

## WASHINGTON REFUSE & RECYCLING ASSOCIATION

May 15, 2015

Mr. Steve King Executive Director & Secretary Washington Utilities and Transportation Commission

PO Box 47250 1300 S. Evergreen Park Dr. SW Olympia, WA 98504-7250

Re: Comments: Docket A-150561

Dear Mr. King:

Please consider the following to be the initial comments by the Washington Refuse & Recycling Association (WRRA) on behalf of our statewide membership relative to the above-referenced docket. WRRA, of course, is not a solid waste service provider, but we will try and summarize our members' input for the "Notice of April 20, 2015." We may have additional comments both prior to and after our participation at the June 9, 2015 workshop.

While many of our members currently offer credit card services that are so prevalent in today's economy, the manner in which the costs may attributed to the specific customer or entire rate bases has led to confusion amongst our membership.

At this point WRRA's position is that any fees associated with a credit or debit card issuer for customer payments should simply be borne by the entire rate base. Our reasoning is as follows:

- These fees are relatively small in relation to the overall costs and expenditures incurred by a solid waste collection company. The accounting and staff time invested in seeing that the extra fee is borne by a particular customer cannot be justified by any incremental savings to other customers. In fact, as usage of non-cash means of payment increases, as it surely will, the time involved in separating out and assigning these fees could well actually increase rates to all customers.
- In fact, all customers' service costs are not the same, and never have been. For example a customer who lives a block from the route start up point, and one who is miles away pay the same rate. This is "universal service," which is something the Commission and the industry in this state can point to with pride. Just

STATE OF WASH.

2015 MAY 15 DM 3: 01

because it costs less in fuel, labor, maintenance and such to serve the one customer, it does not follow that the other customer should pay more. The rate base is made up of a group of customers who receive reciprocal services by a regulated common carrier at the same Commission-approved rate, not individuals who pay different rates based upon their location, or anything else.

• We are rapidly approaching a cashless business environment, but there will always be some "cash and carry" ratepayers, particularly for residential service. It may or may not be possible to accurately determine the amount of the monthly garbage bill non-cash remittances have upon these cash payers. But we are of the view that it is in the "pennies" (de minimis) range. We also would be surprised if the Commission has ever received a complaint from a cash payer regarding this issue.

We also believe this may be an opportunity where a Policy Statement from the Commission would be welcomed and useful. Such a statement could recognize the practice of non-cash payments and allow these costs to be imbedded in rates.

Again, thank you for the opportunity to participate in this process. As the process progresses and our members submit more detailed input we will continue to update our position as stated here.

Sincerely,

**Brad Lovaas** 

**Executive Director, WRRA**