

Agenda Date: September 27, 2018
Item Number: B1

Docket: TG-180636
Company Name: Waste Control, Inc. G-101

Staff: Scott Sevall, Regulatory Analyst
John Cupp, Consumer Protection Staff

Recommendation

Allow the tariff revisions filed by Waste Control, Inc. on July 24, 2018, and as revised on September 18, 2018, to become effective on October 1, 2018, by operation of law.

Discussion

On July 15, 2017, Waste Control, Inc. (WCI or company), filed tariff revisions with the Utilities and Transportation Commission (commission) that would generate approximately \$411,000 (9.8 percent) additional annual revenue. WCI serves approximately 9,500 residential and commercial customers in Cowlitz, Clark, and Skamania counties. The filing is prompted by increases in wages, benefits, medical insurance, new assets, and other general operating expenses. The last general rate increase for WCI became effective November 1, 2015.

This case comes three years after WCI's last rate case which went to an adjudicated hearing. In current case staff addressed issues including rent and allocation of costs that were a point of contention in the previous case. Staff also addressed the new corporate tax rate, writing off the salvage value of assets, payroll, fuel, a disposal fee increase, and amortization of unrecovered rate case costs from the previous filing.

Staff has completed its review of the companies' supporting financial documents, books and records. Staff's review found that the companies' proposed rates would result in excess revenue. Staff and the company agreed to a revised revenue requirement of approximately \$407,000 (9.8 percent) additional annual revenue, however the minor difference results in no changes to rate design. The rates that staff and the company have agreed to are fair, just, reasonable, and sufficient. On September 18, 2018, WCI filed revised tariff pages with staff recommended revisions.

Rate Comparison

WCI Rates				
Residential	Current Rate	Proposed Rate	Revised Rate	Percentage
60 Gallon Tote	\$19.31	\$21.22	\$21.22	9.8%
90 Galon Tote	\$23.01	\$25.28	\$25.28	9.8%
Commercial				
1.5 Yard Pickup	\$21.26	\$23.36	\$23.36	9.8%
Industrial				
20 yard drop-box	\$89.44	\$98.27	98.27	9.8%

Customer Comments

On July 24, 2018, the company notified its customers of the proposed rate increase by mail. Staff received three consumer comments regarding the proposed rate increase; one opposed to the rate increase citing low inflation, and two in favor citing good customer service. Customers were notified that they may access relevant documents about this rate increase on the commission's website, and that they may contact John Cupp at 1-888-333-9882 or john.cupp@utc.wa.gov with questions or concerns.

Conclusion

Allow the tariff revisions filed by Waste Control, Inc. on July 24, 2018, and as revised on September 18, 2018, to become effective on October 1, 2018, by operation of law.