

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of

MURREY’S DISPOSAL COMPANY,
INC.,

Certificate G-9

Petitioner,

Seeking Exemption from the Provisions of
WAC 480-70-520(4) Relating to
Supporting Work Papers

DOCKET TG-160232

ORDER 01

ORDER GRANTING
EXEMPTION FROM RULE

BACKGROUND

- 1 On February 23, 2016, Murrey’s Disposal Company, Inc. dba Olympic Disposal (Murrey’s or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting an exemption from WAC 480-70-520(4). The Company filed an amended petition on March 18, 2016. Murrey’s and its sister company, American Disposal Company, Inc., Docket TG-160233, filed a proposed general rate case that would generate approximately \$357,000 (2 percent) additional annual revenue.
- 2 WAC 480-70-520(4) requires solid waste companies to file work papers that contain detailed financial data for Murrey’s, its affiliated interests, and its business units. The plain language of the rule requires these work papers to address Murrey’s finances as a whole, not a limited subset of one or more business units.
- 3 Murrey’s states: “...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 which was itself recently the subject of a general rate case audit in Docket No. TG-11063 (*sic*), [staff correction, TG-110663] with revised rates effective June 1, 2011.”
- 4 Commission Staff reviewed the request and recommended granting Murrey’s request for exemption, subject to the following condition(s):

- (a) WAC 480-07-520(4)(a) (*detailed pro forma income statement*) – Petitioner here seeks exemption from the work paper 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 Murrey’s, the tariff-filing entity, rather than Murrey’s Disposal Company, Inc., as a whole.
- (b) WAC 480-07-530(4)(b) (*revenue impact calculation for proposed tariff revisions*) – Petitioner here asks that the rule be limited to demonstration of the impact upon Murrey’s, the tariff-filing entity, rather than Murrey’s Disposal Company, Inc., as a whole.
- (c) WAC 480-07-520(4)(c) (*income statement listing all revenue and expense accounts by month*) – No exemption requested.
- (d) WAC 480-07-520(4)(d) (*detailed separation of all revenue and expenses between regulated/nonregulated operations if nonregulated revenue exceeds ten percent of total company test period revenue*) – No exemption requested.
- (e) WAC 480-07-520(4)(e) (*detailed list of all nonregulated operations, including the rates charged for the services rendered*) – Petitioner here asks that the rule be limited to demonstration of the impact upon Murrey’s, the tariff-filing entity, rather than Murrey’s Disposal Company, Inc., as a whole.
- (f) WAC 480-07-520(4)(f) (*detailed price-out information*) – Petitioner here asks that the rule be limited to demonstration of the impact upon Murrey’s, the tariff-filing entity, rather than Murrey’s Disposal Company, Inc., as a whole.
- (g) WAC 480-07-520(4)(g) (*consolidated balance sheet*) – No exemption requested.
- (h) WAC 480-07-520(4)(h) (*detailed depreciation schedule*) – No exemption requested.

- (i) WAC 480-07-520(4)(i) (*computed average investment*) – Petitioner here asks that the rule be limited to demonstration of the impact upon Murrey’s, the tariff-filing entity, rather than Murrey’s Disposal Company, Inc., as a whole.
- (j) WAC 480-07-520(4)(j) (*information about every transaction with affiliated interests or subsidiaries*) – Petitioner here asks that the rule be limited to demonstration of the impact upon Murrey’s, the tariff-filing entity, rather than Murrey’s Disposal Company, Inc., as a whole.

FINDINGS AND CONCLUSIONS

- 5 (1) The Washington Utilities and Transportation Commission is an agency of the State of Washington vested by statute with the authority to regulate the rates, rules, regulations, practices, accounts and affiliated interests of public service companies, including solid waste companies. RCW 80.01.040, RCW 81.01, RCW 81.04, RCW 81.16, RCW 81.28 and RCW 81.77.
- 6 (2) Murrey’s is engaged in the business of providing solid waste services within the state of Washington and is a public service company subject to Commission jurisdiction.
- 7 (3) Murrey’s is subject to WAC 480-70-520(4), which requires solid waste companies to file work papers that contain detailed financial data for the Company, its affiliated interests, and its business units. The plain language of the rule requires these work papers to address Murrey’s Disposal Company, Inc.’s finances as a whole, not a limited subset of one or more business units.
- 8 (4) In support of its proposed tariff revisions, Murrey’s Disposal Company, Inc. filed work papers containing financial information for its Murrey’s business unit, not for its Olympic Disposal operation.
- 9 (5) Under WAC 480-70-051, the Commission may grant an exemption from the provisions of any rule in WAC 480-70, if consistent with the public interest, the purposes underlying regulation and applicable statutes. See also WAC 480-07-110.

- 10 (6) This matter came before the Commission at its regularly scheduled meeting on March 23, 2016.
- 11 (7) After review of the petition filed in Docket TG-160232 by Murrey's on February 23, 2016, and amended on March 18, 2016, and giving due consideration, the Commission finds that the exemption is in the public interest and is consistent with the purposes underlying the regulation and applicable statutes and should be granted.

ORDER

THE COMMISSION ORDERS:

- 12 (1) After the effective date of this Order, Murrey's Disposal Company, Inc. is granted an exemption from WAC 480-70-520(4) as set forth in paragraph 4.
- 13 (2) The exemption granted to Murrey's Disposal Company, Inc. in this Order applies only to the general rate proceeding in Docket TG-160232.
- 14 (3) The Commission retains jurisdiction over the subject matter and Murrey's Disposal Company, Inc. to effectuate the provisions of this Order.

The Commissioners, having determined this Order to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective March 23, 2016.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Executive Director and Secretary