

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION STAFF
RESPONSE TO DATA REQUEST

DATE PREPARED:	January 22, 2014	WITNESS:	Melissa Cheesman
DOCKET:	TG-131794	RESPONDER:	Melissa Cheesman
REQUESTER:	Waste Control	TELEPHONE:	(360) 664-1251

COMPANY DATA REQUEST NO. 1:

Please provide staff work papers for the affiliated rent adjustments for TG-091653, the October 2009 General Rate Filing by Waste Control, Inc.

RESPONSE:

Attached is file "Staff TG-091653 Restating.xlsx", it contains tab "Restated", cell AA71 staff's adjustment to the Land Rent expense account.

Attached is file "TG-091653 staff affiliated rents notes.pdf" and file "STAFFLand Rents RE taxes insurance Analysis.xls" for additional staff notes regarding affiliated rents.

Attached is file "Staff TG-091653 Restating.xlsx", it contains tab "Restated", cell AA33 staff's restating adjustment to the Truck Rent expense account.

Attached is file "Staff TG-091653 Pro forma.xlsx", it contains tab "Forecast", cell H33 staff's pro forma adjustment to the Truck Rent expense account.

Attached is file "WCI Truck Rent Analysis.xls", it contains tab "TruckRent (2)", cell G45 that appears to be the bases of staff's restating adjustment to the Truck Rental expense account.

Waste Control, Inc.
Supporting Schedules

Land and Building Rent

	Sq Ft	Waste Control Inc.	Waste Control Equip	Waste Control Recycling	WCPF	Total	Heirborne Investment	Rents Per Sq Ft		Land	Heirborne Investment Improvements	Building	Equip	
Heirborne Investments	Parking Lot/Covered parking/Fencing/Curbs	125766.2	0.34 36,300	0.31 68,100	0.34 36,300	0	140,700	591,432	1.12	0.24	366,468	224,964		
	Rent Adjustment		12,000	(24,000)	12,000									
	14600 Covered Parking													
Heirborne Investments	111166.2 Storm and sewer drained lots		0.29 39,600	0.33 39,600	0.33 78,000	0.05068 9,000	177,600	1,089,147	10.60	0.16	313,499	56,241	719,407	
	Rent, office, shop				(31,800)									
	Rent Adjustment		12,000	(24,000)	12,000									
Heirborne Investments	Curbside Rent			43,200										
	Combined office and parking %		0.3169121	0.322257	0.335493	0.02534	1							
			0.5	0.5										
Heirborne Investments	WL Storage Equipment	42500	16,350	16,350		32,700	131,203	0.77	0.25	111,237	19,966			
Heirborne Investments	Equipment/Curbside			224,948		224,948	558,184	0.40					558,184	
Heirborne Investments	Backhoe Equipment			18,000		18,000	86,205	0.21					86,205	
Heirborne Investments	Transfer station land						514,619			402,137	112,482			
Heirborne Investments	Land, Recycling Bldg	40,000		200,100		200,100	1,281,788	5.00	0.16	69,853	56,241	1,155,694		
		225016.2	116,251	344,200	324,601	9,000	794,049	4,252,577			1,263,194	469,894	1,875,101	644,389
		266414.2	(92,251)				less equip	(644,389)						
		41398	24,000	WCI Underpaid			proof	3,608,188						4,252,578
	less storage	-1734												
	less portal building	-5800												
	less transfer station	-31200			324,600									
	less scale & canopy	-2664												
		0												
							Per Asset Keeper:						Total	
							Lapray	1,183,194		1,183,194	19,966	1,875,101	3,078,262	
							Transfer station	80,000		80,000	449,928	449,928		
							Proof	1,263,194	(0)	1,263,194	469,894	1,875,101	3,608,189	
									(0)		-		(0)	
	Total Sq Ft - central portion	252025												
	Less building square footage	-66748												
		185277												
	60% assumed available for parking	-111166.2												
		74110.8												

TS: Allocated improvements to 50% parking, 12.5% office, 25% trans, 12.5% recycling

Affiliated Land + Bldg Rent

Parking Lot / Covered Parking
 Fencing / curbs

Cost
 Land 366,418
 Impr 224,964

Land	Debit	Total Value @
# 262,852	7/1/89	15% R.O.I
22,803	7/15/99	366,418 x .15 = 54,963
40,179	10/31/06	54,963 x .33% = 18,138
33,634	8/1/08	

Improvements

224,964

?

224,964 x .15 = 33,745
 33,745 x .33 = 11,136

total 29274

Rent - Office + Shop

Land 17,460 7/1/89
 296,039 7/15/99

313,499 x .15 = 47,025
 47,025 x .19 = 8,935

Impr 56,241

56,241 x .15 x .19 = 1,603

Bldg 261,792
 457,616

719,407 x .15 x .19 = 20,503

total 31,041

Storage

Land 92,656 7/1/97
 18,581 7/15/99

111,237 x .15 x .50 = 8,343

Impr 19,966 11/15/98

19,966 x .15 x .50 = 1,497

total 9,840

NBS U Building

Build 1
1997
1998

is the present
to allocate and
the allocations
themselves just
arbitrary "pulled from hat"
numbers ?

Waste Control, Inc.
 Supporting Schedules

Land and Building Rent

	Waste Control Inc.	Waste Control Equip	Waste Control Recycling	WCPF	Total	Heirborne Investment	
Heirborne Investments Parking Lot/Covered parking/Fencing/Curbs	36,300 <i>33%</i>	68,100	4,500		108,900	591,432	0.18
Heirborne Investments Rent, office, shop	39,600 <i>4%</i>	39,600	78,000	9,000	209,400	1,089,147	0.19
Heirborne Investments Curbside Rent		43,200					
Heirborne Investments WL Storage Equipment	16,350 <i>50%</i>	16,350			32,700	131,203	0.25
Heirborne Investments Equipment/Curbside		224,948			224,948	558,184	0.40
Heirborne Investments Backhoe Equipment			18,000		18,000	86,205	0.21
Heirborne Investments Transfer station land						514,619	
Heirborne Investments Land, Recycling Bldg			200,100		200,100	1,281,788	0.16
	92,250	392,198	300,600	9,000	794,048	4,252,577	
						less equip (644,389)	
						<u>3,608,188</u>	

Land	Heirborne Improvements	Investment Building	Equip
366,468 (1)	224,964 (2)		
313,499 (3)	56,241 (4)	719,407 (5)	
111,237 (6)	19,966 (7)		
			558,184
			86,205
402,137 (8)	112,482 (9)		
69,853	56,241	1,155,694	
<u>1,263,194</u>	<u>469,894</u>	<u>1,875,101</u>	<u>644,389</u>

	Total
Per Asset Keeper:	3,078,262
Lapray	80,000
Transfer station	449,928
Proof	(0)
	<u>3,608,189</u>

TS: Allocated improvements to 50% parking, 12.5% office, 25% trans, 12.5% recycling

Is this rent expense a fair representation of use? - between companies & total amount of rent compare w/ Prop tax file

LAND

		Amount	
Heirborne Investments	Parking Lot/Covered parking/Fencing/Curbs	<u>366,468</u>	
	Lapray Land 7/1/1989	262,852	
	Land - Lonestar 7/15/1999	29,803	
	Land - Cytec 10/31/2006	40,179	
	Landy - Cytec 8/1/2008	<u>33,634</u>	
		<u>366,468</u>	①
Heirborne Investments	Rent, office, shop	<u>313,499</u>	③
	Lapray Land 7/1/1989	17,460	
	Land Lonestar - portio 7/15/1999	<u>296,039</u>	
		<u>313,499</u>	
Heirborne Investments	WL Storage Equipment	<u>111,237</u>	⑥
	Land Boneyard 7/1/1997	92,656	
	Land Lonestar - portio 7/15/1999	<u>18,581</u>	
Heirborne Investments	Transfer station land	<u>402,137</u>	⑧
	Partridge property 1/5/2007	<u>402,137</u>	
Heirborne Investments	Land, Recycling Bldg	<u>69,853</u>	
	Land Lonestar portion 7/15/1999	<u>69,853</u>	
		1,263,194	

IMPROVMENTS

Heirborne Investments	Parking Lot/Covered parking/Fencing/Curbs	224,964	②
Heirborne Investments		56,241	
Heirborne Investments	Transfer station land	112,482	⑨
Heirborne Investments	Land, Recycling Bldg	56,241	④
		<u>449,928</u>	
	Fencing 2005	43,053	

Paving	2007	14,156
Improvements	2008	<u>392,720</u>
		<u>449,928</u>

Heirborne Investments	WL Storage Equipment		<u>19,966</u>	} ①
	Improvements	11/18/1998	<u>19,966</u>	

BUILDINGS

Heirborne Investments	Rent, office, shop		<u>719,407</u>	} ⑤
	Office addition	8/1/1997	261,792	
	New building	1/1/1998	<u>457,616</u>	
			<u>719,407</u>	

Heirborne Investments	Land, Recycling Bldg		<u>1,155,694</u>
	Recycling building	8/1/1992	403,684
	Recycling building	1/15/2002	<u>752,010</u>
			<u>1,155,694</u>