BEFORE THE WASHINGTON STATE UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

Docket No. TG-140560

Complainant,

vs.

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WASTE CONTROL, INC.,

E CONTROL, INC.,

WRRA JOINDER IN MOTION TO ALLOW TEMPORARY RATES, SUBJECT TO REFUND, AT THE PROPOSED SETTLEMENT LEVEL, FILED IN OCTOBER, 2014

Respondents.

COMES NOW Intervenor Washington Refuse and Recycling Association (WRRA) and respectfully joins in Respondent's Motion to Allow Temporary Rates, Subject to Refund, at the Proposed Settlement Level, filed in October, 2014, and in doing so submits the following:

INTEREST OF INTERVENOR IN MOTION: It certainly is no secret that WRRA supports Respondent's position in this matter. Nor should it be a surprise that Intervenor views this action as extremely important, not just for Waste Control but for the entire regulated solid waste industry in Washington. While it could be argued that this is a unique situation, it is not, for a variety of reasons, some of which are readily apparent in the Docket, and some that may not be so obvious. Whatever the case, this type of situation may well appear again in another company's seemingly "routine" rate filing. There are precedents to be established here, and those precedents will be applicable to all regulated haulers, not just Waste Control. In short, Intervenor is looking for a way that this case

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can be helpful, rather than meddlesome and destructive, to both the industry and the Commission. The whole idea, we believe, is to make the rate making process (or any other administrative process, for that matter) work better so that the Commission and the company can better serve the consumer which, after all, is the ultimate objective of the process itself.

STATUS OF THE DOCKET: Intervenor is not interested in "assigning blame" for why this Docket has lingered for so long. Suffice it to say that it has gone on for far too long, and it is not over yet. The question now is why the Commission should not order temporary rates (subject to refund) to go into effect while the remainder of this matter is sorted out.

There is no reason under these circumstances that the already <u>agreed</u> <u>upon</u> temporary rates should not be implemented. There are three "parties" here, the Commission, the company, and the consumer. All three benefit from an appropriate rate structure, even if it is temporary. The Commission must ensure that the rates are fair, reasonable and compensatory. The Company must do the same, plus be financially and structurally sound so that it can provide the required regulated service. The consumer/ratepayers must be assured that they are being treated fairly and are paying a reasonable fee for services received.

Here, approval of temporary rates can help assure all three that the objectives of regulation are being met. Perhaps most importantly, if the Commission should ultimately decide the temporary rates were inappropriate, they are "subject to refund." Protections for the consumer would be in place, as they should be.

But, the Commission must always keep in mind that the regulated entity deserves to be treated fairly and openly as well, particularly in rate filings. If rates are not compensatory, the entire regulatory system breaks down and simply will not work. According to this Motion, Waste Control's current rates are not

Temporary Rates, Subject to Refund, at the Proposed Settlement Level, Filed in October, 2014 - 2

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¹ Staff itself has previously acknowledged culpability for delays in communication in this case, (see, Ex. MC-1T, page 57), exacerbating procedural disputes. Additionally, its unfortunate and unsuccessful Motion to Strike Supplemental Testimony in November, 2014 has caused months of delay necessitating an extension of the statutory suspension period. WRRA Joinder in Motion to Allow

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compensatory.² That is not only a very large problem for the company, but it should also be a "warning flag" to the Commission. When rate filings go on this long and are subject to multiple motions and procedural disputes, the system is subject to failure. No one involved wants that result, but we all must recognize that it is a very real possibility unless some compromise and common sense finds its way into this proceeding. The primary parties have shown the ability to compromise by settling the majority of issues. The next step would be to grant the company temporary relief.

COMMISSION'S AUTHORITY: The Motion accurately and rightly argues that the relief sought is within the Commission's authority to grant. Intervenor agrees, perhaps for a more basic reason. As Respondent correctly points out, RCW 81.01.040(1) gives the Commission exceedingly broad authority to act in accordance with its statutory powers, which are comprehensive in their scope. There are probably a myriad of reasons why the Commission has not faced a fully adjudicated rate filing since 1991 when it considered the now famous (or infamous, depending on one's perspective) "Sno King" cases,3 but, for better or worse, this case is active, adjudicated, and open and must be dealt with.

The Commission clearly has the authority to hear, and either grant or deny, this Motion. To do otherwise would contribute to the limbo into which this seemingly simple rate case has descended, and leave the company with no remedy at all as it faces what is clearly a serious revenue shortfall.

CONCLUSION/POSITION OF INTERVENOR:

This Motion should be granted, and the seemingly modest, agreed upon temporary rates should go into effect. The rest of this Docket can, and will, be decided at a later date. In the meantime, the company should be allowed to experience compensatory rates which, as always with temporary rates, will be

 $^{^2}$ Intervenor has no reason whatever to disbelieve the supporting financial information filed with the Motion.

³ In re WUTC v. Sno-King Garbage and Northwest Garbage Co., TG-900657/900658 (Dec., 1991)

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subject to refund. It is difficult, at best, to conceive of a defensible or even rational argument to the contrary.

There are still important issues to be resolved at hearing in this Docket. Some of these same issues should be taken up in informal stakeholder meetings, and in formal rulemakings now pending.⁴ If anything beneficial can be said to have come from this protracted process experienced so far, it could well be then that the misunderstandings and fundamental disagreements generated by this filing can be addressed and obviated in the future.

DATED this day of March, 2015.

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Attorney for Washington Refuse and Recycling Association

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⁴ Docket No. TG-131255, "Inquiry to Consider Methods for Setting Rates for Solid Waste Collection Companies Pursuant to WAC 480-70" and Docket No. A-130355 "Rulemaking to Consider Possible Corrections and Changes in Rules in WAC 480-07, Relating to Procedural Pulse"

CERTIFICATE OF SERVICE

I hereby certify that I have this day served this document upon all parties of record in this proceeding, by the method as indicated below, pursuant to WAC 480-07-150.

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DATED at Silverdale, Washington, this

day of March, 2015.

Chervl L. Sinclair

WRRA Joinder in Motion to Allow Temporary Rates, Subject to Refund, at the Proposed Settlement Level, Filed in October, 2014 - 5 JAMES K. SELLS

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