

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of  
  
SANITARY DISPOSAL, INC., G-173  
  
Petitioner,  
  
Seeking Exemption from the Provisions of  
WAC 480-70-071 Relating to Filing of  
Annual Reports by Solid Waste  
Companies

DOCKET TG-170245  
  
ORDER 01  
  
ORDER GRANTING EXEMPTION  
FROM RULE

**BACKGROUND**

- 1 On April 11, 2017, Sanitary Disposal, Inc. (Sanitary Disposal or Company), filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting an exemption from Washington Administrative Code (WAC) 480-70-071 to allow the Company to file an abbreviated Class A and B annual report (Petition). The Company serves 184 residential and commercial customers and 31 drop-box customers in Benton County, Washington.
- 2 Sanitary Disposal is a Class B solid waste company, defined by WAC 480-70-041 as “a traditional solid waste collection company with annual gross operating revenue from regulated, intrastate operations of less than five million dollars.” In its Petition, Sanitary Disposal stated that it earned approximately \$266,035 (4.16 percent of its total revenue) from its Washington customers in 2016.
- 3 WAC 480-70-071 requires Class B solid waste companies to file annual reports that include detailed financial information related to the carrier’s assets and operations. Sanitary Disposal seeks an exemption from filing the detailed information required in Schedules 2A through 7A of the Class A and B annual report form. In its Petition, the Company contends that the cost to complete Schedules 2A through 7A would result in increased rates for Washington rate payers.
- 4 In previous years, the Commission has approved the Company’s requests to file a Class C annual report form instead of the Class A and B annual report form. Most recently, in Docket TG-160299, the Commission approved the Company’s request for an exemption with the caveat that the Company must demonstrate in any future petition seeking an exemption that granting the exemption is in the public interest.

5 Commission Staff reviewed the Petition and finds that Sanitary Disposal sufficiently demonstrated that granting the Company a continuing exemption to file an abbreviated Class A and B annual report that excludes the information required by Schedules 2A through 7A is in the public interest so long as the Company's Washington revenues are less than 10 percent of its total revenues.

6 Staff notes that the additional burden on the Company's rate payers of filing a fully cost-allocated annual report is not justified by the benefits of receiving the detailed financial information required by Schedules 2A through 7A for a company with such limited operations in Washington. Accordingly, Staff recommends the Commission grant the Company's Petition for exemption on an ongoing basis so long as the Company's Washington revenues are less than 10 percent of its total revenues. Should the Company's Washington revenues equal or exceed 10 percent in any given year, the exemption would no longer apply.

### **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) Sanitary Disposal is a solid waste company and a public service company subject to Commission jurisdiction.
- 9 (3) Sanitary Disposal is subject to WAC 480-70-071, which requires solid waste companies to file an annual report by May 1 of each year.
- 10 (4) Pursuant to WAC 480-70-051, the Commission may grant an exemption from the provisions of any rule in WAC 480-70, if consistent with the public interest, the purposes underlying regulation, and applicable statutes. See also WAC 480-07-110.
- 11 (5) This matter came before the Commission at its regularly scheduled meeting on April 28, 2017.
- 12 (6) After review of the petition filed in Docket TG-170245 by Sanitary Disposal on April 11, 2017, and giving due consideration, the Commission finds that the

exemption is in the public interest and is consistent with the purposes underlying the regulation and applicable statutes and should be granted on an ongoing basis so long as the Company's Washington revenues are less than 10 percent of its total revenues.

## ORDER

### THE COMMISSION ORDERS:

- 13 (1) Sanitary Disposal, Inc.'s request for an exemption from WAC 480-70-071 is granted.
- 14 (2) Sanitary Disposal, Inc. is exempt from completing Schedules 2A through 7A of the Class A and B annual report form on an ongoing basis so long as Sanitary Disposal, Inc.'s Washington solid waste collection revenues are less than 10 percent of its total revenues.
- 15 (3) In the event that Sanitary Disposal, Inc.'s Washington solid waste collection revenues equal or exceed 10 percent of its total revenues in any given year, Sanitary Disposal, Inc. will be required to file a complete annual report that includes Schedules 2A through 7A.
- 16 (4) The Commission retains jurisdiction over the subject matter and Sanitary Disposal, Inc., to effectuate the terms 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 April 28, 2017.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary