

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,)	DOCKET TG-120283
)	
Complainant,)	ORDER 02
)	
v.)	ORDER ALLOWING REVISED RATES TO BECOME EFFECTIVE BY OPERATION OF LAW; REQUIRING THE COMPANY TO REVISE ITS ACCOUNTING PROCEDURES AND FILE A RATE CASE, INCLUDING A COST OF SERVICE STUDY, WITH AN EFFECTIVE DATE NO LATER THAN FEBRUARY 1, 2014
)	
PENINSULA SANITATION SERVICES, INC.,)	
)	
Respondent.)	
)	
.....)	

BACKGROUND

- 1 On February 29, 2012, Peninsula Sanitation Service, Inc. (Peninsula Sanitation or Company), filed tariff revisions with the Utilities and Transportation Commission (Commission). The tariff revisions would generate \$638,000 (31.5 percent) in additional annual revenue.
- 2 On April 24, 2012, and again on May 31, 2012, the Company requested to extend the effective date for the proposed rates to go into effect on July 1, 2012. These requests were made to allow the Company additional time to file the required financial information to support its general rate case.
- 3 Staff’s analysis shows Peninsula Sanitation’s proposed rates are excessive. Staff and the Company agree to revised rates that would generate approximately \$450,000 (20.8 percent) in additional annual revenue. On June 25, 2012, the Company filed revised rates at Staff recommended levels. Staff recommends the Commission allow the revised rates to go into effect by operation of law, which requires no action by the Commission.
- 4 During its audit, Staff found that the Company’s books and records were not sufficient for the Company to comply with work paper filing requirements set forth in WAC 480-07-520, General rate proceedings – Solid Waste collection companies, and did not provide sufficient detail to perform a cost of service study.

- 5 Peninsula has agreed to work with Staff to improve its accounting and recordkeeping to provide sufficient information to comply with work paper filing requirements set forth in WAC 480-07-520, General rate proceedings – Solid Waste collection companies and perform a cost of service study.
- 6 The Company commits to implementing its improved accounting and recordkeeping practices, and using a full twelve months of data collected by its improved accounting and recordkeeping methods, to filing a rate case, including a cost of service study, with a proposed effective date no later than February 1, 2014.

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. [RCW 80.01.040](#), [RCW 81.01](#), [RCW 81.04](#), [RCW 81.16](#), [RCW 81.28](#) and [RCW 81.77](#)
- 8 (2) Peninsula Sanitation is a solid waste company and a public service company subject to Commission regulation.
- 9 (3) This matter came before the Commission at its regularly scheduled meeting on June 28, 2012.
- 10 (4) Staff recommend allowing the revised rates to go into effect by operation of law, which does not require a formal action by the Commission.
- 11 (5) Peninsula Sanitation must work Staff to implement improved accounting and recordkeeping methods to develop sufficient information for the Company to comply with work paper filing requirements set forth in WAC 480-07-520 and to perform a cost of service study.
- 12 (6) Peninsula Sanitation agreed to file a general rate case, including a cost of study, with a proposed effective date no later than February 1, 2014, in compliance with WAC 480-07-520.

ORDER

THE COMMISSION ORDERS:

- 13 (1) The revised tariff pages filed by Peninsula Sanitation Service, Inc., on June 25, 2012, are allowed to become effective by operation of law.
- 14 (2) Peninsula Sanitation Service, Inc., must work with Staff to implement improved accounting and recordkeeping methods to develop sufficient information for the Company to comply with work paper filing requirements set forth in WA 480-07-520 and to perform a cost of service study for its next general rate case.
- 15 (3) Peninsula Sanitation Service, Inc., must file with the Commission a general rate case, including a cost of service study, using a full twelve months of data collected under its improved accounting and recordkeeping, with a proposed effective date no later than February 1, 2014.

DATED at Olympia, Washington, and effective June 28, 2012.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner