

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	DOCKET TG-130938
TRANSPORTATION COMMISSION,)	
)	ORDER 02
Complainant,)	
)	
v.)	
)	
WASTE MANAGEMENT OF)	
WASHINGTON, INC., DBA WASTE)	
MANAGEMENT - NORTHWEST,)	COMPLAINT AND ORDER
)	SUSPENDING TARIFF
Respondent.)	REVISIONS
)	
.....)	

BACKGROUND

- 1 On May 24, 2013, Waste Management of Washington, Inc. (WMW or Company), dba Waste Management - Northwest (WM Northwest) and Waste Management Sno-King (WM Sno-King), filed with the Washington Utilities and Transportation Commission (Commission) revisions to currently effective WM Northwest Tariff No. 17 and WM Sno-King Tariff No. 15. WMW currently operates WM Northwest and WM Sno-King as a combined entity and seeks a single tariff to reflect the combined operations.
- 2 The proposed filing would increase rates for solid waste collection service in Snohomish and King Counties and generate approximately \$5,155,000 (8.9 percent) additional annual revenue, which includes an additional \$4,605,000 (12.6 percent) in garbage service, \$22,000 (0.2 percent) in recycling service and \$528,000 (9.9 percent) in yard waste service. The stated effective date was originally July 12, 2013, which the Company extended several times, most recently to October 1, 2013, by letter filed on August 15, 2013.
- 3 WM Northwest provides regulated service to approximately 111,000 residential and commercial customers in King and Snohomish counties. This filing takes into account increases in labor, fuel, and related operating expenses; facilities upgrades; new investments in compressed natural gas vehicles; and changes implemented by WMW to combine WM Northwest and WM Sno-King into a single business unit. The company's last general rate increases for WM Northwest and WM Sno-King became effective in March 2009 and June 2010, respectively.

4 On June 27, 2013, the Commission entered Order 01, Granting Partial Exemption from Rule (Order 01), granting WMW's petition for a partial exemption from certain sections of WAC 480-07-520(4) to limit the work paper filing requirements in this docket.

5 Commission Staff is continuing to review the Company's supporting financial documents, books and records of the combined operating units. To date, Staff has identified several adjustments that would substantially decrease the Company's proposed revenue requirement. Staff also raised questions regarding WM Northwest's cost allocation methodology and the differential in disposal fees between King and Snohomish Counties. Staff recommends that the Commission issue a complaint and order suspending the Company's proposed tariff revisions.

DISCUSSION

6 WM Northwest has not yet demonstrated that its proposed tariff revisions would ultimately result in rates that are fair, just, reasonable, and sufficient. Therefore, the Commission suspends the tariff filing and will hold public hearings, if necessary, to determine whether the proposed increases are fair, just, reasonable and sufficient

FINDINGS AND CONCLUSIONS

7 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts and affiliated interests of public service companies, including solid waste companies.

8 (2) Waste Management of Washington, Inc., is a solid waste company and a public service company subject to Commission jurisdiction.

9 (3) The tariff revisions Waste Management of Washington, Inc., filed on May 24, 2013, would increase charges and rates for service presently provided by Waste Management - Northwest and Waste Management Sno-King.

10 (4) This matter came before the Commission at its regularly scheduled meeting on September 26, 2013.

11 (5) Waste Management of Washington, Inc., has not yet demonstrated that the tariff revisions would ultimately result in rates that are fair, just, reasonable and sufficient.

12 (6) The Commission believes it is necessary to investigate the Company's books, accounts, practices and activities, and to investigate and appraise various phases of the Company's operations.

- 13 (7) Waste Management of Washington, Inc., bears the burden of proof to show that the proposed increases are just, reasonable and sufficient.

ORDER

THE COMMISSION ORDERS:

- 14 (1) The tariff revisions Waste Management of Washington, Inc., filed on May 24, 2013, are suspended.
- 15 (2) The Commission will hold hearings at such times and places as may be required.
- 16 (3) Waste Management of Washington, Inc., must not change or alter the tariffs filed in this Docket during the suspension period, unless authorized by the Commission.
- 17 (4) The Commission will institute an investigation of Waste Management of Washington, Inc.'s books, accounts, practices, activities and operations as described above.

DATED at Olympia, Washington, and effective September 26, 2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

JEFFREY D. GOLTZ, Commissioner