

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	DOCKET TG-140086
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	ORDER 01
)	
v.)	
)	COMPLAINT AND ORDER
RABANCO, LTD., dba TRI-COUNTY)	SUSPENDING TARIFF
DISPOSAL,)	REVISIONS
)	
Respondent.)	
)	
.....)	

BACKGROUND

- 1 On January 15, 2014, Rabanco, Ltd. dba Tri-County Disposal (Tri-County or Company), filed revisions to Tariff No. 8 with the Washington Utilities and Transportation Commission (Commission) that would generate approximately \$229,000 (19.1 percent) additional annual revenue. The proposed increase would become effective March 1, 2014, and is prompted by (a) the Company taking over collection service to 905 residential and commercial customers in the City of White Salmon (City), which is currently being provided by the City, and (b) increased costs in labor, fuel, maintenance, healthcare, pension, and other general operating expenses. Tri-County currently serves approximately 4,800 residential and commercial customers in Klickitat, Skamania, and Yakima Counties. The Company’s last general rate increase became effective December 1, 2011.
- 2 Tri-County currently has no rates established for customers in the City. The Company will assume solid waste collection services in the City on March 1, 2014, and expects to purchase equipment the City used to serve those customers from the City through auction some time thereafter. Until that time, Tri-County plans to lease that equipment from the City.
- 3 Commission Staff (Staff) has completed its review of the Company’s supporting financial documents and found that the Company has failed to support the costs of certain equipment the Company intends to use to serve City customers. On February 13, 2014, Staff advised the Company that without a signed purchase or a lease agreement for that equipment, the City’s assets should be excluded from the rate base. On February 21, 2014, the Company provided a signed lease agreement for the City’s equipment.

4 On February 25, 2014, the Company filed revised tariff pages reflecting revised rates at Staff-recommended levels, subject to refund. The revenue impact of the revised rates is approximately \$82,000 (5.8 percent) additional annual revenue.

5 Staff recommends that the Commission issue a complaint and order suspending the Company's proposed tariff revisions and allow the revised rates to become effective on March 1, 2014, on a temporary basis, subject to refund.

DISCUSSION

6 Tri-County has not yet demonstrated that its proposed tariff revisions would ultimately result in rates that are fair, just, reasonable, and sufficient. The Company, however, has no rates in effect for customers in the City, which Tri-County will begin to serve on March 1, 2014. The Commission, therefore, suspends the tariff filing while allowing the revised rates to become effective on a temporary basis subject to refund pending a determination of whether the proposed rates are fair, just, reasonable and sufficient.

FINDINGS AND CONCLUSIONS

- 7 (1) The Washington Utilities and Transportation 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) Rabanco, Ltd. dba Tri-County Disposal is a solid waste company and a public service company subject to Commission jurisdiction.
- 9 (3) The tariff revisions Rabanco, Ltd. dba Tri-County Disposal filed on January 15, 2014, and revised on February 25, 2014, would establish charges and rates for customers in the City of White Salmon and increase charges and rates for service presently provided by the Company in Klickitat, Skamania, and Yakima Counties.
- 10 (4) This matter came before the Commission at its regularly scheduled meeting on February 27, 2014.
- 11 (5) Rabanco, Ltd. dba Tri-County Disposal has not yet demonstrated that the tariff revisions would ultimately result in rates that are fair, just, reasonable and sufficient.
- 12 (6) The Commission believes it is necessary to investigate the Company's books, accounts, practices, and activities and to investigate and appraise various phases of the Company's operations.

- 13 (7) Rabanco, Ltd. dba Tri-County Disposal bears the burden of proof to show that the proposed increases are just, reasonable and sufficient.
- 14 (8) Because Rabanco, Ltd. dba Tri-County Disposal has no rates currently in effect for customers it will begin serving in the City of White Salmon on March 1, 2014, the revised rates the Company filed on February 25, 2014, should be allowed to become effective on March 1, 2014, on a temporary basis, subject to refund.

ORDER

THE COMMISSION ORDERS:

- 15 (1) The tariff revisions Rabanco, Ltd. dba Tri-County Disposal filed on January 15, 2014, and revised February 25, 2014, are suspended.
- 16 (2) The revised rates Rabanco, Ltd. dba Tri-County Disposal filed on February 25, 2014, are effective on March 1, 2014, on a temporary basis, subject to refund.
- 17 (3) The Commission will institute an investigation of Rabanco, Ltd. dba Tri-County Disposal's books, accounts, practices, activities, and operations and will hold hearings at such times and places as may be required.
- 18 (4) Rabanco, Ltd. dba Tri-County Disposal must not change or alter the tariffs filed in this docket during the suspension period, unless authorized by the Commission.

DATED at Olympia, Washington, and effective February 27, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

JEFFREY D. GOLTZ, Commissioner