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6 **BEFORE THE WASHINGTON**
7 **UTILITIES AND TRANSPORTATION COMMISSION**

8 In the Matter of the Petition of US
9 ECOLOGY WASHINGTON, INC. for
10 extension of Settlement Agreement

DOCKET NO. TL-070848

PETITION FOR EXTENSION OF
SETTLEMENT AGREEMENT

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12 1. US Ecology Washington, Inc. ("US Ecology"), by and through its attorney of record,
13 Richard A. Finnigan, hereby submits this Petition for Extension of Settlement Agreement
14 ("Petition").

15 **BASIS FOR PETITION**

16 2. US Ecology is currently operating under a six year plan that was the product of an earlier
17 settlement agreement approved by the Commission. See, Docket No. TL-070848 and Order No.
18 01 in that docket, attached as Exhibit 1. See, also, the materials in Docket Nos. UR-010623 and
19 UR-010706 and the Original Docket of UR-950619 and UR-950620.

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21 3. The current six year plan expires December 31, 2019. US Ecology is proposing that the
22 existing plan be extended for a new six year term, with one change. That change is to amend
23 paragraph 1(b) dealing with Annual Projections. In paragraph 1(b) of the Settlement
24 Agreement, it states that the Company (US Ecology) is to request each of its customers
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1 (generators) submit estimates of the low level radioactive waste that will be submitted by
2 volume, numbers of containers and shipments, and average dose rate per container. The
3 Company is then to use those estimates to produce the projected rates for the coming year. The
4 current Settlement Agreement only allows US Ecology to prepare its own estimate where a
5 customer does not respond to the request for an estimate. Unfortunately, for the past three years,
6 multiple customers have significantly over estimated their use of the facility. This has resulted
7 in an under recovery and a resulting carryover of revenue requirement to the subsequent year. In
8 2016, this was \$445,000. In 2017, it was \$1,900,000. In 2018, it was \$1,700,000. The
9 carryover produces rates for all customers that are higher than what would be the case if there
10 was not an under recovery. In order to be fair to all customers and to try to minimize any under
11 collection going forward, US Ecology requests that the Commission amend paragraph 1(b) of
12 the Settlement Agreement to allow US Ecology to submit its own estimate of low level
13 radioactive waste for use in calculating projected rates.
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16 Paragraph 1(b) of the Settlement Agreement currently reads as follows:

17 (b) Annual Projections. Rates shall be determined each January on the basis
18 of projections provided by the Company's customers, according to the following
19 procedure. On or about October 15 of each year, the Company shall submit a
20 written request to each of its customers for estimates of LLRW by volume (in
21 cubic feet), numbers of containers and shipments, and average dose rate per
22 container (in millirems per hour) to be disposed by such customers at the site
23 during the following calendar year. For those customers not responding to the
24 request for estimates, the Company shall prepare its own estimate of the LLRW
25 that these customers can be expected to deliver to the site during such calendar
26 year. On the basis of the estimates prepared by the Company and its customers,
the Company shall calculate total projected LLRW for the calendar year.
Estimates of volumes which meet the requirements of RCW 81.108.020(3) as
"extraordinary" shall be included in the calculation weighted at 51.5% of such
volume estimates. Estimates of decommissioning waste volumes shall be

1 included in the calculation weighted at 80% of such volume estimates; provided,
2 however, that the quantities set forth in such estimates must satisfy the
3 requirements of paragraph 2(c) below.

4 U.S. Ecology proposes that paragraph 1(b) read as amended below on a forward going
5 basis:

6 (b) Annual Projections. Rates shall be determined each January on the basis
7 of projections developed by the Company, according to the following procedure.
8 On or about October 15 of each year, the Company shall submit a written request
9 to each of its customers for estimates of LLRW by volume (in cubic feet),
10 numbers of containers and shipments, and average dose rate per container (in
11 millirems per hour) to be disposed by such customers at the site during the
12 following calendar year. The Company shall prepare its own estimate of the
13 LLRW that the customers can be expected to deliver to the site during such
14 calendar year based on the customer estimates as adjusted by the Company using
15 historical data where necessary. On the basis of the estimates prepared by the
16 Company and its customers, the Company shall calculate total projected LLRW
17 for the calendar year. Estimates of volumes which meet the requirements of
18 RCW 81.108.020(3) as "extraordinary" shall be included in the calculation
19 weighted at 51.5% of such volume estimates. Estimates of decommissioning
20 waste volumes shall be included in the calculation weighted at 80% of such
21 volume estimates; provided, however, that the quantities set forth in such
22 estimates must satisfy the requirements of paragraph 2(c) below.

23 US Ecology has been in contact with all major generators or their representatives and
24 has received no objection to the extension of the six year plan. In fact, many of the major
25 generators have either indicated that they agree with extending the existing agreement or that
26 they have no opinion one way or another. See, the signature pages attached as Exhibit 2. A
strong majority of the generators agree that the existing agreement (as amended) should be
extended.¹ Generators representing approximately thirty-five percent of total revenues had no
opinion. This means that approximately ninety percent of the generators either agree with or do

¹ For this purpose, the percentage represents the percentage of revenue generated from the tariffed rates.


1 not oppose extension of the existing agreement. Not a single generator expressed opposition to
2 the extension.

3 4. Based on the foregoing, US Ecology respectfully requests that the attached Settlement
4 Agreement (Exhibit 3) approved in Docket No. TL-070848 and earlier dockets be amended as
5 set out above and extended to terminate on December 31, 2025, but in all other respects remain
6 in full force and effect.
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8 CONCLUSION

9 5. Based on the foregoing, US Ecology respectfully requests that the Commission approve
10 this Petition.

11 Respectfully submitted this 28th day of May, 2019.

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15 Attorney for US Ecology/Washington, Inc.
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