

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of Tariff Revisions to  
Increase Rates Due to a Surcharge Filed by

RABANCO LTD., d/b/a EASTSIDE  
DISPOSAL;  
RABANCO LTD., d/b/a LYNNWOOD  
DISPOSAL;  
RABANCO LTD., d/b/a SEA TAC  
DISPOSAL;

Certificate G-12

FIORITO ENTERPRISES, INC. &  
RABANCO COMPANIES, d/b/a KENT-  
MERIDIAN DISPOSAL COMPANY,

Certificate G-60

DOCKET TG-180433, TG-180434,  
TG-180435, and TG-180440

ORDER 01

ORDER GRANTING EXEMPTION  
FROM RULE

**BACKGROUND**

- 1 On May 14, 2018, Republic Services filed with the Washington Utilities and Transportation Commission (Commission) tariff revisions for the following Washington operations: Rabanco LTD., d/b/a Eastside Disposal, Tariff No. 11; Rabanco LTD., d/b/a Lynnwood Disposal Tariff No. 4; Rabanco LTD., d/b/a Sea Tac Disposal Tariff No. 26; and Fiorito Enterprises, Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal Company, Tariff No. 27 (collectively Rabanco or Companies). The filings are to recover the increased processing cost of recyclable commodities at their affiliated materials recovery facility (MRF) using a surcharge. The tariff revisions have a proposed effective date of July 1, 2018. On June 20, 2018, the Companies filed revised pages. The Companies serve approximately 55,000 customers in King and Snohomish Counties. The Companies' last general rate increases became effective in 2015 (Fiorito) and 2017 (Rabanco).
- 2 The world market for recycled commodities have been impacted by policies implemented by foreign nations, causing markets that have traditionally accepted recycled commodities from Washington State to no longer accept this material. As a result the affiliate MRF has experienced increases in labor and other variable operating costs in attempts to reduce contamination to re-open markets, or find new markets for recyclable

commodities. The Companies have requested a surcharge on recycling collection rates to recover the known and measurable operating cost increases passed on to them by the affiliate MRF. The proposed surcharge reflects a \$17.39 (24 percent) per ton processing cost increase.

- 3 A surcharge falls within the definition of a general rate increase pursuant to WAC 480-07-505. WAC 480-07-520 lists the minimum required information a company must provide in a general rate increase filing. The Companies provided information pertinent to the surcharge but did not provide the remainder of the information required by the rule and did not request an exemption from the work paper filing requirements of WAC 480-07-520(4).
- 4 WAC 480-07-110 allows the Commission to grant an exemption from, or modify the application of, its rules if consistent with the public interest, the purposes underlying regulation, and applicable statutes.<sup>1</sup>
- 5 WAC 480-07-370(1)(b)(i) states, in part, that the Commission may undertake an action that would be the proper subject of a party's petition, such as authorizing exemption from a Commission rule, without receiving a petition from a party.
- 6 Commission staff (Staff) reviewed the proposed tariff revisions and recommends the Commission grant the Companies an exemption from WAC 480-07-520(4), work paper filing requirements for this filing for the following reasons:
  - (a) There have not been any significant changes since the last rate increases became effective in 2015 and 2017. Customer numbers are relatively unchanged, inflation has been low, and the Companies have not changed their collection methods.
  - (b) The Companies' financial information supports the proposed revenue requirement and the proposed rates.
  - (c) Staff concluded the proposed rate increase, in the form of a surcharge on recycling collection rates, is fair, just, and reasonable.

## **DISCUSSION**

- 7 The Commission concurs with Staff's recommendation. The purpose of the work paper filing requirements in WAC 480-07-520(4) is to provide the Commission with information to determine whether a proposed rate increase is fair, just, reasonable, and

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<sup>1</sup> See also WAC 480-70-051.

sufficient. Here, the Companies have provided sufficient information to enable the Commission to make that determination, and providing the additional information the rule requires would be unnecessary and unduly burdensome. Accordingly, an exemption from this requirement for purposes of the filing in these dockets is consistent with the public interest and the purposes underlying the rule and should be granted.

### **FINDINGS AND CONCLUSIONS**

- 8           (1) The Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, and accounts of public service companies, including solid waste companies.
- 9           (2) Rabanco LTD, and Fiorito Enterprises, Inc., & Rabanco Companies are engaged in the business of providing solid waste services within the state of Washington and are a public service company subject to Commission jurisdiction.
- 10          (3) Rabanco LTD, and Fiorito Enterprises, Inc., & Rabanco Companies are subject to the filing requirements of WAC 480-07-520, for general rate increase proposals. The Companies did not file the work papers required by WAC 480-07-520(4) and did not request an exemption from WAC 480-07-520(4).
- 11          (4) This matter came before the Commission at its regularly scheduled meeting on June 28, 2018.
- 12          (5) An exemption from the general rate increase filing requirements set forth in WAC 480-07-520(4) for the filing in these dockets is in the public interest and is consistent with the purposes underlying the regulation and applicable statutes and should, on the Commission's own motion, be granted.
- 13          (6) It is in the public interest to allow the revisions to Tariff No. 11, No. 4, No. 26, and No. 27 filed on May 14, 2018, and revised on June 20, 2018, to become effective on July 1, 2018.

### **ORDER**

- 14         **THE COMMISSION ORDERS**, on its own motion, that Rabanco LTD., d/b/a Eastside Disposal; Rabanco LTD., d/b/a Lynnwood Disposal; Rabanco LTD., d/b/a Sea Tac Disposal; Fiorito Enterprises, Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal Company, are exempt from WAC 480-07-520(4), for purposes of the tariff revisions filed

in Dockets TG-180433, TG-180434, TG-180435, and TG-180440 on May 14, 2018, and revised on June 20, 2018.

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 June 28, 2018.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON, Executive Director and Secretary