

Zippy Disposal Service, Inc.

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(509) 682-5464

November 14, 2019

Executive Secretary

Washington Utilities and Transportation Commission

1300 South Evergreen Park Drive SW

P.O. Box 47250

Olympia, WA 98504-7250

Dear Executive Secretary,

This filing is submitted by Zippy Disposal Service, Inc., G-121.

The purpose of this filing is to comply with Docket TG-180267 Order 01 that required the Company to report on the operations of our commingled recycling program that was implemented on May 1, 2018, as required by Chelan County's Solid Waste Management Plan.

The Company used cost and participation estimates to determine monthly service fees. Staff reviewed these estimates and anticipated participation rates higher than Company estimates based on their experience with other programs. Staff used a participation rate of 500 for use in setting monthly service fees. The Company was skeptical due to the fact that recycling had been free to area residents by way of a drop off center operated by the City of Chelan, but agreed in the hope that a lower rate would attract more participation. Since the inception of the program, participation rates have ranged from a high of 260 to an average of 225 currently. Our program was implemented during the China Sword upheaval and the removal of glass from commingled programs may have contributed to the lower participation rates.

Since the Company had short notice to establish this program, the Company had to wait for a building to be completed to process the material collected. The building was finally completed in March of 2019, and processing began in May 2019. Prior to this time the City of Chelan was kind enough to bale the material for the Company. The Company would then transport the bales to storage awaiting shipment. The first shipment of commingled recyclables occurred on November 13, 2019.

Due to the above circumstances affecting the actual operating costs of the program, the Company is requesting to continue the current service rate for commingled recycling service in Chelan County for another year. This will allow true ongoing operating costs to be accounted for and used in rate making analysis.

The Company submitted a general rate case in May of 2019 that evaluated all operations, including recycling operations, and Staff has available results of operations, and allocations through September 30, 2019.

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If you have any questions regarding this filing, please contact me at (509) 682-5464; our fax number is (509) 682-5379; and our email address is zippydisposal@hotmail.com.

Respectfully,

Glen A. Austin, Controller
Zippy Disposal Service, Inc.

CC: Chelan County Commissioners