

Agenda Date: March 29, 2012  
Item Number: B2

**Docket:** TG-112169  
Company Name: Pullman Disposal Service, Inc., G-42

Staff: Amy White, Regulatory Analyst  
Pam Smith, Consumer Protection Staff

### **Recommendation**

Dismiss the Complaint and Order Suspending the Tariff Revisions filed by Pullman Disposal Service, Inc., on December 16, 2011, and January 23, 2012, and allow the original proposed rates as filed on March 16, 2012, to become effective April 1, 2012.

### **Discussion**

On December 16, 2011, Pullman Disposal Service, Inc. (Pullman or company), filed tariff revisions with the Utilities and Transportation Commission (commission). The tariff revisions would generate \$175,478 (6.4 percent) additional annual revenue. The proposed increases are prompted by increases in disposal fees, wages and benefits, postage, fuel, business and occupation taxes, medical insurance, and other operating expenses. The company's last general rate increase became effective January 1, 2009. The company serves approximately 9,200 customers in and around Pullman in Whitman County.

On January 23, 2012, the company filed revised tariff pages designed to recover just the disposal increase portion of the proposed rates. The revenue impact of the disposal increase is approximately \$52,000 additional annual revenue.

On January 26, 2012, the commission entered a Complaint and Order Suspending Tariff Revisions and allowed the revised pages filed on January 23, 2012, to become effective February 1, 2012, on a temporary basis, subject to refund.

Staff has now completed its review of the company's supporting financial documents, books and records and determined the proposed rates are fair, just, reasonable and sufficient. On March 16, 2012, the company filed revised tariff pages at the original rates.

**Rate Comparison**

<b>Residential Monthly Rates</b>	<b>Current Rate</b>	<b>Temporary Disposal-Only Rate</b>	<b>Proposed Rate</b>	<b>Percent Increase</b>
<b>Outside Pullman City Limits</b>				
One 32-Gallon Can Every Other Week Pick-up	\$12.25	\$12.51	\$13.03	6.4%
One 95-Gallon Cart Every Other Week Pick-up	\$23.69	\$24.19	\$25.20	6.4%
Voluntary Recycle Service Every Other Week Pick-up	\$2.59	\$2.59	\$2.68	3.9%
<b>Inside Pullman City Limits</b>				
One 32-Gallon Can Every Other Week Pick-up (includes charge for mandatory recycling)	\$14.84	\$15.10	\$15.71	5.9%
One 95-Gallon Cart Every Other Week Pick-up (includes charge for mandatory recycling)	\$26.28	\$26.78	\$27.88	6.0%
<b><u>Commercial Per Pick-up Rates</u></b>				
Monthly Rental, 1.5-Yard Container	\$4.52	\$4.52	\$4.81	6.4%
1.5-Yard Container, Per Pick-up	\$15.58	\$15.91	\$16.58	6.4%
4-Yard Container, Monthly Rental	\$6.97	\$6.97	\$7.42	6.5%
4-Yard Container, Each Pick-up	\$36.74	\$37.52	\$39.09	6.4%

**Customer Comments**

On December 31, 2011, the company notified its customers of the proposed rate increase by mail. At the January 26, 2012, open meeting the filing was suspended. One comment has been received to date. Consumer Protection staff advised the customer that he may access company documents pertinent to this rate case at [www.utc.wa.gov](http://www.utc.wa.gov), and that he may contact Pam Smith at 1-888-333-WUTC (9882) with questions or concerns.

**Service Quality Comment**

- The customer was concerned about the amount of waste left on the street when the cans are emptied. The customer further stated that the loads on some of the trucks are not contained and materials meant for recycling are thrown away.

**Staff Response**

Staff attempted to reach the customer to discuss his service concerns and the letter was sent back undeliverable. Pullman Disposal did not find the customer in the database.

However, when the company receives complaints of this nature the company states that the driver returns to the area and will clear the street of the waste.

**Conclusion**

Commission staff has completed its review of the company's supporting financial documents, books and records. Staff's review shows that expenses are reasonable and required as part of the company's operation. The customer's comments do not change staff's opinion that the company's financial information supports the proposed revenue requirement and the original proposed rates and charges are fair, just reasonable and sufficient. Therefore, staff recommends the commission:

Dismiss Complaint and Order Suspending the Tariff Revisions filed by Pullman Disposal Service, Inc., on December 16, 2011, and January 23, 2012, and allow the original proposed rates as filed on March 16, 2012, to become effective April 1, 2012.