

4 In its Petition, the Company argues that, for the past three years, multiple customers have significantly over-estimated their use of the facility. This has resulted in an under-recovery and a resulting carryover of revenue requirement to the subsequent year, resulting in increased rates. In 2016, the under-recovery amounted to \$445,000; in 2017, it was \$1,900,000. The Company forecasts that the under-recovery for 2018 will be approximately \$1,200,000. The carryover produces rates for all customers that are higher than what would be the case if there was not an under-recovery. To minimize under-collection for 2019, US Ecology requests that the Commission grant a one-time waiver of paragraph 1(b) of the settlement agreement to allow US Ecology to use its own estimates of low-level radioactive waste in calculating 2019 projected rates. The Company submits workpapers with the Petition that contain its projected rates for 2019.

5 Commission staff (Staff) reviewed the request and recommends granting the Company's Petition because US Ecology has demonstrated that its estimate of low-level radioactive waste is more accurate than the estimates made by its customers. US Ecology has attached a list of its customers' emails to the Petition and indicates that the Petition was provided to the customers via email. The Company has also stated that none of its customers objects to the Petition. The Company filed with the Petition its annual rate projections outlined in Tariff 1. The proposal includes the Company's estimates for certain generators, as outlined in its Petition.

DISCUSSION

6 We agree with Staff that US Ecology has satisfactorily demonstrated that its customers' estimates are less accurate than those the Company prepares. The rates charged for service should, to the extent possible, match the actual cost to provide that service. Here, absent an exemption from the terms of the settlement agreement, the Company will be required to rely on inaccurate service estimates provided by customers, which will result in over- or under-collection. Allowing the Company to use its own estimate, based on its experience, will result in a more accurate cost projection and, in turn, more accurate rates.

7 The Company states that it has provided notice of the waiver request to its customers.

8 Accordingly, we grant the Company's Petition for a one-time waiver of Paragraph 1(b) of the settlement agreement, related to annual projections, and permit US Ecology to use its own estimates, as submitted with the Petition.

FINDINGS AND CONCLUSIONS

- 9 (1) The 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 low-level radioactive waste companies.
- 10 (2) US Ecology is engaged in the business of providing low-level radioactive waste disposal within the state of Washington and is a public service company subject to Commission jurisdiction.
- 11 (3) This matter came before the Commission at its regularly scheduled meeting on December 28, 2018.
- 12 (4) After review of the petition filed in Docket TL-180974 by US Ecology on November 20, 2018, and giving due consideration, the Commission finds that the proposed one-time waiver of the provisions outlined in paragraph 1(b) in the settlement agreement approved in Order 02 in Docket TL-070848 is in the public interest, is consistent with the purposes underlying the regulations and applicable statutes, and should be granted.

ORDER

THE COMMISSION ORDERS:

- 13 (1) US Ecology Washington, Inc.'s Petition for a one-time waiver of paragraph 1(b) in the settlement agreement approved in Order 02 under Docket TL-070848 is granted to the extent that paragraph 1(b) requires customers to submit low-level radioactive waste estimates; the waiver is in effect only for 2019 rate calculations.
- 14 (2) US Ecology Washington, Inc. may use its own estimates of low level radioactive waste to calculate 2019 projected rates, as filed with the Petition.
- 15 (3) The Commission retains jurisdiction over the subject matter and US Ecology Washington, Inc., to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective December 28, 2018.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON, Executive Director and Secretary