

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	)	DOCKET TG-121513
	)	
	)	ORDER 03
	)	
Complainant,	)	
	)	
v.	)	
	)	ORDER DISMISSING
	)	COMPLAINT AND ORDER
MASON COUNTY GARBAGE CO, INC., DBA MASON COUNTY GARBAGE, G-88,	)	SUSPENDING TARIFF;
	)	ALLOWING REVENUE
	)	SHARING AND TARIFF
	)	REVISIONS ON A PERMANENT
Respondent.	)	BASIS
.....	)	

**BACKGROUND**

- 1     On September 14, 2012, Mason County Garbage Co., Inc., dba Mason County Garbage (Mason or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff No. 13 designated as 42nd Revised Page No. 1, 11th Revised Page No. 21, and 7th Revised Page No. 21A. The stated effective date is November 1, 2012. The Company serves approximately 112,000 customers in Mason County (County).
- 2     In its filing of September 14, 2012, Mason proposed to decrease the monthly credit to customers earned from the sale of their recyclable commodities from \$2.39 per month to \$1.36 per month, a \$1.03 per month net increase in cost to customers. The Company also filed a plan, approved by the County, to authorize it to retain up to 30 percent of the revenue it receives from the sale of recyclable materials collected in its residential recycling programs from November 1, 2012, to October 31, 2013.<sup>1</sup> Included as part of Mason’s 2012-2013 Plan with the County, is a provision for an incentive payment of five percent. The incentive was not conditioned upon or tied to achieving any performance goals or objectives.
- 3     On October 25, 2012, the Commission issued Order 01 in TG-121513, which:

---

<sup>1</sup> The 2012-2013 Plan period.

- Allowed the Company to retain 30 percent of the revenue from the sale of recyclable commodities on a temporary basis, subject to revision;
- Suspended the proposed monthly credit of \$1.36, required the Company to file \$2.20 per customer to reflect 100 percent of the amount earned from the sale of recyclable commodities being returned to customers instead of the discounted amount originally filed by the Company (80 percent);<sup>2</sup>
- Rejected the Company's five percent incentive because it was not conditioned upon any performance goal or objective; and
- Required that by December 10, 2012, the Company make a compliance filing specifying performance criteria and conditions to be met by Mason at the end of the 2012-2013 Plan period, in order to be eligible for the incentive award.

4 On October 25, 2012, the Company filed the revised \$2.20 monthly credit.

5 On December 10, 2012, Mason made its compliance filing as required in Order 01. That filing proposed to add a condition for Mason to be eligible for the five percent of expenditure incentive bonus, average recycling per household rates must increase at least 0.25 pounds per household per month for the 2012-2013 Plan period.

6 On December 28, 2012, the Commission issued its final Order 05 in Docket No. TG-111681, rejecting the tariff filing and requiring the Company to make a compliance filing to return retained revenues from the 2011-2012 Plan period to rate payers. On January 14, 2013, the Company made its compliance filing as required in TG-111681, Order 05, with corrected tariff pages filed January 28, 2013, scheduled to become effective February 1, 2013. The resulting monthly credit to customers would increase from \$2.20 to \$3.32.

7 Staff recommends the Commission dismiss the complaint and order suspending the tariff revisions filed by Mason on September 14, 2012, and allow the \$3.32 per month credit filed by the Company in its Docket TG-111681 compliance filing to become permanent. Staff also recommends that the Commission allow the Company to retain up to 30 percent of the revenue it receives from the sale of recyclable materials collected in its residential recycling programs for the 2012-2013 Plan period, on a permanent basis.

---

<sup>2</sup> The revised credit went into effect on a temporary basis subject to refund or credit pending the outcome of Docket No. TG-111681, which, among other things, included the discounting of the value of recyclable commodity values by the affiliate as an issue.

Staff has reviewed the Company's compliance filing required under Docket TG-121513, Order 01, and recommends the Commission approve the award of an incentive bonus of five percent of expenditures for the 2012-2013 Plan period contingent upon the Company meeting the performance goals and objectives specified by the County.

### **FINDINGS AND CONCLUSIONS**

- 8 (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.
- 9 (2) This matter came before the Commission at its regularly scheduled meeting on January 31, 2013.
- 10 (3) Mason is engaged in the business of providing solid waste services within the state of Washington and is a public service company subject to Commission jurisdiction.
- 11 (4) RCW 81.77.185 states that the Commission shall allow a solid waste collection company collecting recyclable materials from single family and multi-family customers to retain "up to fifty percent of the revenue paid" to the company for the material if the company submits a plan to the Commission that is certified by the appropriate local government authority as being consistent with the local government solid waste management plan and that demonstrates how the revenues will be used to increase recycling. The remaining revenue shall be passed through to single family and multi-family customers.
- 12 (5) All issues identified in Order 01 in this docket have been resolved. The Company has made compliance filings and has filed revised tariff pages to reflect the correct monthly recyclable commodity revenue adjustment of \$3.32 per customer. The Company and County have also amended the 2012-2013 Plan to base the award of an incentive bonus of five percent of expenditures contingent upon average recycling per household rates increasing at least 0.25 pounds per household per month.

**ORDER**

**THE COMMISSION ORDERS:**

- 13 (1) The Complaint and Order Suspending Tariff Revisions in Docket TG-121513, entered on October 25, 2012, is dismissed.
- 14 (2) The tariff revisions Mason County Garbage Co., Inc., dba Mason County Garbage, filed in its compliance filing under Docket No. TG-111681 on January 14, 2013, as revised on January 28, 2013, supersede the pages filed by Mason County Garbage Co., Inc., dba Mason County Garbage on September 14, 2013, in this docket and will become effective on February 1, 2013, on a permanent basis.
- 15 (3) Mason County Garbage Co., Inc., dba Mason County Garbage, is authorized to retain up to 30 percent of the revenue it receives from the sale of recyclable materials collected in its residential recycling program from November 1, 2012, to October 31, 2013, on a permanent basis.
- 16 (4) The amendment to the 2012-2013 Plan allowing Mason County Garbage Co., Inc., dba Mason County Garbage, to be eligible for an incentive award is approved.
- 17 (5) Mason County Garbage Co., Inc., dba Mason County Garbage, will report to the Commission no later than September 16, 2013, the amount of revenue it retained, the amount of money it spent on the activities identified in Mason County Garbage Co., Inc., dba Mason County Garbage's 2012-2013 Plan and the effect the activities had on increasing recycling.
- 18 (6) Mason County Garbage Co., Inc., dba Mason County Garbage, shall make its next revenue sharing plan and commodity adjustment effective November 1, 2013, and each November 1 thereafter, and shall make all future revenue sharing plans and commodity adjustment filings forty-five days prior to the proposed effective date.
- 19 (7) The Commission delegates to the Secretary the authority to approve by letter all compliance filings required in this Order.

- 20 (8) The Commission retains jurisdiction over the subject matter and Mason County Garbage Co., Inc., dba Mason County Garbage, to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order

DATED at Olympia, Washington, and effective January 31, 2013.

WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Executive Director and Secretary