

Agenda Date: February 28, 2013  
Item Number: B1

**Docket:** TG-130062  
**Company Name:** Rabanco, LTD, G-12, dba Allied Waste Services of Kent, Rabanco Companies, Sea-Tac Disposal

**Staff:** Amy White, Regulatory Analyst  
Sheri Hoyt, Consumer Protection Staff

**Recommendation**

Take no action, thereby allowing the tariff revisions filed by Rabanco LTD, dba Allied Waste Services of Kent, Rabanco Companies, Sea-Tac Disposal, on January 15, 2013, as revised on February 20, 2013, to become effective on March 1, 2013, by operation of law.

**Discussion**

On January 15, 2013, Rabanco, LTD, dba Allied Waste of Services of Kent, Rabanco Companies, Sea-Tac Disposal (Sea-Tac or company), filed tariff revisions with the Utilities and Transportation Commission (commission) that would generate approximately \$392,000 (16.1 percent) additional annual revenue. Sea-Tac serves approximately 15,000 residential and commercial customers in King County. The filing is prompted by increases in labor, fuel, maintenance, healthcare, yard waste processing fees, pension, and other general operating expenses. The company's last general rate increase became effective on July 1, 2007.

Staff has completed its review of the company's supporting financial documents, books and records. Staff's review found that the company's proposed rates would result in excess revenue. Staff and the company agreed to a revised revenue requirement of approximately \$385,000 (15.8 percent) additional annual revenue. On February 20, 2013, Sea-Tac filed revised tariff pages with the revised proposed rates at staff recommended levels.

**Rate Comparison**

	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Staff Revised Rate</b>	<b>Percent Increase</b>
<b>Residential Monthly Rates</b>				
One 19-Gallon Mini-Can Weekly Pick-Up	\$ 7.81	\$ 9.33	\$ 9.32	19.3 %
One 32-Gallon Can Weekly Pick-Up	\$11.17	\$13.35	\$13.33	19.3 %
One 90-Gallon Tote Weekly Pick-Up	\$23.60	\$28.20	\$28.15	19.3 %
<b>Mandatory Residential Recycling</b>				
Recycling Every-Other-Week Pick-Up	\$ 6.33	\$ 6.15	\$ 6.14	( 3.0 %)

	<b>Current Rate</b>	<b>Proposed Rate</b>	<b>Staff Revised Rate</b>	<b>Percent Increase</b>
<b>Yard Waste</b>				
Yard Waste March-to-November Every-Other-Week area Appendix-A (Southwest King County)	\$ 7.50	\$ 9.91	\$ 9.91	32.1 %
Yard Waste March-to-November Weekly area Appendix B (Southeast King County)	\$ 9.30	\$12.29	12.29	32.2 %
<b>Commercial Monthly Rates</b>				
2.0-Yard Container	\$24.44	\$29.21	\$29.16	19.3 %
4.0-Yard Container	\$45.79	\$54.72	\$54.63	19.3 %
8.0-Yard Container	\$90.08	\$107.64	\$107.47	19.3 %

**Customer Comments**

On January 28, 2013, the company notified its customers of the proposed rate increase by mail. Staff received one consumer comment regarding the proposed rate increase; the consumer is opposed to the increase. Customers were notified that they may access relevant documents about this rate increase on the commission’s website, and that they may contact Sheri Hoyt at 1-888-333-9882, or shoyt@utc.wa.gov with questions or concerns.

**Business Practices**

- The customer stated that the company provides very poor service and the truck scales are not accurately recording the weight of cans, which results in fraudulent charges. The customer is very unhappy about mandatory recycling, and does not wish to pay an increased rate for a service he does not want or use.

**Staff Response**

Staff spoke with the customer and educated him about mandatory recycling in his county’s solid waste plan. Since the customer lives in unincorporated King County and King County’s website indicates curbside recycling is mandatory only in the city of Seattle, staff has opened a complaint for the customer, and is investigating his concerns. The customer did not have any outstanding overweight charge issues; all charges have been credited. Further, staff explained that the tariff requires “reasonable inspection,” and does not require a scale weight. The customer said if he is charged for overweight again, he will call the company. If he is not satisfied with the response he will call Consumer Protection staff.

**Conclusion**

Take no action, thereby allowing the tariff revisions filed by Rabanco LTD, dba Allied Waste Services of Kent, Rabanco Companies, Sea-Tac Disposal, on January 15, 2013, as revised on February 20, 2013, to become effective on March 1, 2013, by operation of law.