

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,  Complainant,  v.  BASIN DISPOSAL, INC. AND ED'S DISPOSAL, INC.,  Respondent.	DOCKETS TG-170981 and TG- 170982  ORDER 02  ORDER DISMISSING COMPLAINT AND ORDER SUSPENDING TARIFF REVISIONS; ALLOWING REVISED RATES TO BECOME EFFECTIVE
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**BACKGROUND**

- 1 On September 15, 2017, Basin Disposal, Inc. (BDI) and Ed's Disposal, Inc. (EDI) (collectively, the Companies) filed with the Washington Utilities and Transportation Commission (Commission) tariff revisions that would increase rates and charges for solid waste service provided to customers in the state of Washington. BDI serves approximately 5,500 residential and commercial customers, and Ed's serves approximately 4,500 residential and commercial customers. Both companies operate in Benton, Franklin, and Walla Walla counties.<sup>1</sup>
- 2 In the initial filing, the Companies requested authority to increase charges and rates for solid waste service by approximately \$476,000, or 7.5 percent combined, effective December 1, 2017. The proposed revisions would offset wage increases, benefits, medical insurance, new assets, general operating expenses, and adjustments to overhead allocations. BDI's last general rate increase became effective on June 1, 2017, and EDI's was effective on August 1, 2005.
- 3 On November 30, 2017, the Commission entered a Complaint and Order Suspending Tariff Revisions pending an investigation to determine whether the revisions are fair, just, reasonable, and sufficient.
- 4 Commission staff (Staff) reviewed the Companies' filing and found that the proposed rates would result in excessive revenue. Staff and the Companies agree on a revised

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<sup>1</sup> BDI and EDI filed concurrent rate cases because the Companies share common ownership, management, assets, and administrative personnel.

revenue requirement of approximately \$320,000 (6.2 percent) additional annual revenue, and agree to a two-phase rate plan.<sup>2</sup> Phase One will become effective on January 1, 2018, and Phase Two will become effective January 1, 2019. Customer charges that are different from the original rate design Staff proposed on November 30, 2017, are illustrated in the tables below.<sup>3</sup>

Phase One (effective January 1 through December 31, 2018)			
Basin Disposal Tariff 94		Ed's Disposal Tariff 5	
64 Gallon Tote	\$20.25	64 Gallon Tote	\$17.10
96 Gallon Tote	\$25.00	96 Gallon Tote	\$19.80
Redelivery Cost	\$7.50	Redelivery Cost	\$7.50
Drop Box Mileage	\$3.60	Drop Box Mileage	\$3.60
The above are the only rates changed from the November 30, 2017, proposed rates.			

Phase Two (effective January 1, 2019)			
Basin Disposal Tariff 94		Ed's Disposal Tariff 5	
64 Gallon Tote	\$18.34	64 Gallon Tote	\$18.25
96 Gallon Tote	\$23.13	96 Gallon Tote	\$23.00
Redelivery Cost	\$3.25	Redelivery Cost	\$3.25
Drop Box Mileage	\$3.20	Drop Box Mileage	\$3.20
The above are the only rate changes from phase one.			

5 On October 2, 2017, the Companies notified their customers by mail of the proposed rate changes. Staff received 10 consumer comments regarding EDI's proposed increase; nine were opposed and one was in favor. The customers' comments do not change Staff's opinion that the Companies' financial information supports the revised revenue requirement, and that the revised rates and charges are fair, just, reasonable, and sufficient. Staff's review shows that the expenses are reasonable and required as part of the Companies' operations.

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<sup>2</sup> Any pass-through increases or decreases during the rate plan time period will be calculated and adjusted from whichever rate is in effect at the time of the pass-through filing. The BDI rate does not include the Potential Liable Party tracker that the Commission approved in docket TG-170189, which will be calculated as an individual line item on the customer bill.

<sup>3</sup> See TG-170981 and TG-170982 Memo 01 for the original rate design proposed.

## DISCUSSION

6 We agree with Staff's recommendation and allow the Companies' revised rates, as filed  
on December 13, 2017, to go into effect on January 1, 2018. The parties' proposed rate  
design, which phases the increase over a two-year period, appropriately addresses the  
issue of rate shock by more gradually increasing customer charges.

## FINDINGS AND CONCLUSIONS

- 7 (1) The 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.
- 8 (2) BDI and EDI are solid waste companies and public service companies subject to  
Commission jurisdiction.
- 9 (3) This matter came before the Commission at its regularly scheduled meeting on  
December 14, 2017.
- 10 (4) The revised tariff revisions are fair, just, reasonable, and sufficient allowing the  
companies the opportunity to achieve their revenue requirement while protecting  
customers from rate shock.
- 11 (5) After reviewing the tariff revisions which BDI and EDI filed on December 12,  
2017 in Docket TG-170981 and TG-170982 and giving due consideration, the  
Commission finds it is consistent with the public interest to dismiss the Complaint  
and Order Suspending Tariff Revisions in Docket TG-170981 and TG-170982,  
dated November 30, 2017, and allow the revised tariff revisions to Tariff 94 and  
Tariff 5 to become effective on January 1, 2018.

## ORDER

### THE COMMISSION ORDERS:

- 12 (1) The Complaint and Order Suspending Tariff Revisions in Docket TG-170981 and  
TG-170982, entered on November 30, 2017, is dismissed.

- 13 (2) The tariff revisions Basin Disposal, Inc. and Ed's Disposal, Inc. filed in this docket on September 15, 2017, as revised on December 13, 2017 shall become effective on January 1, 2018.

DATED at Olympia, Washington, and effective December 14, 2017.

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

DAVID W. DANNER, Chairman

ANN E. RENDAHL, Commissioner

JAY M. BALASBAS, Commissioner