

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of a Tariff to Increase Rates	)	DOCKET TG-111815
Due to a Disposal Fee Increase Filed By	)	
	)	ORDER 02
	)	
	)	AUTHORIZING TARIFF FILING,
	)	SUSPENDING RATES, AND
	)	ALLOWING RATES TO BECOME
	)	EFFECTIVE ON A TEMPORARY
	)	BASIS, SUBJECT TO REFUND
	)	
	)	
	)	DOCKET TG-111909
WASTE MANAGEMENT OF	)	
WASHINGTON, INC. d/b/a WASTE	)	ORDER 01
MANAGEMENT - SOUTH SOUND AND	)	
WASTE MANAGEMENT OF SEATTLE,	)	ORDER GRANTING EXEMPTION
G-237	)	FROM RULE AND ALLOWING
	)	TARIFF TO BECOME EFFECTIVE
	)	BY OPERATION OF LAW
.....	)	

**BACKGROUND**

- 1 On November 4, 2011, Waste Management of Washington, Inc., d/b/a Waste Management – South Sound and Waste Management of Seattle (South Sound or Company), filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff No. 22 to increase rates due to a disposal fee increase. On December 6, 2011, the Company filed revised tariff pages designated as 1<sup>st</sup> Revised Page 33, 1<sup>st</sup> Revised Page 34 and 1<sup>st</sup> Revised Page 35. On December 20, 2011, the Company filed additional revised pages designated as 5<sup>th</sup> Revised Page 2, 2<sup>nd</sup> Revised Page 20, 5<sup>th</sup> Revised Page 21 and 4<sup>th</sup> Revised Page 23. A disposal fee increase falls within the definition of a general rate increase pursuant to WAC 480-07-505.
  
- 2 King County has increased disposal fees from \$95.00 per ton to \$109 per ton effective January 1, 2012. The proposed rate increase would generate approximately \$536,500 additional annual revenue and become effective January 1, 2012. The Company serves approximately 20,500 customers located in King County. The Company's last general rate increase became effective on August 1, 2010.

**DOCKET TG-111909  
ORDER 01**

- 3 WAC 480-07-520 lists the minimum required information the Company must provide in a general rate increase filing. The Company provided information pertinent to the disposal fee increase but did not provide the remainder of the information required by the rule.
- 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. *See also WAC 480-70-051.*
- 5 Commission Staff reviewed the tariff request together with other factors and recommended the Commission allow the tariff to become effective by operation of law, and on its own motion, grant an exemption from WAC 480-07-520 for this filing for the following reason(s):
- (a) There have not been any significant changes since the last rate case that became effective August 1, 2010. Reviewing the rate case documents, the number of customers is unchanged, inflation has been low, and the Company has not changed its collection methods.
  - (b) The increased disposal fees are set by King County and are required as a part of the Company's operations.
  - (c) The Company's financial information supports the proposed revenue requirement and the proposed rates.
  - (d) Staff concluded the proposed rate increase, by reason of the increase in disposal fees, is fair, just, and reasonable.
- 6 On December 20, 2011, the Company filed revised 2<sup>nd</sup> Revised Page 20 canceling 1<sup>st</sup> Revised Page 20 and 4<sup>th</sup> Revised Page 23 canceling 3<sup>rd</sup> Revised Page 23. The Commission, in Order 01 issued in Docket TG-111815, suspended 1<sup>st</sup> Revised Page 20 and 3<sup>rd</sup> Revised Page 23, but allowed the pages to become effective on a temporary basis, subject to refund. The only changes published on 1<sup>st</sup> Revised Page 20 and 3<sup>rd</sup> Revised Page 23 were the commodity price adjustments of \$3.41 credit per customer on 1<sup>st</sup> Revised Page 20 and \$.75 credit per yard on 3<sup>rd</sup> Revised Page 23. Ordering Paragraph 4 stated that "Waste Management of Washington, Inc., d/b/a Waste Management – South

Sound and Waste Management of Seattle must not change or alter the tariffs filed in this Docket during the suspension period, unless authorized by the Commission.”

- 7 Staff recommends that the Commission treat the tariff filing as a request for authorization to file the revised tariff and that the Commission authorize the Company to file revised 2<sup>nd</sup> Revised Page 20 canceling 1<sup>st</sup> Revised Page 20 and 4<sup>th</sup> Revised Page 23 canceling 3<sup>rd</sup> Revised Page 23.
- 8 The 2<sup>nd</sup> Revised Page 20 and 4<sup>th</sup> Revised Page 23 publish increased garbage rates to reflect increased disposal fees and include commodity price adjustments of \$3.41 credit per customer on 2<sup>nd</sup> Revised Page 20, and \$.75 credit per yard on 4<sup>th</sup> Revised Page 23, which the Commission suspended, and allowed to become effective on a temporary basis, subject to refund, by Order 01 issued in Docket TG-111815. Staff recommends that the Commission allow the changes implementing the disposal fee increase to become effective on January 1, 2012, by operation of law, and suspend the commodity price adjustments of \$3.41 credit per customer and \$.75 credit per yard, but allow the commodity credits to become effective on January 1, 2012, on a temporary basis, subject to refund. Further, Staff recommends that the Commission direct the Company to make it clear on 2<sup>nd</sup> Revised Page 20, and 4<sup>th</sup> Revised Page 23 that the commodity price adjustments of \$3.41 credit per customer and \$.75 credit per yard, respectively, are suspended and allowed to become effective January 1, 2012, on a temporary basis, subject to refund, pursuant to Order 02 issued in Docket TG-111815.

### **FINDINGS AND CONCLUSIONS**

- 9 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts and affiliated interests of public service companies, including solid waste companies. *RCW 80.01.040, RCW 81.01, RCW 81.04, RCW 81.16, RCW 81.28 and RCW 81.77.*
- 10 (2) South Sound is engaged in the business of providing solid waste services within the state of Washington and is a public service company subject to Commission jurisdiction.

- 11 (3) South Sound is subject to the filing requirements of WAC 480-07-520, for general rate increase proposals.
- 12 (4) Under WAC 480-07-110, the Commission may grant an exemption from the provisions of any rule in WAC 480-70, if consistent with the public interest, the purposes underlying regulation and applicable statutes. *See also WAC 480-70-051.*
- 13 (5) This matter came before the Commission at its regularly scheduled meeting on December 29, 2011.
- 14 (6) After reviewing the tariff revisions South Sound filed in Docket TG-111909 on November 4, 2011, as revised on December 6, 2011, and December 20, 2011, and giving due consideration, the Commission finds:
- (a) An exemption from the general rate increase filing requirements set forth in WAC 480-07-520 is in the public interest and consistent with the purposes underlying regulation, and applicable statutes and should be granted;
  - (b) The company is authorized to file 2<sup>nd</sup> Revised Page 20 canceling 1<sup>st</sup> Revised Page 20 and 4<sup>th</sup> Revised Page 23 canceling 3<sup>rd</sup> Revised Page 23;
  - (c) The commodity price adjustment of \$3.41 credit per month published on 2<sup>nd</sup> Revised Page 20 and the commodity price adjustment of \$.75 credit per yard published on 4<sup>th</sup> Revised Page 23 are suspended and allowed to become effective on January 1, 2012, on a temporary basis, subject to refund;
  - (d) The Company is directed to make it clear on 2<sup>nd</sup> Revised Page 20 and 4<sup>th</sup> Revised Page 23 that the commodity credits are suspended and allowed to go into effect on a temporary basis, subject to refund, pursuant to Order 02 issued in Docket TG-111815;

- (e) It is in the public interest to allow the tariff revisions implementing the disposal fee increase to Tariff No. 22 to become effective on January 1, 2012, by operation of law.

**ORDER**

**THE COMMISSION ORDERS:**

- 15 (1) The Commission retains jurisdiction over the subject matter and Waste Management of Washington, Inc., d/b/a Waste Management – South Sound and Waste Management of Seattle to effectuate the provisions of this Order.
- 16 (2) On the effective date of this Order, Waste Management of Washington, Inc., d/b/a Waste Management – South Sound and Waste Management of Seattle is granted an exemption from WAC 480-07-520 for purposes of the tariff filed in Docket TG-111909.
- 17 (3) The Commission authorizes Waste Management of Washington, Inc., d/b/a Waste Management – South Sound and Waste Management of Seattle to publish 2<sup>nd</sup> Revised Page 20 canceling 1<sup>st</sup> Revised Page 20 and 4<sup>th</sup> Revised Page 23 canceling 3<sup>rd</sup> Revised Page 23.
- 18 (4) The Commission suspends the commodity price adjustment of \$3.41 credit per month published on 2<sup>nd</sup> Revised Page 20 and the commodity price adjustment of \$.75 credit per yard published on 4<sup>th</sup> Revised Page 23 and allows the commodity credits to become effective January 1, 2012, on a temporary basis, subject to refund.
- 19 (5) The Commission directs Waste Management of Washington, Inc., d/b/a Waste Management – South Sound and Waste Management of Seattle to make clear on 2<sup>nd</sup> Revised Page 20 and 4<sup>th</sup> Revised Page 23 that the commodity price adjustments of \$3.41 credit per month and \$.75 credit per yard, respectively, are

suspended and allowed to go into effect on a temporary basis, subject to refund, pursuant to Order 02 issued in Docket TG-111815.

- 20 (6) The Commission takes no action on the tariff changes implementing the disposal fee increase and allows it to become effective on January 1, 2012, by operation of law.

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 December 29, 2011.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Acting Secretary