

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of Tariff Revisions to  
Increase Rates Filed by

EMPIRE DISPOSAL, INC.

Certificate No. G-75

DOCKET TG-160932

ORDER 01

ORDER ALLOWING TARIFF REVISIONS  
TO GO INTO EFFECT BY OPERATION OF  
LAW; REQUIRING MEDICAL TARIFF  
FILING; REQUIRING GENERAL RATE  
FILING

**BACKGROUND**

- <sup>1</sup> On July 22, 2016, Empire Disposal, Inc. (Empire or Company) filed with the Washington Utilities and Transportation Commission (Commission) Tariff No. 15, which would cancel Tariff No. 14 and increase solid waste disposal service rates. The proposed tariff revisions – prompted by increases in employee wages and benefits, operating expenses, and investment in new assets – would generate approximately \$146,000 (5.8 percent) additional annual revenue. The Company’s last general rate increase became effective on August 1, 2013.<sup>1</sup> The Company serves approximately 5,200 customers in Whitman and Spokane Counties.
- <sup>2</sup> Commission staff (Staff) reviewed the filing and supporting documentation and determined that the Company demonstrated a need for \$136,000 (5.3 percent) additional annual revenue. Based on Staff’s adjustments to the salvage value of a number of assets that have been amortized over a three-year period and Empire’s history of filing rate cases every three years, Staff recommends that the Commission direct Empire to file a subsequent general rate case with an effective date of October 1, 2019.<sup>2</sup> The Company agreed to Staff’s proposed revenue requirement and filed revised pages on September 13, 2016. Staff finds the revised rates are fair, just, reasonable, and sufficient.

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<sup>1</sup> In Docket TG-152154, Empire filed proposed tariff revisions to cover the increased cost of disposal fees. A disposal fee increase falls within the definition of a general rate case even though the charge is passed through directly to the customer and the Company does not receive any profit. The Commission’s Order in that docket granted a waiver of certain general rate case filing requirements and approved the 0.25 percent rate increase necessary to cover the cost of the increased disposal fees.

<sup>2</sup> Dockets TG-101535 and TG-131121 are general rate cases filed by Empire Disposal, Inc.

3 During the course of its review, Staff also found that Empire’s Medical Waste Tariff No.  
1 (Medical Waste Tariff) has not been updated since 1998.<sup>3</sup> Staff is concerned that the  
rates for the Medical Waste Tariff may not be fair, just, reasonable, or sufficient.  
Accordingly, Staff recommends the Commission direct Empire to file proposed revisions  
to its Medical Waste Disposal Tariff with an effective date no later than January 1, 2017.

4 On August 31, 2016, the Company notified customers by mail of the proposed rate  
increase. Staff received two consumer comments opposed to the proposed rate increase.  
The customer comments do not change Staff’s opinion that the Company’s financial  
information supports the revised revenue requirement, and that the revised rates and  
charges are fair, just, reasonable, and sufficient. Staff’s review shows that the expenses  
are reasonable and required as part of the Company’s operations.

### **DISCUSSION AND DECISION**

5 The Commission agrees with Staff’s recommendation and finds that Empire’s proposed  
Tariff revisions, as revised on September 13, 2016, are fair, just, reasonable, and  
sufficient. We also agree that Empire should be required to file revisions to its Medical  
Waste Tariff with an effective date no later than January 1, 2017, and file a subsequent  
general rate case with an effective of October 1, 2019.

### **FINDINGS AND CONCLUSIONS**

- 6 (1) The Commission is an agency of the State of Washington vested by statute with  
the authority to regulate the rates, rules, regulations, practices, accounts,  
securities, transfers of property, and affiliated interests of public service  
companies, including solid waste companies.
- 7 (2) Empire is a solid waste company and a public service company subject to  
Commission jurisdiction.
- 8 (3) This matter came before the Commission at its regularly scheduled meeting on  
September 22, 2016.

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<sup>3</sup> Docket TG-981341.

- 9 (4) The tariff revision presently under consideration is fair, just, reasonable, and sufficient because the Company has demonstrated the need for additional annual revenue and for revision of the Company's rate structure.
- 10 (5) After reviewing the revised tariff revision Empire filed in Docket TG-160932 and giving due consideration, the Commission finds it is consistent with the public interest to allow the revised rates and tariff revision filed on September 13, 2016, to become effective on October 1, 2016.
- 11 (6) Empire should be required to file revisions to its Medical Waste Tariff No. 1 with an effective date no later than January 1, 2017.
- 12 (7) Empire should be required to file its next general rate case with an effective date of October 1, 2019.

**ORDER**

**THE COMMISSION ORDERS:**

- 13 (1) The tariff revision filed by Empire Disposal, Inc. in this docket on July 22, 2016, as revised September 13, 2016, shall become effective by operation of law on October 1, 2016.
- 14 (2) Empire Disposal, Inc. is required to file revisions to its Medical Waste Tariff No. 1 with an effective date no later than January 1, 2017.
- 15 (3) Empire Disposal, Inc. is required to file its next general rate case with an effective date of October 1, 2019.

DATED at Olympia, Washington, and effective September 22, 2016.

**WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

DAVID W. DANNER, Chairman

PHILIP B. JONES, Commissioner

ANN E. RENDAHL, Commissioner