

Weldon T. Burton CPA

2 South 56th Place, Suite 201-E • Ridgefield, WA. 98642
360-727-3643 • Fax: 360-727-7637 • Email weldon@weldontburtoncpa.com

February 14, 2013

Washington Utilities and Transportation Commission
Attn.: Records Center
P.O. Box 47250
1300 S. Evergreen Park Dr. SW
Olympia, WA 98504-7250

RE: Peninsula Sanitation Service, Inc., G-011
Submission of Tariff No. 16/Disposal Fee Only Rate Increase

On behalf of Peninsula Sanitation Service, Inc., G-011, I am now enclosing a disposal fee only rate adjustment request. This proposed increase is necessary to offset disposal cost expenses. If approved by the Commission, affected rates would increase the company's overall regulated revenues by approximately 3.1%, or \$84,000 per year.

This filing is predicated upon cost increases at the affiliated transfer station caused by environmental compliance requirements for improved solid waste handling at the facility mandated by the Washington Department of Ecology.

Pacific Solid Waste Disposal, Inc. contracts with Wasco County Landfill, Inc. for transportation and disposal of solid waste generated at the site. The contract specifies a base disposal price in addition to transportation costs.

The transportation costs were established on August 1, 2009 with a base fuel price and a cost escalator based on diesel fuel priced at \$2.40 per gallon. Any increase or decrease in fuel prices (including state, local or federal taxes) will create an adjustment to the customer in the amount of \$0.91 per round trip to Wasco County Landfill for each \$0.01 per gallon change in the price of diesel for loads originating in Long Beach, WA.

The disposal costs in the contract were also established August 1, 2009 with no adjustments until August 1, 2010. On that date and each subsequent August 1 for the duration of the contract the basic disposal price is adjusted by 85 percent of the increase in the Consumer Price Index, West B/C for the most recent reporting period, as of December 31, for the preceding twelve (12) month period.

The company also now requests that the Commission, on its own Motion under WAC 480-07-370(b), treat this disposal fee only filing as an exception to the general rate case workpaper rule at WAC 480-07-520.

Washington Utilities and Transportation Commission
Page 2
February 14, 2013

Additionally, pursuant to Commission rule at WAC 480-70-271, a copy of this transmittal letter is being mailed to the Chairman of Pacific County Commissioners and to the Mayors of Ilwaco and Long Beach, WA. A copy of this letter is also being sent to the Chinook Observer for publication.

If approved, the company will provide notice of the increase to all affected customers on their next regular billing cycle.

Peninsula Sanitation Service, Inc. encloses magnetic and paper copies for applicable tariff pages, updated pro forma results statement, Lurito/Gallagher calculations approved in TG-120283 effective July 1, 2012.

Pacific Solid Waste Disposal, Inc. Is enclosing magnetic and paper copies of financial statement summaries, operating results pro forma, restating and pro forma adjustments, disposal revenue calculations, disposal cost calculations and depreciation schedule for the test period ending September 30, 2012 justifying the rate increase.

If there are any questions regarding this filing, please contact Weldon T. Burton, CPA, telephone number is 360-727-3643, fax number 360-727-7637 and email weldon@weldontburtoncpa.com.

Yours truly,



Weldon T. Burton CPA

cc: Jay Alexander
Diane Carter
Chairman, Pacific County Commissioners
Mayor-City of Ilwaco, WA
Mayor-Long Beach, WA
Chinook Observer