BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND	DOCKET TG-250164
TRANSPORTATION COMMISSION,	
Complainant,	ORDER 01
v. Kent Meridian Disposal Company, d/b/a Republic Services of Kent; Allied Waste Services of Kent,	COMPLAINT AND ORDER ALLOWING RATES SUBJECT TO LATER REVIEW AND REFUND; SETTING MATTER FOR ADJUDICATION
Respondent.	

BACKGROUND

- On March 11, 2025, Kent Meridian Disposal Company (Company) filed with the Washington Utilities and Transportation Commission (Commission) Tariff revisions that, as originally filed, would have generated approximately \$1,074,310 (7.25 percent) additional annual revenue. The Company provides regulated solid waste collection service to approximately 22,000 residential and commercial customers in King County. The Company's last general rate increase became effective on April 1, 2023.
- On March 13, 2025, the Company distributed customer notices regarding the proposed rate increases, and in its March 11, 2025, cover letter stated it would "[a]s required by Commission rules, [mail] a copy of this transmittal letter . . . to the King County Chair impacted by this filing."¹ Filings with the Commission include copies of notification letters being issued separately to both Dow Constantine, King County Executive, and Pat McLaughlin, Division Director.²
- 3 Commission Staff (Staff) has reviewed the documents and information provided by the Company. In reviewing the documents, Staff found that general operating expenses, in

¹ Cover Letter from Republic Services (March 11, 2025).

² Letter from Republic Services to Dow Constantine (March 13, 2025); Letter from Republic Services to King County Executives (March 13, 2025).

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particular labor, benefits, and maintenance, have increased approximately 21 percent since the prior rate case. Staff's analysis concluded that at some point garbage rates were subsidizing recycling, but now the Company's costs for garbage have gone down, and recycling costs continued to increase. The Company proposes to decrease its garbage rates and increase the recycling and yard waste rates. Staff's analysis supports this change in rates.

- 4 After Staff completed its review of the Company's financial documents and made some minor adjustments that did not change the overall percentage one way or another, Staff notified the Company of its findings and requested the Company file an updated complete tariff.
- 5 The table below shows the Company's current rates, as well as the Company's proposed rates, with which Staff agrees, for the most common service levels. The full list of rates is included in the Company's proposed tariff.

Lines of Service	Current Rate	Proposed Rate	Difference Revised to Current	
1 can 1x week	\$15.36	\$14.69	(\$0.67)	-4.36%
32-gal cart 1x week	\$24.07	\$22.94	(\$1.13)	-4.69%
96-gal recycle cart	\$9.91	\$12.53	\$2.62	26.44%
96-gal yard waste cart	\$13.71	\$17.00	\$3.29	24.00%

- 6 The Commission received 26 comments in response to the Company's notification of the proposed rate increase, all opposing the proposal. Many commenters expressed concerns about the impact on the middle class, citing potential price gouging. Additionally, some commenters worried that excessively high recycling rates could lead to increased disposal of recyclables in regular trash or illegal dumping along highways. The proposed 26 percent rate increase was criticized as significantly exceeding typical inflation rates, raising questions about its proportionality to standard operating cost adjustments.
- 7 On April 24, 2025, this matter came before the Commission on its regularly scheduled Open Meeting. Staff recommended that the Commission take no action and allow the tariff to go into effect. The Company was in agreement with Staff's recommendation. However, a representative of King County appeared at the Open Meeting via Zoom raising a concern that King County had not been properly served documents in this Docket as required by Commission rules and under the County Code. King County requested that the Commission suspend the tariff to give the County an opportunity to further analyze the Company's proposal and to meaningfully participate in this matter. King County acknowledged receiving notification letters for the Company's other concurrent filings but claims not to have received notice of this particular docket, and to

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have only learned of the filing when it was published on the open meeting agenda. The Company opposed King County's request and informed the Commission that if the Tariff effective date were to be delayed, it risked losing approximately \$90,000 in loss of proceeds from the requested rate increase. Further the Company assured the Commission that it had properly served King County – noting that other records had been received pursuant to the same process.

8 Staff noted that under WAC 480-70-271, the Commission does require notice to affected Counties whose residents are impacted by the rate increase. However, unlike the King County Code provision which calls for service to the department director, the notice required by WAC 480-07-271 is directed to "County commissioners or council members."

DISCUSSION AND DECISION

- 9 After discussion with the Staff and Company during the Open Meeting, and having reviewed the Company's filing, we support Staff's recommendation to allow the Tariff filed March 11, 2025, and revised on April 15, 2025, to take effect May 1, 2025. However, we take into consideration the financial implications to the Company with a delay in the tariff effective date, as well as King County's concerns that it was not served with notice or the necessary documents in this matter, and could not perform its own analysis to comment on whether the tariff revision is fair, just, reasonable and sufficient pursuant to WAC 480-70-271 and King County Code.
- 10 Except as modified by rule, "[s]ervice by mail is complete upon deposit in the United States Mail." RCW 34.05.010(19). Commission rules specify that "[e]ach party must serve documents by delivering electronic copies to each person on the master service list."³ Specifically, WAC 480-07-360(7) contemplates that service between parties is deemed complete "when the document being served has been verifiably sent to the recipient's designated email address." In order to avoid evidentiary issues, the WAC recommends that serving parties "maintain records of documents sent by email and, to the extent practicable, should confirm successful delivery." ⁴ Relatedly, for "[e]ach submission of one or more documents for filing to meet a single deadline in an adjudicative proceeding it must include a certificate of service that states substantially as follows:"

³ WAC 480-07-360(6)

⁴ WAC 480-07-360(7)

"I hereby certify that I have this day served [name of document(s)] upon all parties of record in this proceeding, by electronic transmission to the email address(es) of each party or party representative listed in the commission's master service list for this docket."

Dated at this day of

(Signature of person who served the document)⁵

- 11 King County Code (KCC) 10.08.140(D) provides "[a]ny significant changes in patterns of usage of King County solid waste facilities shall be reported to the division director at least thirty days in advance of the change."
- 12 King County noted in its comments that under its code, KCC 10.08.140, which does not bind the Commission, these types of filings should be sent to the County 30 days prior to taking effect. Notwithstanding the assurances provided at the Open Meeting, the docket does not appear to include Certificates of Service that would confirm service to the County. However, we note that because this matter has not been handled as an adjudication, it is not clear that the Commission's rules relating to certificates of service in adjudications would be applicable to the particular notices King County claims are deficient.
- Without having all of the facts present at the Open Meeting, we are unable to determine whether the Company provided proper service of the relevant documents in this Docket to the County. Our goal is to ensure that King County can effectively participate in this matter and in Commission proceedings. We are satisfied that, although the County may not have been properly served by the Company, the County was provided with sufficient notice of the proceeding given that the proposed changes were publicly posted on the Commissions website. Accordingly, we will not opine on whether service was sufficient under our rules, or formally require a re-transmission, but instead encourage the Company and King County to work together to remedy any communication issues that may exist.
- 14 Given the procedural dispute in this matter, we believe that it would be appropriate to set this matter for adjudication, but to allow the increased rates in this Docket to become effective subject to refund, to allow King County the opportunity to participate in this

⁵ WAC 480-07-360(8)

matter without causing financial harm to the Company. The Commission's action in this matter is not a final resolution of any matter raised in this Docket, nor will it impact the rates subject to refund in Docket TG-250164.

FINDINGS AND CONCLUSIONS

- (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, regulations, and practices of public service companies, including electric companies and gas companies.
- (2) Kent Meridian Disposal Company, d/b/a Republic Services of Kent; Allied Waste Services of Kent is a solid waste disposal company and a public service company subject to Commission jurisdiction.
- 17 (3) The Commission cannot determine whether King County was properly served with notice of its tariff filing, pursuant to WAC 480-70-271(1).
- (4) As required by RCW 80.04.130(4), the Company bears the burden to prove that the proposed increases are fair, just, reasonable, equitable, and sufficient.
- 19 (5) The Company may be required to pay the expenses reasonably attributable and allocable to such an investigation, consistent with RCW 80.20.020.
- 20 (6) After considering the Company's filing, Staff's recommendation, and for good cause shown, the Commission directs the Company to work with King County on communication to prevent further delays in this matter. The Commission sets this matter for adjudication and allows the tariff revision to become effective May 1, 2025, subject to refund.
- (7) So as to conserve administrative resources, the Administrative Law Division will not schedule a pre-hearing conference matter until after May 30, 2025.
- (8) Staff is directed to file a letter to the docket by May 30, 2025, expressing whether there is sufficient evidence to continue the matter; if there is not an evidentiary basis to continue investigating the matter, Staff should request the Commission enter a final order approving the rates and dismissing the suspension of the docket.
- 23 (9) If King County wishes to challenge the proposed rates, then they must file a petition to intervene by May 30, 2025, and state a cause based in law for challenging the tariff.

ORDER

THE COMMISSION ORDERS:

- (1) The Commission orders that the tariff pages filed by Kent Meridian Disposal Company, d/b/a Republic Services of Kent; Allied Waste Services of Kent on March 11, 2025, and revised on April 15, 2025, will become effective May 1, 2025, by operation of law, subject to later review and refund, and the Commission sets this matter for adjudication.
- 25 (2) The Company and King County shall make best efforts to communicate regarding the matters in this Docket and the Company will ensure that King County is properly provided with the relevant documents in this Docket upon request.
- (3) The Commission will hold hearings at such times and places as may be required. So as to conserve administrative resources, the Administrative Law Division will not schedule a pre-hearing conference in this matter until after May 30, 2025. Staff is directed to file a letter to the docket by May 30, 2025, expressing whether there is sufficient evidence to continue the matter; if there is not an evidentiary basis to continue investigating the matter, Staff should request the Commission issue a final order approving the rates and dismissing suspension of the rates. If King County wishes to challenge the proposed rates, then they must file a petition to intervene in this docket by May 30, 2025, and state a cause based in law for challenging the tariff.
- (4) Kent Meridian Disposal Company, d/b/a Republic Services of Kent; Allied Waste Services of Kent must not change or alter the tariffs filed in these Dockets during the suspension period unless authorized by the Commission.
- (5) The Commission will institute an investigation of Kent Meridian Disposal
 Company, d/b/a Republic Services of Kent; Allied Waste Services of Kent books, accounts, practices, activities, property, and operations as described above.
- 29 (6) The parties may conduct discovery pursuant to the Commission's discovery rules in WAC 480-07-400-425.
- 30 (7) Kent Meridian Disposal Company, d/b/a Republic Services of Kent; Allied Waste Services of Kent shall pay the expenses reasonably attributable and allocable to the Commission's investigation consistent with RCW 80.20.020.

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(8) The Commission retains jurisdiction over the subject matter and Kent Meridian 31 Disposal Company, d/b/a Republic Services of Kent; Allied Waste Services of Kent to effectuate the provisions of this Order.

DATED at Lacey, Washington, and effective April 30, 2025.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

BRIAN RYBARIK, Chair

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ANN E. RENDAHL, Commissioner

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MILTON H. DOUMIT, Commissioner