

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

|                             |   |                            |
|-----------------------------|---|----------------------------|
| WASHINGTON UTILITIES AND    | ) | DOCKET TG-091775           |
| TRANSPORTATION COMMISSION,  | ) |                            |
|                             | ) | ORDER 02                   |
| Complainant,                | ) |                            |
|                             | ) |                            |
| v.                          | ) | ORDER AUTHORIZING TARIFF   |
|                             | ) | FILING; AND GRANTING       |
| YAKIMA WASTE SYSTEMS, INC., | ) | EXEMPTION FROM WAC 480-70- |
| G-89                        | ) | 266, TARIFFS REQUIRING     |
|                             | ) | FORTY-FIVE-DAY NOTICE TO   |
| Respondent.                 | ) | THE COMMISSION             |
| .....                       | ) |                            |

**BACKGROUND**

- 1 On November 12, 2009, Yakima Waste Systems, Inc. (Yakima Waste or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff No. 10, designated as 6<sup>th</sup> Revised Page No. 2, 1<sup>st</sup> Revised Page No. 16, 1<sup>st</sup> Revised Page No. 21, 1<sup>st</sup> Revised Page No. 22, 1<sup>st</sup> Revised Page No. 25, 1<sup>st</sup> Revised Page No. 26, 1<sup>st</sup> Revised Page No. 30, 1<sup>st</sup> Revised Page No. 32, 1<sup>st</sup> Revised Page No. 33, 1<sup>st</sup> Revised Page No. 34, 1<sup>st</sup> Revised Page No. 35, and 1<sup>st</sup> Revised Page No. 36. On November 13, 2009, Yakima Waste filed a substitute page designated as 2<sup>nd</sup> Revised Page No. 33 and on December 10, 2009, filed a substitute page designated as 1<sup>st</sup> Revised Page No. 21. The purpose of the filing was to increase rates to recover an increase in disposal fees. The stated effective date was January 1, 2010.
- 2 On December 23, 2009, the Commission entered a Complaint and Order Suspending Tariff Revisions pending an investigation to determine whether the proposed rates are fair, just, reasonable and sufficient. The Commission allowed the proposed rates to go into effect on January 1, 2010, on a temporary basis, subject to refund. The order also required the Company to file all documents required for a general rate case as provided in WAC 480-07-520 by March 1, 2010, and directed the Company to not change or alter the tariffs filed in this Docket during the suspension period unless authorized by the Commission.
- 3 Yakima Waste filed the documents required for a general rate case on March 1, 2010. Commission Staff completed its analysis of the Company’s supporting financial records, and found Yakima Waste’s current, temporary rates generate more revenue than the Company needs in its garbage operations. The Company asked for approximately

\$363,700 (4.7 percent) of additional garbage revenue and the Company's financial records support an increase of only about \$93,200 (1.1 percent); approximately \$270,500 less than the Company requested. The Company agrees with Staff's revised revenue requirement.

- 4 Staff's analysis shows that residential and commercial rates in effect prior to January 1, 2010, were too high. The analysis also shows that the current, temporary rates for drop box service are less than the cost of the providing the service. Yakima Waste's current, temporary rates for its voluntary residential recycling and yard waste programs are less than cost. The revenue requirements for those programs are \$139,600 (99.1 percent) in additional annual revenue and \$56,900 (86.6 percent) in additional annual revenue, respectively.
- 5 The net effect of the revised lower rates for residential and commercial garbage service and the revised higher rates for drop box service, residential recycling and residential yard waste increases Yakima Waste's total revenue requirement by about \$289,700 (3.6 percent), as compared to rates in effect prior January 1, 2010. The Company agrees with Staff's revised revenue requirement and revised rates.
- 6 In Order 01 issued in this Docket, the Commission ordered Yakima Waste to not change or alter the tariffs filed in this Docket during the suspension period, unless authorized by the Commission. Yakima Waste requests the Commission authorize it to file revised tariff pages reflecting the revised rates agreed to by Staff and the Company.
- 7 Yakima Waste also requests an exemption from WAC 480-70-266, which requires the Company to provide at least 45 days' notice to the Commission of any filing that will result in an increase in rates to customers. Yakima Waste requests authorization to file tariff pages with a June 1, 2010, effective date. The purpose of the 45 days' notice requirement is to provide sufficient time for Staff to analyze the filing. In this case, Staff has already completed its analysis and Staff recommends that the Commission grant this request.
- 8 Although Yakima Waste used a bill insert, placed in the first bills issued after January 1, 2010, to notify customers of the increases effective January 1, 2010, customers have not received notice of the increases reflected in the revised rates. Yakima Waste has advised

Staff that, with the requested June 1, 2010, effective date, the Company will be able to comply with the 30 days' customer notice requirements of WAC 480-70-271.

- 9 In summary, Staff recommends that the Commission grant Yakima Waste's request for authorization to file revised tariff pages to publish the revised rates agreed to by Staff and Yakima Waste, and grant Yakima Waste's request for an exemption from WAC 480-70-266 to allow Yakima Waste to file the revised tariff pages with a June 1, 2010, effective date. This will allow customers the opportunity to comment on the revised rates before the May 27, 2010, open meeting, when the Commission will consider whether to allow the revised rates to become effective on June 1, 2010.

### FINDINGS AND CONCLUSIONS

- 10 (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.*
- 11 (2) Yakima Waste is a solid waste company and a public service company subject to Commission jurisdiction.
- 12 (3) This matter came before the Commission at its regularly scheduled meeting on April 29, 2010.
- 13 (4) Order 01 issued in this Docket ordered Yakima Waste to not change or alter the tariffs filed in this Docket during the suspension period, unless authorized by the Commission. Yakima Waste requests the Commission authorize it to file revised tariff pages that will publish the revised rates agreed to by Staff and the Company.
- 14 (5) Yakima Waste is subject to WAC 480-70-266, which requires solid waste companies to provide at least 45 days' notice to the Commission of any filing that will result in an increase in rates to customers. Yakima Waste requests an exemption from WAC 480-70-266 to allow it to file the revised tariff pages, on less than statutory notice, with a June 1, 2010, effective date.

- 15 (6) Under [WAC 480-70-051](#), the Commission may grant an exemption from the provisions of any rule in WAC 480-70, if consistent with the public interest, the purposes underlying regulation and applicable statutes. *See also* [WAC 480-07-110](#).
- 16 (7) This matter came before the Commission at its regularly scheduled meeting on April 29, 2010.
- 17 (8) After reviewing the requests filed in Docket TG-091761 by Yakima Waste on April 26, 2010, and giving due consideration, the Commission finds that the request for authorization to file revised tariff pages publishing the revised rates agreed to by Staff and the Company, and the request for an exemption from WAC 480-70-266 to file the revised tariff pages on less than statutory notice with a June 1, 2010, effective date are in the public interest, are consistent with the purposes underlying the regulation and applicable statutes and should be granted. The Commission notes that granting Yakima Waste's request for an exemption from WAC 480-70-266 is for tariff filing purposes only and does not reflect any determination as to whether the revised rates will be allowed to become effective.

## **ORDER**

### **THE COMMISSION ORDERS:**

- 18 (1) Yakima Waste Systems Inc., is authorized to file tariff revisions reflecting the revised rates agreed to by Staff and the Company.
- 19 (2) The Commission grants Yakima Waste Systems, Inc.'s request for an exemption from WAC 480-70-266, Tariffs requiring forty-five-day notice to the Commission, to allow Yakima Waste to file revised tariff pages on less than statutory notice, with a June 1, 2010, effective date.

DATED at Olympia, Washington, and effective April 29, 2010.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

JEFFREY D. GOLTZ, Chairman

PATRICK J. OSHIE, Commissioner

PHILIP B. JONES, Commissioner