

Agenda Date: February 23, 2023  
Item Number: B2

**Docket:** TG- 230032  
Company Name: Waste Control, Inc.

Staff: Jaclynn Simmons, Regulatory Analyst  
John Cupp, Consumer Protection Staff

### **Recommendation:**

To take no action, allowing tariff pages filed by Control Inc., on January 13, 2023, in Docket TG-220032 as revised on February 16, 2023, to become effective March 1, 2023, by operation of law.

### **Discussion**

On January 13, 2023, Waste Control Inc. (Waste Control or Company) filed with the Washington Utilities and Transportation Commission (Commission) tariff revisions that, as originally filed, would have generated approximately \$585,664 (10.59 percent) additional annual revenue for the collection of garbage services. The Company provides service to approximately 12,700 residential, 480 commercial, and 100 roll-off customers in Cowlitz County. The Company's last general rate increase became effective on October 1, 2018.

This is the first general rate case since Waste Connections of Washington purchased Waste Control in June of 2020. The main driver of the filing is to recover increased expenses of payroll, fuel costs, and to begin recovery of newly obtained assets since the Company's last rate case. After review of the filing Commission staff (Staff) made several adjustments. Fuel expense was adjusted to bring it to the most current 12 months of fuel costs per WAC 480-70-346. Staff also adjusted payroll removing overtime to account for additional employees hired, employee community activity expense was adjusted to remove unallowable expense, and Staff removed the percent of bad debt from flowing through the Lurito Gallagher model and allowed the expense in rates instead of allowing both. These adjustments resulted in Staff's revised additional revenue requirement of approximately \$545,320 (9.86 percent). Staff and the Company have agreed to the additional annual revenue amount and the corresponding rates are fair, just, reasonable, and sufficient. On February 16, 2023, Waste Control filed revised tariff pages with staff recommended revisions.

### Rate Comparison

Service	Current	Co. Proposed	Staff Revised	Difference
32 gal 1x wk.	\$17.45	\$19.46	\$19.42	\$1.97
90 gal 1x a wk.	\$25.86	\$28.84	\$28.78	\$2.92
1.5 yd 1x wk.	\$26.06	\$29.07	\$29.00	\$2.94
20 yd	\$98.28	\$109.62	\$109.39	\$11.11

### Customer Comments

On January 27, the Company notified its customers by mail of the proposed rate increase. Customers were notified that they may contact John Cupp at 1-888-333-9882 or john.cupp@utc.wa.gov with questions or concerns. Staff received three comments, two opposed to the rate increase and one in favor.

### General Comments

One customer is opposed to the increase because they are an apartment owner and increased services lead to increased rents, which are already high. Another believes the Company should clean up a homeless encampment near their home before they are allowed an increase. The customer in favor believes the Company should be rewarded for hard work.

### Staff Response

Staff explained 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 its investment. Customers were also told that Commission Staff performs a thorough review of rate filings to ensure all rates and fees are appropriate. The customer near the homeless encampment did not provide their contact information.

### Conclusions

Staff has completed its review of the Company's documentation. Staff's review shows that the tariff pages filed are reasonable and required as part of the Company's operations.

### Recommendations:

To take no action, allowing tariff pages filed by Control Inc., on January 13, 2023, in Docket TG-220032 as revised on February 16, 2023, to become effective March 1, 2023, by operation of law.