



**FROM:** Tiffany Van Meter

**DATE:** June 5, 2020

**SUBJECT:** TG-190433, Murrey’s Disposal Company, Inc.  
dba: Olympic Disposal

**Discussion:**

Murrey’s Disposal Company, Inc. (Murrey’s or company) is a Class “A” solid waste company as defined in rule; WAC 480-70-041 with over \$31 million in regulated intrastate gross revenues. As required in WAC 480-70-079, the company filed on May 31, 2018, with the Utilities and Transportation Commission (UTC or commission) a report on its affiliated interest and subsidiary transactions.

**Scope of Staff Investigation:**

Staff will examine the filing in UTC Docket TG-190433 and answer the following questions:

1. Does the information provided by the company meet the requirements of WAC 480-70-079?
2. As a result of examining the transactions contained in this filing, what areas and elements of affiliate contracts and arrangements will need to be examined in a future rate case to validate that they are reasonable and consistent with the public interest?

**Requirements set forth in WAC 480-70-079:**

WAC 480-70-079 requires regulated solid waste companies to provide the commission with the following information relating to transactions between a regulated solid waste company and its affiliate(s):

<i>Requirement</i>	<i>Staff opinion</i>
Corporate organization chart of the company and its affiliated interests and subsidiaries (WAC 480-70-079 (2)).	Murrey’s has met this requirement.

For 2018, the only affiliate that had transaction volumes over \$100,000 was:

1. Waste Connections, Inc. – Provides management, safety, Engineering, legal, human resource, accounting, payroll, procurement, and billing services to Murrey’s in the amount of \$1,67,557.
2. Harold LeMay Enterprises, Inc. dba LeMay Mobile Shredding – Provides paper shredding services to Murrey’s in the amount of \$502.

<b><i>Requirement</i></b>	<b><i>Staff opinion</i></b>
WAC 480-70-079 (3) states that if total affiliated interest or a subsidiary are less than \$100,000 for the reporting period, the company must provide the name of the affiliated interest or subsidiary participating in the transactions and the total dollar amounts of the transactions.	Murrey's has met this requirement.
For transactions over \$100,000 the following information is also required by rule (WAC 480-70-079 (3) (a) through (g) and WAC 480-70-079 (4))	
<b><i>Requirement</i></b>	<b><i>Staff opinion</i></b>
Balance sheet and income statement for such affiliated interest (WAC 480-70-079 (3) (a)).	Murrey's has met this requirement.
Description of the products or services provided to or from the company and each such affiliated interest or subsidiary (WAC 480-70-079 (3) (b)).	Murrey's has met this requirement.
Description of the pricing basis or costing method, and procedures for allocating costs for such products or services, and the amount and accounts charged during the year (WAC 480-70-079 (3) (c)).	Murrey's has met this requirement.
Description of the terms of any loans between the company and each such affiliated interest or subsidiary and a listing of the year-end loan amounts and maximum loan amounts outstanding during the year (WAC 480-70-079 (3) (d)).	Reported none.
Description of the terms and total amount of any obligation or liability assumed by the company for each such affiliated interest or subsidiary (WAC 480-70-079 (3) (e)).	Reported none.
Description of the activities of each such affiliated interest or subsidiary with which the company has transactions (WAC 480-70-079 (3) (f)).	Murrey's has met this requirement.
A list of all common officers and directors between the solid waste company and each such affiliated interest or subsidiary, along with their titles in each organization (WAC 480-70-079 (3) (g)).	Murrey's has met this requirement.

<i>Requirement</i>	<i>Staff opinion</i>
File copies of affiliated interest contracts and arrangements as stated in WAC 480-70-078 (WAC 480-70-079 (4)).	Reported none.

**Areas and Elements Examined in the Next Rate Case:**

Allocation for services provided the company by Waste Connections, Inc. and any potential effect on regulated customer rates. Other amounts paid for hauling, shredding, or other miscellaneous services and any potential effect on regulated customer solid waste rates, recycling rates, and any revenue sharing plans in effect.

**Conclusion**

Take no other action on this filing at this time and close the docket.