

Agenda Date: December 27, 2007
Item Number: B1

Docket: TG-072041
Company Name: Rabanco LTD, d/b/a Allied Waste Services of Klickitat County and Tri-County Disposal, G-12

Staff: Nicki Johnson, Regulatory Analyst
Dennis Shutler, Consumer Program Specialist

Recommendation

1. Dismiss the Complaint and Order Suspending the Tariff Revisions filed by Rabanco LTD, d/b/a Allied Waste Services of Klickitat County and Tri-County Disposal.
2. Make the temporary rates permanent effective January 1, 2008.

Discussion

On October 16, 2007, Rabanco LTD, d/b/a Allied Waste Services of Klickitat County and Tri-County Disposal (Tri-County or company), filed a general rate increase for solid waste service. The overall impact of the proposed filing would be approximately \$278,600 (34.67 percent). Tri-County serves 2,700 regulated residential and commercial customers in Klickitat County. The major drivers of the proposed revisions are increases in labor, benefits, and fuel expenses. The company's last general rate increase became effective in April 2003.

Staff's review of Tri-County's operations revealed that most of the proposed rates were excessive. On November 16, 2007, the company filed revised rates at the staff recommended level. The revised rates would generate approximately \$114,800, a 14.29 percent increase, resulting in an operating ratio of 94.0 percent.

On November 28, 2007, the commission entered a Complaint and Order Suspending Tariff Revisions to allow customers the opportunity to comment on the revised rates before determining whether the revisions were fair, just, reasonable and sufficient. The commission allowed the revised rates to go into effect on December 1, 2007, on a temporary basis, subject to refund.

The commission received seven comments in response to the filing. On December 5, 2007, the Consumer Affairs staff sent a letter to these seven customers advising them of the staff's recommended revised rates and their opportunity to comment. No customers have commented on the revised rates.

A count of issues from these customers is as follows:

Issue	Count of Issues Out of 7 Comments Received
Supports the increase	2
Objects to the amount of the increase	5

Rate Comparison

	<u>Present</u>	<u>Proposed</u>	<u>Revised</u>
<u>Residential - monthly rates</u>			
One 32 gallon can per week	\$9.68	\$12.49	\$10.65
Two 32 gallon can per week	\$12.85	\$16.58	\$14.14
<u>Commercial - per Pickup</u>			
1.5 yard container	\$12.60	\$15.75	\$13.86
1.5 yard container rent	NA	\$8.00	\$8.00
40 yard drop box	\$117.79	\$147.24	\$120.00
Monthly rent	\$37.00	\$50.00	\$45.00
Daily rent	\$1.23	\$4.00	\$1.41
Delivery charge	NA	\$65.00	\$35.00
Mileage	\$1.95	\$3.30	\$2.05

Conclusion

Staff recommends that the commission dismiss the Complaint and Order Suspending the Tariff Revisions filed by Rabanco LTD, d/b/a Allied Waste Services of Klickitat County and Tri-County Disposal in Docket TG-072041 and make the temporary rates permanent effective January 1, 2008.