February 25, 2010

Scott Schimelfenig, Utility Service Manager Thurston County Public Works 2404 A Heritage Ct. SW Olympia, WA 98502

## **RE:** Comments on the Preliminary Draft of Thurston County's Comprehensive Solid Waste Management Plan, TG-100222.

Dear Mr. Schimelfenig:

The Utilities and Transportation Commission (commission/UTC) has completed its review of the preliminary draft of the Thurston County Comprehensive Solid Waste Management Plan Update (Plan). In accordance with RCW 70.95.096, commission staff analyzed the Plan to determine the probable effect, if any, of the Plan's recommendations on the rates charged by solid waste companies.

Staff is unable to determine the financial impacts to customers served by regulated solid waste collection companies in Thurston County. The data in the Cost Assessment portion of the Plan is out of date and does not reflect changes for future planning. Table 4.1.4, Tip Fee Forecast, states that, from 2009 to 2014, tip fees will range from \$80 to \$97 per ton. However, Thurston County Ordinance No. 14308 increased tip fees to \$110 per ton effective January 1, 2010. The average residential (one-can, weekly, service) customer's rate increased \$1.82, and the average commercial (one yard, weekly service) customer's rate increased \$9.09. The Plan does not identify any additional tip fee increases. Tip fees are only one component that staff relies upon to determine the potential rate impact during the planning period. Staff discussed this issue with the County and the County recognized that the data is not current.

The following are staff's comments for your consideration:

1. **Objective C6.b, page B-12** the County states: "The Washington Utilities and Transportation Commission (WUTC) currently regulates solid waste utility rates for residential services throughout Washington."

**Staff Comment**: We suggest that you add that the WUTC also regulates commercial solid waste.

Scott Schimelfenig, Utility Service Manager Thurston County Public Works February 25, 2010 – TG-100222 Page 2

2. **Objective C6.b, page B-12** - "The process affords counties little opportunity for input during the rate review process or with the regard to quality of service that is provided."

**Staff Comment**: RCW 81.77.120 states as follows:

A county legislative authority shall periodically comment to the commission in writing concerning the authority's perception of the adequacy of service being provided by regulated franchisees serving the unincorporated areas of the county. The county legislative authority shall also receive and forward to the commission all letters of comment on services provided by regulated franchise holder(s) serving unincorporated areas of the county. Any such written comments or letters shall become part of the record of any rate, compliance, or any other hearing held by the commission on the issuance, revocation, or reissuance of a certificate provided for in RCW <u>81.77.040</u>.

In addition, the county is always welcome to participate during a rate proceeding before the WUTC at any time.

Please direct questions or comments to Penny Ingram, Regulatory Analyst, at (360) 664-1242 or by email at <u>pingram@wutc.wa.gov</u>.

Sincerely,

David W. Danner Executive Director and Secretary

cc: Mike Drumright, Southwest Regional Planner, DOE.