

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of:

Petition for Exemption by Murrey's Disposal Company, Inc., G-9, d/b/a Olympic Disposal

Case No. TG-

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

1 COMES NOW Murrey's Disposal Company, Inc., G-9, d/b/a Olympic Disposal ("Murrey's Disposal" or "Petitioner"), PO Box 399, Puyallup, Washington, 98371, by and through its counsel, Williams Kastner & Gibbs PLLC and David W. Wiley, 601 Union Street, Suite 4100, Seattle, Washington, 98101, and hereby files this petition with the Washington Utilities and Transportation Commission ("the Commission"), pursuant to WAC 480-70-051, WAC 480-07-110 and WAC 480-07-370(1)(b), seeking an exemption from certain requirements of the general rate proceeding workpaper filing rule. The exemption is sought as applied to Murrey's Disposal 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 in light of 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), (the "Sno-King Order").¹

I. PRELIMINARY STATEMENT

2 This filing seeks various exemptions from portions of WAC 480-07-520(4) in asking that the Commission not require, as a part of the considerable workpapers being filed herewith, that under WAC 480-07-520, for example 4(a), a detailed pro forma income statement "separated among solid waste, single family residential recycling, multi-family and yard waste, with

¹ Like Waste Management of Washington, Inc. ("WMW"), Murrey's Disposal is comparable to WMW in operating as a single corporate entity in regulated service with separate operating divisions spanning multiple counties within differing tariff filing areas.

restating actual and pro forma adjustments, including all supporting calculations and documents for all adjustments” be required with respect to Murrey’s Disposal, as “the Company.” The range of adjustments required by the subparts of the rule are not all being provided for the Company, but *are* being provided for the tariff-filing entity, Murrey’s Disposal, without reference to the separately-tariffed area of Murrey’s Olympic Disposal entity which was itself recently the subject of a general rate case audit in Docket No. TG-130501, with revised rates effective October 16, 2013.

3 As noted, Petitioner is now filing such separated income statements on behalf of Murrey’s Disposal, the actual tariff proponent herein. Requiring the type of detail under subsection 4(a) and the revenue impact of the proposed tariff under subsection 4(b) for Murrey’s Disposal as a whole would work a substantial hardship on the Company at present and have no direct bearing on its general rate filing. Additionally, there are no revenue impacts posed to the Olympic Disposal operation by the tariff filing of Murrey’s Disposal. The focal revenue impact of the proposed tariff revision in this general rate case will only directly affect the tariff filing subdivision, Murrey’s Disposal, which has a separate geographic service territory in Pierce County apart from Olympic Disposal’s operations in Jefferson and Clallam counties.

4 Finally, Petitioner is also seeking exemption from the application of selected latter portions of the general rate case workpaper rule (WAC 480-07-520(4)(e), (f), (i) and (j)) to the extent that it is asking the rule be applied only to the tariff filing entity/subdivision, and not Murrey’s-Olympic Disposal as a whole. For instance, the price out information provided focuses on the proposed rates for Murrey’s Disposal, again, which is the entity now seeking rate revision approval. For WAC 480-07-520(4)(j), Petitioner is presenting information about every transaction with affiliated interests pertaining to the Murrey’s Disposal tariff

entity and its relationship to Waste Connections, Inc. for the purposes of RCW 81.16.030, with a consolidated income and balance sheet also provided for the parent company, Waste Connections, Inc.

II. BASIS FOR REQUEST FOR EXEMPTION FROM WORKPAPER REQUIREMENT ON DETAILED COMPANY-WIDE PRO FORMA INCOME STATEMENT, REVENUE IMPACT AND INCOME STATEMENT BY MONTHLY EXPENSE ACCOUNTS AND CALCULATION OF THE PROPOSED TARIFF REVENUE IMPACT: WAC 480-07-520(4)(a) and 4(b)

- 5 The test period involved in this filing is January 1, 2015 through December 31, 2015.
- 6 Despite the inability to prepare a detailed pro forma income statement for separated classes of service revenue impact and income statement by all accounts by month for all of G-9 pursuant to subparts 4(a) and 4(b) of the rule, the Company *has* compiled a detailed depreciation schedule under WAC 480-07-520(4)(h). It has prepared and is filing a lengthy schedule listing all Murrey's Disposal assets and pertinent asset purchase, depreciation salvage value expenses, and test period information, etc., that will clearly identify all Company-wide assets for audit and allocation purposes at this time so that the requirement of identifying all such depreciable Murrey's Disposal assets has been satisfied on a Company-wide basis. It has also prepared a monthly income statement listing all revenue and expenses by account by month for Murrey's Disposal as a whole under WAC 480-07-520(4)(c).
- 7 Additionally, Petitioner is providing all other information it believes is required by a broad reading of the general rate case workpaper rule including as to the tariff filing entity.

III. REQUEST FOR EXEMPTION FROM WAC 480-70-520(4)(e), (f), (i) and (j) TO THE EXTENT THOSE PROVISIONS WOULD ONLY APPLY TO THE BUSINESS UNIT REGULATED UNDER THE SUBJECT TARIFF AT ISSUE.

- 8 Finally, as noted above, Petitioner respectfully requests that the scope of the general rate filing workpaper rule be modified in this instance to apply the indicated price out detail, including detailed list of all nonregulated operations, including the rates charged for the

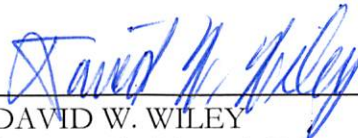
services rendered, computed net investment and affiliated transaction requirements near the end of the featured rule only to the tariff-filing division of Murrey's Disposal, not to "the Company" as a whole. As described above, company-wide consolidated data have historically been compiled by Murrey's Disposal based on separate independent districts and filed tariffs and it has made computations relevant to those internally-separated districts. To mandate broad application of the rule now to Murrey's Disposal as a whole would not result in presentation of correlated data that is any more accurate or more historically consistent and audit-tested than the separated results of the tariffed-divisions.

V. PRAYER FOR RELIEF

9 WHEREFORE, based on the foregoing outline of the issues raised by this Petition for Exemption from Rule, Petitioner Murrey's Disposal, asks that the Commission permit exemptions of this filing applicable to WAC 480-07-520(4)(a), (b), (e), (f), (i) and (j), finding that it is in the public interest and fully consistent with the purposes of evaluating general rate case increases to grant Murrey's Disposal Company, Inc. d/b/a Olympic Disposal an exemption to the workpapers requirements of WAC 480-07-520(4) for the limited purpose of considering the proposed general rate increase filing in this docket for the applicable tariffs governing Murrey's Disposal and not those including Olympic Disposal.

Dated this 22nd day of February, 2016.

Respectfully submitted,



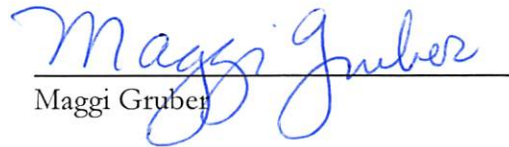
DAVID W. WILEY
Attorney for Murrey's Disposal Company, Inc. d/b/a
Olympic Disposal

CERTIFICATE OF SERVICE

I hereby certify that on February 22, 2016, 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.


Maggi Gruber