

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

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| WASHINGTON UTILITIES AND |) | DOCKET TG-121353 |
| TRANSPORTATION COMMISSION, |) | |
| |) | ORDER 02 |
| Complainant, |) | |
| |) | |
| v. |) | ORDER DISMISSING |
| |) | COMPLAINT AND ORDER |
| SAN JUAN SANITATION CO., |) | SUSPENDING TARIFF |
| |) | REVISIONS; ALLOWING |
| Respondent. |) | REVISED TARIFF REVISIONS |
| |) | |

BACKGROUND

- 1 On August 14, 2012, San Juan Sanitation Co. (San Juan or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to its currently effective Tariff No. 7, designated as 8th Revised Page No. 2, 8th Revised Page No. 22, and 8th Revised Page No. 23. The stated effective date was September 1, 2012, which the Company extended to October 1, 2012. The Company filed these rates to implement a new, mandatory-pay curbside recycling service on four islands in San Juan County as required by San Juan County ordinances 2-2012 and 9-2012. San Juan operates in San Juan County and provides service to approximately 875 residential recycling customers.
- 2 San Juan proposed a start-up rate of \$9.40 per month based on estimated costs and projected \$98,000 annual revenue. On September 27, 2012, the Commission suspended the filing and allowed the rate to become effective on October 1, 2013, on a temporary basis, subject to refund. The Commission also ordered San Juan to provide additional data and operating information on its recycling and solid waste programs, including the actual results of the first four months of recycling operations.
- 3 San Juan has now operated its recycling program since October 2012. The Company made the required compliance filing to determine permanent rates to replace the temporary rates approved by the Commission on September 27, 2012. On March 18, 2013, the Company filed proposed permanent rates on 9th Revised Page No. 2 and 9th Revised Page No. 22. San Juan proposes to increase the \$9.40 temporary rate to \$11.00 (17 percent of recycling revenues) on a permanent basis. The proposed permanent rates would generate approximately \$16,500 more annual revenue than the temporary rates.

4 Staff has completed its review of the Company's financial and operating data for the first four months of operations and finds that it supports the proposed increased revenue requirement and that the proposed increased permanent rates are fair, just, reasonable and sufficient.

5 San Juan notified customers on March 1, 2013, of the proposed permanent rates. Four customers commented on the proposed rates; all felt the rates were too high. Two customers asked for the availability of a lower level of recycling service.

FINDINGS AND CONCLUSIONS

6 (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.

7 (2) San Juan is a solid waste company and a public service company subject to Commission jurisdiction.

8 (3) This matter came before the Commission at its regularly scheduled meeting on March 28, 2013.

9 (4) The proposed increased tariff revisions are fair, just, reasonable and sufficient because the Company has filed actual cost and collection data for the first four months of the program's operation that supports the revised increased revenue requirement and the proposed revised increased rates would generate the revised revenue requirement.

10 (5) After reviewing the tariff revisions San Juan filed in Docket TG-121353 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-121353, dated September 27, 2012, and to allow the tariff revisions to Tariff No. 7, as revised on March 18, 2013, to become effective on April 1, 2013, on a permanent basis.

ORDER

THE COMMISSION ORDERS:

- 11* (1) The Complaint and Order Suspending Tariff Revisions in Docket TG-121353, entered on September 27, 2012, is dismissed.
- 12* (2) The tariff revisions San Juan Sanitation Co. filed in this docket on August 14, 2012, as revised on March 18, 2013, shall become effective on April 1, 2013.

DATED at Olympia, Washington, and effective March 28, 2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

JEFFREY D. GOLTZ, Commissioner