

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

MURREY'S DISPOSAL COMPANY,
INC. d/b/a OLYMPIC DISPOSAL,

Respondent.

DOCKET TG-230778

DECLARATION OF JEFF
ROBERSON

- 1 I, JEFF ROBERSON, under penalty of perjury under the laws of the state of Washington,
declare as follows:
- 2 I am over 18 years of age, a citizen of the United States, a resident of the state of
Washington, and competent to be a witness.
- 3 I serve as co-counsel for Commission Staff in Docket TG-230778.
- 4 On March 4, 2024, Murrey's Disposal Company served on me Murrey's Disposal Company
Data Requests Nos. 1-8. I have attached a true and correct copy of the Data Requests to this
declaration as Attachment A.

DATED at Tumwater, Washington, and effective this 12th day of March, 2024.

/s/ Jeff Roberson
JEFF ROBERSON

GENERAL INSTRUCTIONS

Please respond to the following data request under WAC 480-07-400 et seq. Pursuant to WAC 480-07-405(8), these data requests impose on you a continuing obligation to amend and supplement your responses.

“Commission,” “UTC,” or “WUTC” below means the Washington Utilities and Transportation Commission.

DATA REQUEST NO. 1:

Severance.

- a. Has the Commission paid severance to any union or non-union employee/staff member in the past five years?
- b. If so, please provide the number of individual severance payments by year from 2019 to the present and the aggregate total amount of payments.
- c. What benefit to state taxpayers does the Commission believe is advanced by the payment of severance ?
- d. What business or regulatory purpose is served by paying severance in the above cases?
- e. Has the Commission granted severance as an allowed expense in whole or in part in any solid waste collection company general rate case in the last three years? If so, please identify the company and docket number in which severance was allowed.

DATA REQUEST NO. 2:

Suspended Cases.

How many transportation and water general rate cases have been subject to a suspension order since July 1, 2022 to present?

- a. Please list any such cases by company name and docket number by calendar year beginning July 1, 2022.
- b. To staff's knowledge, did any of those suspended proceedings involve insurance or casualty loss item disputes? If so, please provide the company name and docket number in which those items/issues were in dispute between the company and staff.

DATA REQUEST NO. 3:

Employee Meals.

Does the Commission ever provide employee meals? If so, what is the business or regulatory need for providing meals?

- a. What benefits accrue to regulated companies and/or ratepayers though the provision of employee meals?
- b. If meals are in fact ever provided, what is the approval process for their provision and are there any budget limitations on their provision?

- c. Has the Commission authorized company-provided employee meals as an allowed expense in whole or in part in any solid waste collection company general rate case filing in the last three years? If so, please identify the company and docket number in which employee meals were allowed.
- d. Please provide a list of Commission-paid employee meals in 2022 and 2023. If possible, provide location, number of employees present, amount paid, and regulatory purpose.
- e. Please provide a copy of the Commission's policy, if any, for providing food for employee meals, events and/or meetings-
- f. Please also provide a copy of the Commission's policy, if any, on mileage and travel reimbursement for Commission employees.

DATA REQUEST NO. 4:

Case Handling.

- a. Aside from the assigned rate case analyst, who on staff is responsible for making the final decision on the amount of the revenue requirement of any filed solid waste general rate case to recommend at an Open Meeting?
- b. Is that the individual (s) who made the decision to recommend suspension to the Commissioners at the Open Meeting on December 21, 2023 for Docket Item TG-230778? If that is not the same individual (s) noted in DR 4. a. above, please identify that individual (s).

DATA REQUEST NO. 5:

Items/Expenses in Dispute.

Please list, by account number and line item, and identify by reference to the associated staff workbook as currently configured in the forwarded staff workbook, items that staff is challenging, contesting, questioning or otherwise not accepting? [Note, as referenced in the General Instructions, this is a continuing request and should not await the Staff's Response case in late May, but asks for the items that staff has previously communicated or currently identifies it was/is contesting].

DATA REQUEST NO. 6:

Insurance Expense, Normalization and Casualty Losses.

During the initial audit phase of this matter, one of the Commission staff members expressed discomfort about the size of the insurance expense in the test period to the Company. What specific parameters on insurance expenses in a test period does the staff employ?

- a. Do any such monetary ranges depend on whether a company carries a high deductible policy versus a low deductible policy? If so, please explain.
- b. How does Staff evaluate the benefit to the ratepayer of recurring low premiums and an occasional large deductible charge versus recurring high premiums and low deductible charges?

- c. Do any current Staff members have specific training and/or expertise in insurance and risk management to assess the cost/benefit of low versus high deductible insurance strategies? If yes, please identify that staff member and the nature of the expertise. If it is based on any specific seminars or curricula on insurance and risk management, please identify the date, topics/agenda and speakers at that training or seminar (s).
- d. Did Staff engage any outside consultants to evaluate this insurance/casualty loss matter in the Olympic Disposal filing under TG-230778? If so, please provide a copy of the consultant's report.
- e. If a casualty loss occurs in regulated territory should all of that loss be theoretically borne by regulated customers or should it be allocated to all customers including city contract or nonregulated customers? Why/why not?
- f. In the past three years, 2021-2023, please list by Company name and docket number any transportation general rate case in which insurance expense and/or casualty loss line item (s) were recommended for total Commission disallowance by the staff? Please also provide any staff Open Meeting memoranda related to any such general rate case filing (s).

DATA REQUEST NO. 7: The Company has requested that its large casualty loss be included in rates under the concept of rate normalization which allows for unusual but allowable costs to be amortized into the rates over a reasonable period of time.

- a. Has the Commission granted any rate normalization adjustments in past docketed solid waste rate cases in the last five years?
- b. If so, please list the docket numbers and nature of the normalization adjustment for each case approved in the 2019 through 2023 date range.
- c. What thresholds or standards does Staff apply to determine whether an adjustment qualifies for normalization?
- d. Does Staff consider a casualty loss to be unusual in a regulated transportation company's operations in which the company operates hundreds of thousands of miles annually?
- e. Does the absence of a civil or criminal citation associated with a casualty/accident loss influence Staff's position on accepting or denying a casualty loss inclusion in rates? Please explain.

DATA REQUEST NO. 8:
"Blue Team"/Temporary Staffing.

The Company requests that costs incurred to temporarily fill vacant positions be included in rates. Through its Blue Team initiative, the Company addresses many such roles by absorbing the wages of workers from nearby affiliated companies at a daily premium that is paid directly to the employee, plus travel cost reimbursement through direct expensing of meals/hotel/mileage or through the use of a flat per diem.

- a. Does the Commission ever retain temporary staffing services to fill job vacancies during ongoing efforts to permanently fill them?
- b. If yes, please produce invoices for all temporary staffing invoices paid in 2022 to the present.

For each position filled with a temporary staffing position from 2022 to the present, please list the following:

- i. The amount of time the position was vacant between last full-time employment and the start date of the next full-time replacement employee.
 - ii. Please list the last full-time wage paid prior to the vacancy and the average all-in wage paid (sum of wages to employee, benefits, and agency fees) to the outside staffing agency. For comparison purposes, please convert salaried positions to an hourly rate by dividing by 2080 hours.
- c. Has the Commission authorized temporary or contract labor as an allowed expense in whole or in part in any solid waste collection company general rate case filing in the last three years? If so, please identify the company and docket number in which temporary or contract labor expenses were allowed.