



STATE OF WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION
1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • www.utc.wa.gov

October 23, 2015

NOTICE OF OPPORTUNITY TO FILE WRITTEN COMMENTS
(By Monday, November 23, 2015)
and
NOTICE OF WORKSHOP
(Set for Monday, December 14, 2015, at 9:30 a.m.)

Re: Rulemaking Inquiry to Consider the Need to Develop Rules on Revenue Sharing for the Solid Waste Industry (WAC 480-70), Docket TG-151838.

TO ALL INTERESTED PERSONS:

On October 21, 2015, the Washington Utilities and Transportation Commission (Commission) filed with the Code Reviser a Preproposal Statement of Inquiry (CR-101) to consider the need to adopt rules as a result of the Commission's Interpretive and Policy Statement on Revenue Sharing in Docket TG-112162. The Commission filed the CR-101 under Docket TG-151838.

In 2002 the Legislature enacted RCW 81.77.185 allowing Commission-regulated companies that collect recyclable materials to retain up to fifty percent of revenue they receive for those materials. The statute requires a company to submit a revenue sharing plan to the Commission, certified by the appropriate local government authority as being consistent with its local solid waste management plan, that demonstrates how the collected revenues will increase recycling. Residential customers receive the remaining revenue as a credit to their bill.

On May 30, 2012, the Commission issued an Interpretive and Policy Statement (Statement) following an investigation of revenue sharing plans. The Statement outlines procedures for industry and Commission Staff to use while preparing or reviewing revenue sharing plans. Specifically, the Statement directs a company to file the following with the Commission at least 45 days prior to the effective date of a revenue sharing plan:

- 1) a copy of the plan, including a budget of anticipated revenues and expenditures;
- 2) certification by the appropriate local government authority that the proposed plan is consistent with the local government's solid waste plan;
- 3) a narrative explanation of how the proposed retained revenues will be used to increase recycling;
- 4) an analysis of the company's performance under the existing or prior plan, including the quantifying and explaining of any discrepancy between budgeted and actual revenues and expenditures;
- 5) the name and contact information for at least one person at the company and one person at the local government to whom the Commission can address questions or requests for additional information;
- 6) any other documentation on which the company relies to demonstrate how the related revenues will be used to increase recycling; and
- 7) the amount of recycling revenues to be returned to customers as a result of the proposed revision to the company's commodity credit adjustment tariff.

RCW 34.05.230 encourages agencies to convert long-standing interpretive and policy statements into rules. This rulemaking will consider whether the Commission should adopt rules to codify the requirements in the Statement. The Commission also may consider developing rules that clarify:

- a) filing requirements for the deferred accounting mechanism calculation used to determine the annual commodity credit;
- b) the limit for incentives or rewards of 5% of expenditures, part of the overall 50% retained revenue; and
- c) requirements for revenue sharing plans spanning more than 12 consecutive months.

The CR-101, as filed with the Code Reviser, is available for inspection on the Commission's website at www.utc.wa.gov/151838. If you are unable to access the Commission's web page and would like a copy of the CR-101 mailed to you, please contact the Records Center at (360) 664-1234.

WRITTEN COMMENTS

Written comments on the CR-101 inquiry must be filed with the Commission no later than **5:00 p.m., Monday, November 23, 2015**. The Commission requests that comments be provided in electronic format to enhance public access, for ease of providing comments, to reduce the need for paper copies, and to facilitate quotations from the comments. You may submit comments via the Commission's Web portal at

www.utc.wa.gov/e-filing or by electronic mail to the Commission's Records Center at records@utc.wa.gov. Please include:

- The docket number of this proceeding (TG-151838).
- The commenting party's name.
- The title and date of the comment or comments.

An alternative method for submitting comments is by mailing or delivering an electronic copy to the Commission's Records Center on a flash drive, DVD, or CD including the filed document(s). Parties must furnish electronic copies in MS Word 6.0 (or later) supplemented by a separate file in .pdf (Adobe Acrobat) format. Include all of the information requested above. The Commission will post on its web site all comments that are provided in electronic format. The web site is located at <http://www.utc.wa.gov/151838>.

If you are unable to file your comments electronically the Commission will accept a paper document. If you have questions regarding this rulemaking, you may contact staff lead, Mike Young, at (360) 664-1155, or by email at myoung@utc.wa.gov.

STAKEHOLDER WORKSHOP

In addition to filing written comments, interested persons are invited to attend a stakeholder workshop on **Monday, December 14, 2015, beginning at 9:30 a.m., in Room 206, Richard Hemstad Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington.** At the workshop, Commission staff will review and discuss comments with the stakeholders.

Stakeholders will have further opportunity for comment. Information about the schedule and other aspects of the proposed rulemaking, including comments, will be posted on the Commission's website as it becomes available. If you wish to receive further information on this rulemaking you may:

- (1) Call the Commission's Records Center at (360) 664-1139
- (2) Email the Commission at records@utc.wa.gov
- (3) Mail written comments to the address below

When contacting the Commission, please refer to Docket TG-151838 to ensure that you are placed on the appropriate service list. The Commission's mailing address is:

Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

NOTICE

If you do not want to comment now, but do want to receive future information about this rulemaking, please notify the Executive Director and Secretary in one of the ways described above and ask to be included on the mailing list for Docket TG-151838. If you do not do this, you might not receive further information about this rulemaking.

STEVEN V. KING
Executive Director and Secretary