

**BEFORE THE WASHINGTON STATE  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of	)	DOCKET TG-121510
	)	
RABANCO, LTD., dba CONTAINER	)	ORDER 01
HAULING, EASTSIDE DISPOSAL,	)	
RABANCO COMPANIES, and	)	
RABANCO CONNECTIONS, G-12,	)	
	)	
Petitioner,	)	
	)	
Seeking Exemption from the	)	
Provisions of WAC 480-07-520(4)	)	ORDER GRANTING
Relating to Supporting Work Papers	)	EXEMPTION FROM RULE
.....	)	

**BACKGROUND**

- 1 Docket TG-121510 involves a proposed tariff revision filed with the Washington Utilities and Transportation Commission (Commission) by Rabanco, Ltd. (Rabanco or Company), dba Container Hauling, Eastside Disposal, Rabanco Companies, and Rabanco Connections (Eastside Disposal) on September 14, 2012, that would generate approximately \$380,821 (6.5 percent) additional annual revenue.
- 2 On September 14, 2012, and amended on October 19, 2012, Rabanco filed a petition requesting an exemption from the work paper filing requirements set out in WAC 480-07-520(4).
- 3 WAC 480-07-520(4) requires Rabanco to file work papers that contain detailed financial data for Rabanco, its affiliated interests, and its business units. The plain language of the rule requires these work papers to address Rabanco finances as a whole, not a limited subset of one or more business units.
- 4 Rabanco states: "... the corporate structure of Rabanco, Ltd. has numerous distinct regulated and unregulated lines of business within a single corporation operating within numerous counties in western and eastern Washington. Granting the exemption would relieve a material administrative burden for both the Company and the Commission staff in processing another rate filing in light of presently unattainable Company-wide data refinement that does not bear upon nor have a direct relationship to the results of

operations of Eastside Disposal and would be counter-productive to the goal of regulatory efficiency and economy in addressing all pertinent financial impacts raised in this filing which, again, is limited to the regulated tariff and overall operations of Eastside Disposal.”

5 Rabanco requested the Commission to grant an exemption from WAC 480-07-520(4) consistent with the following:

- (a) *WAC 480-07-520(4)(a) (detailed pro forma income statement)* – Petitioner here seeks exemption from the workpaper detailed pro forma income statement requirement to the extent that it asks that subparts (i) and (ii) for restating “actual adjustments” and “pro forma adjustments” be limited to demonstration of the impact upon Eastside Disposal rather than Rabanco, Ltd. as a whole.
- (b) *WAC 480-07-520(4)(b) (revenue impact calculation for proposed tariff revisions)* – No exemption requested.
- (c) *WAC 480-07-520(4)(c) (income statement listing all revenue and expense accounts by month)* – No exemption requested.
- (d) *WAC 480-07-520(4)(d) (detailed separation of all revenue and expenses between regulated/nonregulated operations if nonregulated revenue exceeds ten percent of total company test period revenue)* – Petitioner here seeks application of the subpart 4(d) requirement of non-regulated revenue exceeding 10% of total company test period revenue in limiting the workpaper computations and submissions to *Eastside Disposal*, as the tariff-filing entity, and further asks that the detailed separation of all revenue and expenses requirement in subsection 4(d) apply to intracompany transactions between Eastside Disposal as the tariff-filing entity and Rabanco, Ltd. as the company as a whole, providing what would be analogously required for disclosure under the affiliated interest transaction rule of 480-70-079 but for the fact that Eastside Disposal is a part of Rabanco, Ltd.
- (e) *WAC 480-07-520(4)(e) (detailed list of all nonregulated operations, including the rates charged for the services rendered)* – Petitioner is requesting a partial

exemption from the requirement of listing all unregulated operations and rates charged of Rabanco, Ltd. to the extent that it asks that this requirement be limited to unregulated transactions, relationships and rates among those Eastside Disposal-based business operations, its customers and other Rabanco, Ltd. business entities.

- (f) *WAC 480-07-520(4)(f) (detailed price-out information)* – Petitioner here seeks limitation of the detailed price-out information and reconciliation requirement of this subpart of the general rate case workpaper rule to be again applied to Eastside Disposal, the tariff-filing entity, only.
- (g) *WAC 480-07-520(4)(g) (consolidated balance sheet)* – No exemption requested.
- (h) *WAC 480-07-520(4)(h) (detailed depreciation schedule)* – Petitioner hereby seeks an exemption to limit the detailed depreciation schedule applicable to the test period to the tariff-filing entity only, Eastside Disposal.
- (i) *WAC 480-07-520(4)(i) (computed average investment)* – Petitioner asks that the computed average investment calculation requirement be limited to applying only to the tariff-filing entity, Eastside Disposal, in presenting computed average investment information.
- (j) *WAC 480-07-520(4)(j) (information about every transaction with affiliated interests or subsidiaries)* – No exemption requested.

6 Staff reviewed Rabanco’s request for an exemption from WAC 480-07-520(4) and recommends that the Commission grant that request, as set forth above.

### FINDINGS AND CONCLUSIONS

- 7 (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.

- 8 (2) Rabanco, Ltd., 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.
- 9 (3) Rabanco, Ltd., is subject to WAC 480-07-520(4), which requires the Company to file work papers that contain detailed financial data for the Company, its affiliated interests, and its business units. The plain language of the rule requires these work papers to address Rabanco, Ltd.'s finances as a whole, not a limited subset of one or more business units.
- 10 (4) Rabanco, Ltd., dba Container Hauling, Eastside Disposal, Rabanco Companies, and Rabanco Connections are business units of Rabanco, Ltd., and collect solid waste under Tariff No. 11.
- 11 (5) Rabanco, Ltd., filed proposed tariff revisions on September 14, 2012, seeking to increase rates in its Container Hauling, Eastside Disposal, Rabanco Companies, and Rabanco Connections business units by approximately \$380,821 (6.5 percent).
- 12 (6) In support of its proposed tariff revisions, Rabanco, Ltd., filed work papers containing financial information for Container Hauling, Eastside Disposal, Rabanco Companies, and Rabanco Connections business units, but not for the entirety of Rabanco, Ltd., operations.
- 13 (7) Under WAC 480-70-051, 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 480-07-110.
- 14 (8) This matter came before the Commission at its regularly scheduled meeting on October 25, 2012.
- 15 (9) After review of the petition filed in Docket TG-121510 Rabanco, Ltd. dba Container Hauling, Eastside Disposal, Rabanco Companies, and Rabanco Connections on September 14, 2012, and giving due consideration, the Commission finds that the exemption is in the public interest and is consistent with

the purposes underlying the regulation and applicable statutes and should be granted.

**ORDER**

**THE COMMISSION ORDERS:**

- 16 (1) After the effective date of this Order, Rabanco, Ltd., d/b/a Container Hauling, Eastside Disposal, Rabanco Companies, and Rabanco Connections' petition for exemption from WAC 480-07-520(4) is granted, as set forth in paragraph five.
- 17 (2) The exemption granted to Rabanco, Ltd., dba Container Hauling, Eastside Disposal, Rabanco Companies, and Rabanco Connections in this Order applies only to the general rate proceeding in Docket TG-121510.
- 18 (3) The Commission retains jurisdiction over the subject matter and Rabanco, Ltd., dba Container Hauling, Eastside Disposal, Rabanco Companies, and Rabanco Connections to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Executive Secretary to enter this Order.

DATED at Olympia, Washington, and effective October 25, 2012.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary