

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of
ISLAND DISPOSAL, INC.

DOCKET TG-220100

ORDER 01

ALLOWING TARIFF REVISIONS
TO GO INTO EFFECT BY
OPERATION OF LAW;
REQUIRING GENERAL RATE
FILING

BACKGROUND

- 1 On February 11, 2022, Island Disposal, Inc., (Island Disposal or Company) filed a general rate case with the Utilities and Transportation Commission (Commission). The Company is seeking to increase annual revenues by \$271,665 (4.2 percent). The Company explains that its filing is due to increases in capital investments and other general operating expenses associated with converting to automated garbage collection routes. The Company serves approximately 12,100 residential, 700 commercial, and 100 roll-off customers in Island County. The Company's last general rate increase became effective June 1, 2020.
- 2 Commission staff (Staff) reviewed the filing and supporting documentation and determined that the Company demonstrated a need for \$244,449 (3.8 percent) of additional annual revenue. The increase is reasonable to recover the costs of acquiring new vehicles and containers to provide automated collection service. The Company agreed to Staff's proposed revenue requirement and filed revised pages on March 17, 2022. Staff believes the revised rates are fair, just, reasonable, and sufficient.
- 3 Because the Company completed the conversion to automated routes in December 2021, the Company does not have 12-months of actual cost reflecting the change. The Company stated it expects driver overtime workhours will be reduced by an estimated 20 percent. Staff used the Company estimate for reducing overtime because historical data is unavailable.
- 4 Staff recommends the Company be required to submit a general rate case with an effective date no later than November 1, 2023, which will include 12 months of data from automated route operations to true up estimates in costs and savings.

DISCUSSION

5 The Commission agrees with Staff's recommendation and concludes that Island
Disposal's proposed Tariff revisions, as revised on March 17, 2022, are fair, just,
reasonable, and sufficient. Because the Company does not have 12 months of historical
data, we agree that submitting a general rate case in 2023 is appropriate to true up
estimates in costs and savings, which will protect both the Company and customers.
Accordingly, require Island Disposal to file a subsequent general rate case with an
effective of November 1, 2023.

FINDINGS AND CONCLUSIONS

- 6 (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 collection
companies.
- 7 (2) Island Disposal is a solid waste collection company and a public service company
subject to Commission jurisdiction.
- 8 (3) This matter came before the Commission at its regularly scheduled meeting on
March 24, 2020.
- 9 (4) The tariff revision presently under consideration is fair, just, reasonable, and
sufficient because the Company has demonstrated the need for additional annual
revenue and for revision of the Company's rate structure.
- 10 (5) After reviewing the revised tariff revision Island Disposal filed in Docket
TG-220100 and giving due consideration, the Commission finds it is consistent
with the public interest to allow the revised rates and tariff revision filed on
March 17, 2022, to become effective on April 1, 2022.
- 11 (6) Island Disposal should be required to file its next general rate case with an
effective date of November 1, 2023.

ORDER

THE COMMISSION ORDERS:

- 12 (1) The tariff revision filed by Island Disposal, Inc., in this docket on February 11, 2022, as revised March 17, 2022, shall become effective by operation of law on April 1, 2022.
- 13 (2) Island Disposal, Inc., is required to file its next general rate case with an effective date of November 1, 2023.

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 March 24, 2022.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chair

ANN E. RENDAHL, Commissioner