Agenda Date: June 30, 2022

Item Number: B2

**Docket:** TG- 220339

Company Name: Waste Connections of Washington, Inc.

Staff:

Jaclynn Simmons, Regulatory Analyst

## **Recommendation:**

Take no action, thereby allowing tariff pages filed by Waste Connections of Washington, Inc. on May 16, 2022, as revised on June 29, 2022, to become effective July 1, 2022, by operation of law.

## **Discussion**

On May 16, 2022, Waste Connections of Washington, Inc. (Waste Connections or Company) filed with the Washington Utilities and Transportation Commission (Commission) tariff revisions for their Clark County operation that as originally filed, would have generated approximately \$3,076,000 (11.88 percent) additional annual revenue for the collection of garbage services. The Company provides regulated solid waste and recycling collection services to approximately 79,000 customers in Clark County. The Company's last general rate increase became effective on January 1, 2018.

The Company is requesting a general rate increase to recover costs of automating some of its residential customers. This automation affects about 24,000 residential customers. The automation requires an increase in capital investment for the purchases of totes for automation and trucks' tipping arms.

After review of the filing, Commission staff (Staff) made a few adjustments to the Company's payroll expense by adjusting numbers to current employees and adding in open job listings the Company is currently recruiting for. Staff added in tipping arms for the automation after realizing the Company left the expense out. After Staff's adjustments, the Company and Staff agreed to an additional annual revenue amount of \$2,921,817 (11.31 percent). Staff reviewed all the documents and books provided by the Company and believes that the rates agreed upon are fair, just, reasonable, and sufficient.

Type	Current Rate	<b>Proposed Rate</b>	Revised Rate	Precent Increase
1 32 Gal Can	\$14.05	\$15.63	\$15.53	10.51%
2 Yard Cont.	\$29.29	\$32.58	\$32.37	10.51%
40 Yard Temp				
Drop Box	\$115.75	\$128.77	\$127.92	10.51%

# **Customer Comments**

On May 27, the Company notified its customers by mail of the proposed rate increase. Customers were notified that they may access relevant documents about this rate increase on the Commission's website, and that they may contact John Cupp with questions or concerns. Staff received 16 consumer comments, all opposed to the proposed rate increase.

#### **General Comments**

Customers feel the requested increase is excessive. Several feel the cost of living is already too high and the increase will harm those on fixed incomes. Some feel the Company raises its rates frequently, though the customer notice said the "last general rate increase was approved by the WUTC January 1, 2018."

## **Staff Response**

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. Staff performs a thorough review of rate filings to ensure that all rates and fees are appropriate.

Staff also explained that the last general rate increase was approved on January 1, 2018, and explained that the subsequent increases were disposal fee increases, and a one increase related to COVID expenses only, which will expire in August 2023.

## **Conclusion**

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

## Recommendation

Take no action, thereby allowing tariff pages filed by Waste Connections of Washington, Inc. on May 16, 2022, as revised on June 27, 2022, to become effective July 1, 2022, by operation of law.