

Agenda Date: April 27, 2023
Item Number: B1

Docket: TG- 230097
Company Name: Consolidated Disposal Service, Inc.

Staff: Jaclynn Simmons, Regulatory Analyst
John Cupp, Consumer Protection Staff

Recommendation

Take no action, thereby allowing tariff pages filed by Consolidated Disposal Service Inc., on February 14, 2023, as revised on April 10, 2023, to become effective May 1, 2023, by operation of law.

Discussion

On January 13, 2023, Consolidated Disposal Service Inc. (Consolidated Disposal or Company) filed with the Washington Utilities and Transportation Commission (Commission) tariff revisions that, would generate approximately \$1,150,000 (19 percent) additional annual revenue. The Company provides regulated solid waste services to approximately 20,250 residential and commercial customers in Grant and Adams County. The Company's last general rate increase became effective on January 1, 2012.

On March 14, 2023, the Company requested an extension to allow further review of the case, at Staffs request due to difficulty in reconciling assets and to provide additional documentation.

The main diver of the request is to account for increasing costs of operating expenses since the Company's last rate case. These costs are higher payroll, fuel, and the need to start recovery of new assets. Commission staff (Staff) adjusted the Company's fuel, bringing it to the most current 12 months of fuel costs per WAC 480-70-346. Staff made minor adjustments to the employee welfare account, removing unallowable expenses. Staff adjusted average investment to netbook value to follow WAC 480-07-520(4)(h) which requires a detailed calculation of net investment in plant and equipment and the net book value of used and useful assets at the end of the test period. Staff also removed salvage values from fully recovered assets as they were in rates for over 10 years. After Staff reviewed prudence for newly obtained assets; that were obtained after the test year. Staff added the assets to the depreciation schedule which increased the revenue requirement to be more than what was noticed. Staff and the Company agreed to the \$1,150,000 or 19 percent as filed. The Company submitted revised pages on April 10, 2023. Staff find the revenue requirement and rates agreed on are fair, just, reasonable, and sufficient.

Rate Comparison Grant County

Service	Current	Revised	Percentage
32 gal 1x wk.	\$10.28	\$12.23	19%
60 gal 1x a wk.	\$15.86	\$18.87	19%
1.5 yd 1x wk.	\$12.50	\$14.88	19%
20 yd	\$151.37	\$180.13	19%

Rate Comparison Adams County

Service	Current	Revised	Percentage
32 gal 2x wk.	\$15.72	\$18.71	19%
60 gal 1x a wk.	\$20.52	\$24.42	19%
1.5 yd 1x wk.	\$16.51	\$19.65	19%
40 yd	\$151.37	\$180.13	19%

Customer Comments

On March 1, the Company notified its customers by mail of the proposed rate increase. Staff received one comment, from a customer who isn't opposed to the increase, however, they would like to see Adams and Grant County customers be charged the same rates.

Staff explained that the difference in rates is due to a significant difference in disposal fees between the two counties.

Conclusion

Staff has completed their review of the Company's documentation. Staffs review shows that the tariff pages filed are reasonable and needed as part of the Company's operations.

Recommendations

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