

Agenda Date: May 30, 2001
Item Numbers: **2A and 2B**

Dockets: UR-010623 and UR-010706

Company Name: US Ecology, Inc.

Staff: Layne Demas, Regulatory Services Division
Ken Hua, Regulatory Service Division
Penny Hansen, Public Involvement Coordinator

Recommendation:

Take no action on the LSN request in Docket UR-010706.

Issue a Complaint and Order Suspending the filings in Dockets UR-010623 and UR-010706.

Discussion:

On April 30, 2001, US Ecology, Inc., (Ecology) filed for a general rate increase in Docket UR-010623 with an effective date of June 1, 2001. Ecology failed to file a complete tariff so on May 10, 2001, Ecology filed the rest of the tariff with a request for LSN treatment to be effective June 1, 2001, in Docket UR-010706.

Ecology's last general rate filing was approved in 1995 in Docket UR-950619. The final rates and rate design were a culmination of a long collaborative process that began in 1994. A stipulation as to rate design and other ratemaking issues was reached by the collaborative group and approved by the Commission in the Fifth Supplemental Order in Docket UR-950619. Finally, a settlement agreement was reached to iron out the last remaining issues. This was approved by the Commission in the sixth supplemental order of the same docket. The end result of the whole process was a complete overhaul of the rate design, increased rates to be effective January 1, 1996, and annual projections of expected LLRW (low-level-radioactive waste) for the four subsequent years. Based on these annual projections, the rates are adjusted effective each January 1st to achieve the approved revenue requirement.

The rate increase approved in Docket UR-010484 effective January 1, 2001, was the last of the rate adjustments under the 1995 agreement. The rates proposed for January 1, 2002, and the five years following are subject to a new review by Commission Staff. Staff is still in the process of conducting this review of Ecology's books and records for the test period ended December 31, 2000. At the present time, Ecology has not demonstrated that the proposed rates are fair, just, reasonable, and sufficient.

Staff recommends the Commission take no action on the LSN request in Docket UR-010623 and issue a Complaint and Order Suspending the filings in Dockets UR-010623 and UR-010706.