

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

WASHINGTON UTILITIES AND)	DOCKET TG-090899
TRANSPORTATION COMMISSION,)	
)	ORDER 01
Complainant,)	
)	
v.)	
)	
MASON COUNTY GARBAGE CO.,)	COMPLAINT AND ORDER
INC., G-88)	SUSPENDING TARIFF; ALLOWING
)	RATES ON A TEMPORARY BASIS,
Respondent.)	SUBJECT TO REFUND
.....)	

BACKGROUND

- 1 On June 12, 2009, Mason County Garbage Co., Inc., (Mason County Garbage or Company) filed with the Washington Utilities and Transportation Commission (Commission) revised pages to its Tariff No. 13. The stated effective date is August 1, 2009, but on July 17, 2009, the Company extended the effective date to August 14, 2009.
- 2 In this filing, Mason County Garbage proposes to implement Mason County Ordinance 147-08 to begin a new mandatory-pay residential recycling program. Mason County Garbage’s proposed recycle rate of \$8.56 per month was designed to increase revenues by \$1,056,000 annually. Commission Staff’s review revealed that the proposed rates were excessive. Staff and Mason County Garbage negotiated a revised recycle rate of \$8.18 per month that would increase annual revenues by approximately \$1,008,000. On July 23, 2009, Mason County Garbage filed revised, lower rates on substitute tariff pages to reflect this reduced revenue level.
- 3 The Commission received comments from 147 customers concerning Mason County Garbage’s original June 12, 2009, filing. The majority of the comments concerned the cost of the program and its mandatory-pay provisions. As stated above, the Mason County Board of Commissioners passed an ordinance requiring the mandatory-pay provisions for all residential garbage customers.
- 4 The Company’s financial information supports the revised revenue requirement and charges are fair, just, reasonable and sufficient based on the estimated cost of the

program. However, because this is a new program in Mason County and the recommended revised rates are based on estimates, not actual costs, Staff recommends the Commission suspend the filing and allow temporary rates, subject to refund.

5 In order for Commission Staff to determine the actual program costs, it is necessary that Mason County Garbage provide data and information on its recycling and solid waste programs. Mason County Garbage is therefore required to submit the following information on a monthly basis:

6 (1) The number of residential customers, by garbage service level, and the average monthly weight of a can or cart for each garbage service level.

7 (2) The total tons of residential solid waste disposed of and the total tons of residential recycle commodities collected.

8 (3) All route hours and payroll data for residential solid waste and residential recycling collection.

9 (4) Any other information that may be needed to evaluate the effectiveness and cost of the residential recycling program.

10 The reports are due to the Commission no later than the fifteenth day of the month following the month in which the Company provided recycling collection service.

11 The proposed revised rates might injuriously affect the rights and interests of the public. The Commission therefore suspends the tariff filing. The Commission accepts the proposed revised rates filed on July 23, 2009, as temporary rates and allows those revised rates to become effective on August 14, 2009, on a temporary basis, subject to refund.

FINDINGS AND CONCLUSIONS

12 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate rates, 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.*

- 13 (2) Mason County Garbage is a solid waste company and a public service company subject to Commission jurisdiction.
- 14 (3) This matter came before the Commission at its regularly scheduled meeting on August 13, 2009.
- 15 (4) The tariff revisions Mason County Garbage filed on June 12, 2009, and the substitute pages filed on July 23, 2009, establish a residential mandatory-pay recycling rate and increase residential rates.
- 16 (5) Because the proposed rates are based on estimated costs to provide the new service, Mason County Garbage has not yet demonstrated that the provisions for the rates are fair, just, reasonable and sufficient. However, the Commission finds it reasonable to allow the revised rates filed on July 23, 2009, to become effective August 14, 2009, on a temporary basis, subject to refund, and to require the Company to file financial and operations reports for the new program.
- 17 (6) In addition, the Commission invokes the rights, remedies and procedures contained in the reparations statute, RCW 81.04.220, to the extent the Commission finds that any rate subject to this investigation is excessive or exorbitant.
- 18 (7) Mason County Garbage may be required to pay the expenses reasonably attributable and allocable to such an investigation consistent with RCW 81.20.

ORDER

THE COMMISSION ORDERS:

- 19 (1) The tariff revisions Mason County Garbage Co., Inc., filed on June 12, 2009, and July 23, 2009, are suspended.
- 20 (2) The proposed revised tariffs Mason County Garbage Co., Inc., filed on July 23, 2009, shall become effective on August 14, 2009, on a temporary basis, subject to refund, if the Commission determines that different rates will be fair, just, reasonable and sufficient.

- 21 (3) The Commission may hold hearings if needed at such times and places as required.
- 22 (4) Mason County Garbage Co., Inc., must not change or alter the tariff pages filed in this docket during the suspension period, unless the Commission authorizes the change in this docket.
- 23 (5) The Commission will institute an investigation of Mason County Garbage Co., Inc.,’s books, accounts, practices, activities, property and operations as necessary and as described above.
- 24 (6) Mason County Garbage Co., Inc., shall pay the expenses reasonably attributable and allocable to the Commission’s investigation, consistent with RCW 81.20.
- 25 (7) Mason County Garbage Co., Inc., will file with the Commission all data and information required to evaluate the effectiveness and cost of the residential recycling program. The reports are due to the Commission no later than the fifteenth day of the month following the month in which the Company provided recycling collection service.

DATED at Olympia, Washington, and effective August 13, 2009.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner