

Agenda Date: November 23, 2011
Item Number: B1

Docket: TG-111689
Company Name: Rabanco LTD, d/b/a Allied Waste Services of Klickitat County and Tri-County Disposal, G-12

Staff: Layne Demas, Regulatory Analyst
Pam Smith, Consumer Protection Staff

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. Allow the proposed rates to become effective December 1, 2011.

Discussion

On September 16, 2011, Rabanco, Ltd., d/b/a Tri-County Disposal (Tri-County) and Rabanco, Ltd., d/b/a Allied Waste Services of Klickitat County (Klickitat County), business units of Rabanco, Ltd., (Rabanco or Company), filed tariff revisions with the Utilities and Transportation Commission (commission). The proposed filing would generate approximately \$123,500 (11.7 percent) additional annual revenue. The Tri-County and Klickitat County business units serve approximately 3,200 regulated residential and commercial customers in Klickitat County. The filing is prompted by increases in labor, benefits, and fuel expenses. The company's last general rate increase became effective in January, 2008.

On October 27, 2011, the commission entered a Complaint and Order Suspending Tariff. Staff has now completed its review of the filing and determined the proposed rates are fair, just, reasonable and sufficient.

<u>Residential Monthly Rates</u>	Current Rate	Proposed Rate	Percent Increase
One 32-Gallon Can Weekly Pick-up	\$ 10.65	\$ 11.99	12.58%
Two 32-Gallon Cans Weekly Pick-up	\$ 14.14	\$ 15.92	12.59%
<u>Commercial Per Pick-up Rates</u>			
Commercial can	\$ 2.28	\$ 2.57	12.72%
1.5-Yard Container	\$13.86	\$15.60	12.55%
2.0-Yard Container	\$17.55	\$19.76	12.59%
40-Yard Drop Box (Non-Compacted)	\$120.00	\$135.10	12.58%

Customer Comments

On October 1, 2011, the company notified its customers of the proposed rate increase by mail. Four comments have been received to date; all are opposed to the proposed increase. Customers were notified that they may access documents pertinent to this rate case on the commission's website, and that they may contact John Cupp at 1-888-333-WUTC (9882) or jcupp@utc.wa.gov with questions or concerns.

General Comments

- Three customers said they believe the company should better manage its costs to avoid the need for higher rates. All four believe the amount of the increase is too drastic .

Staff response

Customers were advised that state law requires rates to be fair, just, reasonable and sufficient to allow the company to recover reasonable operating expenses and the opportunity to earn a reasonable return on investment. Regulatory staff will review the filing to ensure that all rates and fees are appropriate.

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-111689 and allow the proposed rates to become effective December 1, 2011.