

Agenda Date: May 29, 2014
Item Number: B2

Docket: TG-141091
Company Name: Rubatino Refuse Removal, Inc. G-58

Staff: Ann LaRue, Regulatory Analyst

Recommendation

Issue a Complaint and Order Suspending the Tariff Revisions filed by Rubatino Refuse Removal, Inc., on May 15, 2014.

Discussion

On May 15, 2014, Rubatino Refuse Removal, Inc. (Rubatino or company), filed tariff revisions with the Utilities and Transportation Commission (commission). The tariff revisions would generate approximately \$845,000 (4.9 percent) in additional annual revenue. The proposed increases are prompted by increases in wages, postage, fuel, insurance, and other operating expenses. The company's last general rate increase became effective June 1, 2009. The company serves approximately 16,000 customers in Snohomish County.

The company's general rate case filing does not comply with WAC 480-07-520 and WAC 480-07-140. The following items are missing or deficient:

- 1) City of Mukilteo ordinance and Cedar Grove disposal fee increase notices are missing. Filings due to governmental or other entity, action require documentation of that action. Examples of documentation include: ordinances, resolutions, and disposal site fee increase or decrease notices. (WAC 480-07-520(2))
- 2) Statement granting authority to file rate cases on behalf of the company is missing and required because the company used an external consultant to prepare the filing. WAC 480-70-326(3)(b) requires that a tariff filing made by a person other than an owner, partner, or corporate officer, a statement granting authority for that person to file on behalf of the company must be signed by an owner, partner, or corporate officer, and may be incorporated into the transmittal letter accompanying the filing.
- 3) The company's pro forma model contains hardcoded numbers and, therefore, does not comply with WAC 480-07-140(6)(b), which requires that every number resulting from a calculation includes the formula used to calculate the number: by formula imbedded in a spreadsheet cell, by formula included in a comment attached to the cell containing the number, or by a separate statement within the document referencing the number or cell containing the number.
- 4) An income statement listing all revenue and expense accounts by month is missing. (WAC 480-07-520(4)(c))
- 5) A detailed separation of non-regulated revenue and expenses is missing. If non-regulated revenue represents more than ten percent of total company test period revenue, a detailed

separation of all revenue and expenses between regulated and non-regulated operations.
(WAC 480-07-520(4)(d))

- 6) Affiliate interest information is deficient. WAC 480-07-520(4)(j) requires information about every transaction with an affiliated interest or subsidiary that directly or indirectly affects the proposed rates.

This must include:

- Full description of the relationship, terms and amount of the transaction
- The length of time the relationship has been ongoing
- An income statement and balance sheet for every affiliated entity.

Conclusion

Staff recommends the commission issue a Complaint and Order Suspending the Tariff Revisions filed by Rubatino Refuse Removal, Inc., on May 15, 2014.