DATE PREPARED:	6/13/19
DOCKET:	TG-181023
<b>REQUESTER:</b>	Waste Management

WITNESS: Jason Hoxit RESPONDER: Jason Hoxit TELEPHONE: 360-664-1320

### **REQUEST NO. 2:**

Please produce all documents related to the investigation and resulting classification case against Daniel Stein d/b/a Seabeck Waste & Recycle, UTC Docket No. TG-180181.

**RESPONSE:** Please see Attachment A.

Information on pages 80, 89, 92, and 96 has been redacted pursuant to attorney-client privilege. All other redactions pertain to personally identifiable information associated with a driver's license.

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<b>REQUESTER:</b>	Waste Management

WITNESS: Mike Young RESPONDER: Mike Young TELEPHONE: 360-664-1155

## **REQUEST NO. 3:**

The second page (which is not numbered) of Superior's business plan filed with its application in this docket says, "Hiring outside, professional help (CPA, Financial Advisors, Legal Assistance, etc.) with shared Faith Based values is a clear direction this organization [that is, Superior] aims for." In this regard:

- a. Is it UTC Staff's understanding that Superior's budget and statement of estimated annual business expenses do not include any expenditures for professional services, including but not limited to accounting, financial, and legal advice? Please explain.
- b. Does the financial analysis and testimony by UTC Staff in this docket assume that Superior has no costs for professional services, including but not limited to accounting, financial, or legal advice? Please explain.
- c. In UTC Staff's experience, what would be a reasonable assumption or range for annual expenditures on professional services by a very small solid waste company whose rates are regulated by the UTC?
- d. In UTC Staff's experience, what would be a reasonable assumption or range for annual expenditures on professional services by a very small transportation company more generally, whose rates are regulated by the UTC?

# **RESPONSE:**

- a. Staff based its review of Superior Waste's financial information on the actual data provided, which includes an amount labeled "CPA" which Staff interpreted as being for financial services of some kind.
- b. Staff made no assumptions about costs for professional services in its review of Superior Waste's financial information.
- c. Staff's experience in reviewing rate filings in Water and Transportation industries has shown that costs for professional services vary by circumstances such as the complexity of the financial records, knowledge and competency of the owner(s) and the market availability of the required services. Staff made no assumptions regarding the cost of potential professional services in its review of Superior Waste's financial data.
- d. Staff's experience in reviewing rate filings in Water and Transportation industries has shown that costs for professional services vary by circumstances such as the complexity of the financial records, knowledge and competency of the owner(s) and

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the market availability of the required services. Staff made no assumptions regarding the cost of potential professional services in its review of Superior Waste's financial data.

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## **REQUEST NO. 4:**

In his direct testimony, Mr. Sevall summarizes his conclusion that Superior "has the financial resources to operate the proposed service for at least 12 months." In this regard:

- a. Please explain why the analysis was limited to 12 months, rather than considering a longer period into the future.
- b. Does UTC Staff have any opinion about whether Superior has the financial resources to operate the proposed service for any longer than 12 months? Please explain.

## **RESPONSE:**

- a. There is no specific requirement for staff to provide a financial analysis for a solid waste application. However, there are requirements for two other transportation industries to have 12 month financial analysis done by staff. Staff finds it a best practice to provide one here.
- b. Staff's analysis was for a 12 month period and has no opinion as to how long the applicant can or cannot provide service outside of this time period. However, Staff notes that based on its investigation into Seabeck Waste and Recycle, Mr. Stein appears to have been providing service since 2015.