

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

EXCESS DISPOSAL, INC., d/b/a
EXCESS DISPOSAL SERVICE

Petitioner,

Seeking Exemption from the Provisions of
WAC 480-70-520(4)(d) Relating to
Separation of Revenues and Expenses for
Non-Regulated Activity

DOCKET TG-220444

ORDER 01

ALLOWING TARIFF REVISIONS
TO GO INTO EFFECT BY
OPERATION OF LAW;
GRANTING EXEMPTION FROM
RULE

BACKGROUND

- 1 On June 17, 2022, Excess Disposal, Inc., d/b/a Excess Disposal Service (Excess Disposal or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting an exemption from WAC 480-70-520(4)(d).
- 2 WAC 480-70-520(4)(d) requires solid waste companies to provide a detailed separation of all revenue and expenses between regulated and nonregulated operations if nonregulated revenue represents more than ten percent of total company test period revenue.
- 3 Excess Disposal stated that non-regulated revenue made up 10.9 percent of revenue and a proportionate share of the total revenue requirement was assigned to non-regulated operations.
- 4 Commission staff (Staff) reviewed the request and recommended granting Excess Disposal's request for exemption because of the revenue's close proximity to the threshold and, because this is the first general rate case under new ownership, the Company is still learning Commission rules and practices. The Company does not currently track expenses separately for its non-regulated activities. Additionally, the inability to separate non-regulated activities did not impede Staff's ability to complete its review of the rate case.

5 Staff has advised the Company that this exemption applies only to this general rate case filing. The Company is expected to separate regulated and non-regulated expenses per WAC 480-70-520(4)(d) going forward.

DISCUSSION

6 Although the Company is required by rule to separate the non-regulated revenue and expenses more than ten percent of total revenue, the amount by which the Company exceeded the threshold is less than one percent and did not prevent Staff from being able to complete its review of the Company's expenses and revenues. Further, the Company has shown that requiring compliance with WAC 480-07-520(4)(d) under these circumstances will constitute an unwarranted burden on the Company's new management. The Company has been informed that this exemption applies only to this case, and that it is expected to separate expenses in future filings. We therefore find that granting the Company's petition for exemption from WAC 480-70-520(4)(d) will not harm the public interest or prevent the Commission from performing its regulatory duties and conclude that it should be granted.

FINDINGS AND CONCLUSIONS

- 7 (1) The 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.
- 8 (2) Excess Disposal 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) Excess Disposal is subject to WAC 480-70-520(4)(d), which requires solid waste companies to provide a detailed separation of all revenue and expenses between regulated and nonregulated operations if nonregulated revenue represents more than ten percent of total company test period revenue.
- 10 (4) Under WAC 480-70-051, the Commission may grant an exemption from the provisions of any rule in WAC 480-70 if doing so is consistent with the public interest, the purposes underlying regulation, and applicable statutes. See also WAC 480-07-110.

- 11 (5) This matter came before the Commission at its regularly scheduled meeting on July 28, 2022.
- 12 (6) After reviewing the petition filed in Docket TG-220444 by Excess Disposal on June 17, 2022, and giving due consideration to all relevant circumstances, 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:

- 13 (1) Excess Disposal, Inc., d/b/a Excess Disposal Service's request for exemption from WAC 480-70-520(4)(d) is GRANTED.
- 14 (3) The Commission retains jurisdiction over the subject matter and Excess Disposal, Inc., d/b/a Excess Disposal Service to effectuate the provisions of this Order.

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

DATED at Lacey, Washington, and effective July 28, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner