

BEFORE THE WASHINGTON STATE UTILITIES AND  
TRANSPORTATION COMMISSION

In re the Matter of:

Petition for Exemption by Rabanco,  
Ltd. d/b/a Lynnwood Disposal, Allied  
Waste of Lynnwood, G-12

DOCKET TG-

PETITION FOR EXEMPTION FROM  
PORTIONS OF WAC 480-07-520(4)

I COMES NOW Rabanco LTD d/b/a Lynnwood Disposal, Allied Waste of Lynnwood, (“Lynnwood,” or “Petitioner”), G-12, 1600 127th Avenue NE, Bellevue, Washington, 98005, by and through its counsel, Williams Kastner & Gibbs PLLC and David W. Wiley, 601 Union Street, Suite 4100, Seattle, Washington, 98101, and hereby petitions the Washington Utilities and Transportation Commission (“the Commission”), pursuant to WAC 480-07-110 and WAC 480-07-370(1)(b), seeking an exemption from certain requirements of the general rate proceeding workpaper filing requirements. The request for exemption is sought as applied to Rabanco LTD as the “Company,” in interpretation and application of the rule requirement in light of the revised Commission policy for stricter enforcement of the general rate case rule and consistent with the Commission’s decision in Order No. 4, TG-091933, *Washington Utilities and Transportation Commission v. Waste Management of Washington, Inc. d/b/a Waste Management of Sno-King* and Order No. 3, TG-091945 in re the *Petition of Waste Management, Inc. d/b/a Waste Management of Sno-King* (March, 2010), (hereinafter the “*Sno-King Order*”).<sup>1</sup>

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<sup>1</sup> Rabanco LTD is comparable to Waste Management of Washington, Inc. (“WMW”), in operating here as a single corporate entity in regulated service with numerous separate operating divisions spanning multiple counties within multiple tariff filing areas.

I. PRELIMINARY STATEMENT

2 This filing seeks exemptions from specific portions of WAC 480-07-520(4) in asking that the Commission not require in this filing, in addition to the substantial workpapers being filed herewith under WAC 480-07-520, that certain supporting documents and computations be applied to Rabanco LTD, as a whole, as opposed to Lynnwood Disposal, as the tariff-filing entity. As the workpapers accompanying this filing suggest, this filing is solely in response to the enactment of City of Seattle Ordinance 124490 which increases the minimum wage for employees in the city to \$13.00 per hour effective January 1, 2016 and thereby broadly increases contract labor costs at Petitioner's affiliate's 3<sup>rd</sup> & Lander sorting facility.

II. SPECIFIC PORTIONS OF WAC 480-07-520(4) FROM WHICH PETITIONER NOW SEEKS EXEMPTION/RELAXATION OF/FROM THE GENERAL RATE CASE WORKPAPERS FILING RULE

3 Request for Exemption from WAC 480-07-520(4)(a). Petitioner here seeks exemption from the workpaper detailed pro forma income statement requirement to the extent that it asks that subparts (i) and (ii) for restating "actual adjustments" and "pro forma adjustments" be limited to demonstration of the impact upon Lynnwood Disposal rather than Rabanco LTD as a whole.

4 WAC 480-07-520(b). No exemption requested.

5 WAC 480-07-520(c). Petitioner here seeks exemption from the requirement to produce a full income statement listing all revenue accounts by line item and month inasmuch as this filing is solely directed to and because of one isolated line item of increased expense,

contract labor, occasioned by the enactment of the city of Seattle's minimum wage ordinance.

6 WAC 480-07-520(d). Petitioner here seeks application of the subpart 4(d) requirement on non-regulated revenue exceeding 10% of total company test period revenue in limiting the workpaper computations and submissions to Lynnwood Disposal, as the tariff-filing entity, and further asks that the detailed separation of all revenue and expenses requirement in subsection 4(d) apply to intracompany transactions between Lynnwood Disposal as the tariff-filing entity and Rabanco LTD as the company as a whole, providing what would be analogously required for disclosure under the affiliated interest transaction rule of 480-70-079 but for the fact that Lynnwood Disposal is a part of Rabanco LTD.

7 WAC 480-07-520(e). Petitioner is requesting an exemption from the requirement of listing all unregulated operations of Rabanco LTD to the extent that it asks that this requirement be limited to unregulated city contracts and businesses and any transactions or relationships between those Lynnwood Disposal-based business operations and other Rabanco LTD business entities where the 3<sup>rd</sup> & Lander sorting facility is utilized.

8 WAC 480-07-520(f). Petitioner here seeks limitation of the detailed price-out information and reconciliation requirement of this subpart of the general rate case workpaper rule to be here applied to Lynnwood Disposal, the tariff-filing entity, only.

9 WAC 480-07-520(g). No exemption requested. (See filing for parent company cost of debt computation).

10 WAC 480-07-520(h). Petitioner hereby also seeks an exemption to supply a detailed depreciation schedule applicable to the test period since this filing is not directed to nor affected by any change in operating assets of the Petitioner.

11 WAC 480-07-520(i). Petitioner asks that the computed average investment calculation requirement not be required to be included here due to the very limited purpose of this filing as described, above.

12 WAC 480-07-520(j). Petitioner asks that this provision be limited to any relationship between Lynnwood Disposal and the 3<sup>rd</sup> & Lander facility, only, for the purposes of this particular rate filing.

### III. ARGUMENT IN SUPPORT OF REQUESTED EXEMPTIONS OF GENERAL WORKPAPER FILING RULE

13 The estimated revenue requirement impact of the minimum wage increase triggered by the Seattle Ordinance is \$25,760. Rabanco and all its affiliates are required by operation of law and, as here, third-party contract provisions, to honor this change in local employment law requirement.

14 Because of the greater detail and reconcilable qualities of the individual division's data reporting for a general rate case, Petitioner believes modification/relaxation of the general rate case workpaper rule for the filing by Lynnwood Disposal is fully consistent with the public interest as required by WAC 480-07-110<sup>2</sup> and the purposes underlying regulation and applicable statutes, and that exemptions from the general rate workpaper rule should therefore be granted.

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<sup>2</sup> As also found in a prior exemption request in TG-101157, *in re: Rabanco LTD d/b/a Lynnwood Disposal*, Order No. 1 (July, 2010) and in a previous rate filing for Tri-County, *in re: Rabanco LTD d/b/a Tri-County Disposal*, TG-111689 (Oct. 2011) amongst others.

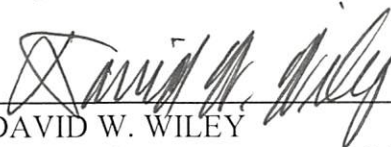
15 Indeed, all of the exemptions here requested under the particular subparts of the rule appear to be consistent with the *Sno-King* Order and numerous exemption decisions since 2009. As in *Sno-King*, the corporate structure of Rabanco LTD d/b/a Lynnwood Disposal, et al. contains numerous, distinct regulated and unregulated lines of business within a single corporation operating within numerous counties.

#### IV. PRAYER FOR RELIEF

16 For all the foregoing reasons, Rabanco LTD d/b/a Lynnwood Disposal, Allied Waste of Lynnwood respectfully asks that the Commission consider the specific requests for exemption from portions of WAC 480-07-520(4) noted above, and that after due consideration, it issue an order granting the Petition in full, and thereafter, enabling conventional audit and review by the audit staff of the general rate case accompanying this filing.

Dated this 17 day of December, 2015.

Respectfully submitted,



DAVID W. WILEY

Attorney for Rabanco LTD d/b/a Lynnwood Disposal et al.

CERTIFICATE OF SERVICE

I hereby certify that on December 17, 2015, I caused to be served the original and three (3) copies of the foregoing document to the following address via first class mail, postage prepaid to:

Steven V. King, Executive Director and Secretary  
Washington Utilities and Transportation Commission  
P.O. Box 47250  
1300 S. Evergreen Park Dr. SW  
Olympia, WA 98504-7250

I certify I have also provided to the Washington Utilities and Transportation Commission's Secretary an official electronic file containing the foregoing document via email to: [records@utc.wa.gov](mailto:records@utc.wa.gov).

  
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