?
- a. If so, please identify and describe these barriers.
 - b. Has your company taken steps to address any identified barriers?
 - c. Have the steps taken either reduced the number of disconnections or otherwise yielded results in terms of improving the disconnection process? If so, please provide the results and any analysis your company has conducted of the results.

WC Response: The current WAC 480-70-376(2)(a) requirement of requiring USPS letters is costly and inefficient. We now send at least one email notice before a mailed letter and this has improved the overall efficiency of the collection process.

18. Are you aware of any policies, rules, or guidance concerning equity in developing or providing customer notice in use by other companies or state commissions? If so, please identify the policies, rules, or guidance, referencing the company or state commission that has adopted the policy, rule, or guidance.

WC Response: No.

19. Are you aware of any best practices or examples from other jurisdictions or other utility sectors that the Commission should consider in this proceeding regarding late fees, disconnection fees, reconnection fees, deposits, credit and collection practices, and customer notices? If so, please identify these best practices or examples, referencing the company or jurisdiction that has adopted these practices.

WC Response: No.

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Garland", with a large, stylized flourish at the end.

Heather Garland, Pricing Manager
Waste Connections
501 SE Columbia Shores Blvd., #350
Vancouver, WA 98661
(360) 695-4923
Heather.Garland@WasteConnections.com