

Yakima Waste Services, Inc.

2812.5 Terrace Heights Drive, Yakima, WA 98901
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September 14, 2023

Ms. Amanda Maxwell
Executive Director and Secretary
Washington Utilities and
Transportation Commission
621 Woodland Square Loop SE,
Lacey, WA 98503

RE: Workpaper Exemption Request – General Rate Case - Yakima Waste Systems, Inc. G-89. TG-230661

Dear Ms. Maxwell:

The Company is seeking a waiver from the workpaper requirements of WAC 480-70-346 that stipulates the use of the historical 12-month period for fuel costs. The Company requests that the actual increase cost per gallon be used to calculate the test period fuel cost. The Company believes that this method is consistent with other recent general rate cases filed and approved by Staff.

The test period covers the months of July 2022 through June 2023. The Company contracted its fuel at a fixed cost for both calendar years 2022 and 2023. The only change to the contract is an adjustment to monthly fuel prices associated with the Washington State Climate Commitment Act, which the Company quantifies at \$0.70 per gallon. The Company believes that using this number to restate fuel cost in the test period is a more reliable method to capture the costs incurred by the Company.

Fuel consumption is not linear month to month, instead consumption fluctuates each month based on several factors. By calculating the fuel adjustment on a per gallon basis the Company reflects its actual increase in cost while bringing historical data to current market realities. Due to the carbon pricing program that went into effect on January 1, 2023, the company has seen an average increase of \$0.5817 per gallon in 2023 with the Company paying an average \$0.7015 per gallon in August 2023. The \$0.683 amount used in the rate case was based on the Company's most recent invoice at the time of filing on August 11, 2023. The Company believes that that the most current carbon cost of \$0.7015 as calculated by the Company should be allowed in the general rate case.

The Company thanks you for your consideration in this matter. If you have any questions regarding this filing, please contact me at (360) 448-6954, or at brian.vandenburg@wasteconnections.com.

Sincerely,

Brian Vandenburg

Brian Vandenburg
Pricing Analyst