

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

WASHINGTON UTILITIES AND)	DOCKET NO. TG-050301
TRANSPORTATION)	
COMMISSION,)	ORDER NO. 01
)	
Complainant,)	
)	
v.)	
)	COMPLAINT AND ORDER
FIORITO ENTERPRISES, INC. &)	SUSPENDING TARIFF; ALLOWING
RABANCO COMPANIES, G-60)	RATES APRIL 1, 2005, ON A
d/b/a Kent-Meridian Disposal)	TEMPORARY BASIS SUBJECT TO
)	REFUND, AND REQUIRING
Respondent.)	RECYCLE REPORTING
.....)	

BACKGROUND

1 On February 25, 2005, Fiorito Enterprises, Inc. & Rabanco Companies, G-60, d/b/a
 Kent-Meridian Disposal (KMD) filed with the Commission revised pages to
 Tariff No. 27. The stated effective date was April 15, 2005, but an LSN request
 accompanied the filing seeking an April 1st effective date.

2 The filing would:

3 (1) Increase the recycling commodity adjustment to a \$.88 credit per month
 for residential curbside can customers and \$.15 per yard credit for multi-
 family customers with container service.

4 (2) Continue the thirty percent recycle Revenue Sharing under the provisions
 of RCW 81.77.185 in accordance with a Commodity Revenue Sharing Plan
 that has been certified by King County. This current program is a

continuation of the initial revenue sharing begun one year ago in Docket TG-040304.

- 5 Communications with King County Solid Waste officials reveals that KMD has not fulfilled all of the reporting and performance goals established by the county as a condition of continuing to keep the 30% share of the commodities value.
- 6 Written communications with King County Solid Waste officials recommend that before a final recommendation about how much, if any of the first and second year commodity revenue should be kept by KMD, that discussions be held with KMD and Commission Staff to determine what actions KMD will commit to in order to achieve compliance with the Revenue Sharing Plan.
- 7 King County will inform the Commission no later than May 18, 2005, of its final recommendations as to the extent of KMD's revenue sharing in this matter so that a final determination can be made that will be effective to customers not later than June 1, 2005. The Commission will make the final determination as to the extent of KMD's ultimate revenue sharing percentage for the past year and upcoming year.
- 8 By December 2, 2005, the Commission must provide a report to the Legislature that evaluates the effectiveness of revenue sharing as an incentive to increase recycling in the state, and the effect of revenue sharing on costs to customers. KMD will therefore have to report certain recycling information of the program to the Commission.
- 9 In order for the Staff to determine the cost and effectiveness of revenue sharing, it is necessary that KMD provide data and information on its recycling and solid waste programs. KMD is therefore required to submit:

- 10 (1) Copies of all reports required by the King County Recycling Plan in Paragraph 3C, and KCC 10.18.060.
- 11 (2) On a quarterly basis, multi-family statistics that include the tons of solid waste disposed and recycle commodities collected and a count of multi-family customers subscribing to each level of garbage collection.
- 12 (3) On a quarterly basis, for each month in the quarter, the number of residential customers, by service level, and the average monthly weight of a can or cart for each service level.
- 13 (4) A copy of the four years of residential and multi-family baseline data that is being shared with King County.
- 14 (5) Any other information that may be needed to evaluate the effectiveness and cost of the programs.
- 15 KMD has not demonstrated that the deferred credits for curbside recycling and multi-family recycling are fair, just, and reasonable. Because those items might injuriously affect the rights and interests of the public, the Commission suspends the tariff filings, but allows the rates to become effective on April 1, 2005, on a temporary basis subject to refund, and will hold public hearings if necessary to determine whether the proposed changes are fair, just, and reasonable.

FINDINGS AND CONCLUSIONS

- 16 (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, securities, affiliated transactions, and transfers of public service companies, including solid waste

companies. *RCW 80.01.040; Chapter 81.01 RCW; Chapter 81.04 RCW; Chapter 81.28 R; Chapter 81.16 RCW; and Chapter 81.77 RCW.*

- 17 (2) Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal is a solid waste company and is a public service company subject to the jurisdiction of the Commission.
- 18 (3) This matter was brought before the Commission at its regularly scheduled meeting on March 31, 2005.
- 19 (4) The tariff revisions filed by Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal on February 25, 2005, amend residential recycling commodity deferred credits, and deferred credits for multi-family customers.
- 20 (5) Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal has not yet demonstrated that the provisions for residential deferred credits, and deferred credits for multi-family recycling are fair, just, reasonable, and sufficient. The Commission finds it reasonable to allow the rates to become effective April 1, 2005, on a temporary basis subject to refund. King County will inform the Commission of its recommendations as to KMD's extent of commodity value revenue sharing by May 18, 2005, so that a final determination can be made effective to customers not later than June 1, 2005. The Commission will make the final determination as to the ultimate extent of KMD's revenue sharing percentage for the past year and the upcoming year.
- 21 (6) Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal may be required to pay the expenses reasonably attributable and

allocable to such an investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 81.20 RCW.

ORDER

THE COMMISSION ORDERS:

- 22 (1) The tariff revision(s) filed on February 25, 2005, related to residential curbside deferred credits and deferred credits for multi-family customers are suspended.
- 23 (2) The suspended rates and commodity credits should be allowed to become effective April 1, 2005, on a temporary basis subject to refund, for the benefit of customers receiving the credits.
- 24 (3) The Commission may hold hearings if needed at such times and places as required.
- 25 (4) Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.
- 26 (5) The Commission will institute an investigation of Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal books, accounts, practices, activities, property and operations as necessary and as described above.
- 27 (6) Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal shall pay the expenses reasonably attributable and allocable to

the Commission's investigation to the extent the requirements for such payment are in accordance with the provisions of Chapter 81.20 RCW.

- 28 (7) Fiorito Enterprises Inc. & Rabanco Companies, d/b/a Kent-Meridian Disposal will timely file with the Commission the above-requested information in Paragraphs 8 through 14 regarding its residential curbside and multi-family recycling programs.

DATED at Olympia, Washington, and effective this 31st day of March, 2005.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK H. SIDRAN, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP JONES, Commissioner