

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

WASHINGTON UTILITIES AND)	DOCKET TG-131794
TRANSPORTATION COMMISSION,)	
)	
Complainant,)	ORDER 04
)	
v.)	
)	ORDER APPROVING TEMPORARY
WASTE CONTROL, INC. (G-101),)	SPECIAL FUEL SURCHARGE ON
)	LESS THAN STATUTORY NOTICE
Respondent.)	
)	
.....)	

1 **NATURE OF PROCEEDING.** On September 23, 2013, Waste Control, Inc. (Waste Control or Company) filed with the Washington Utilities and Transportation Commission (Commission) new Tariff No. 15 reflecting a general rate increase of approximately \$392,000 (11.4 percent) in additional annual revenue. On October 10, 2013, the Commission entered Order 01 in this docket denying Waste Control’s request for exemption from WAC 480-07-520(4)(j), which requires solid waste companies to include certain information in general rate increase filings. On November 27, 2013, the Commission entered Order 02, a complaint and order suspending Waste Control’s revised tariff pending Commission investigation of the proposed rates, and allowed Waste Control’s proposed disposal fees to become effective on a temporary basis, subject to refund.¹

2 **MOTION TO LIFT SUSPENSION AND APPROVE SURCHARGE.** On January 22, 2014, the Commission received a request from Waste Control asking the Commission to lift the current suspension of the Company’s Tariff No. 15 and approve a Special Fuel Surcharge in the amount of 1.13 percent with less than statutory notice (Motion).² The Company stated that it incurred increased fuel costs, from \$2.36 per gallon for the base period to \$3.5955 per gallon current price, during the months of November and

¹ Due to a clerical error, Order 02 was erroneously designated Order 01. We will refer to the November 27, 2013 order as Order 02.

² While the Company filed this request in the form of a letter, the Commission construes the letter as a motion.

December 2013. Waste Control asked that the surcharge temporarily become effective February 1, 2014, for all customers, and expire on April 30, 2014.

3 On January 29, 2014, Staff filed a response to Waste Control’s Motion (Response), raising several concerns regarding the Company’s request. Specifically, Staff asserted that Waste Control’s fuel surcharge of 1.13 percent on all customers would result in excessive earnings and would unfairly discriminate between customers billed on different cycles.³ With regard to the charge of excessive earnings, Staff claimed the Company failed to include the temporary disposal fees on its Fuel Surcharge Worksheet.⁴ Waste Control indicated its regulated revenue filed with the Commission is \$3,931,979, and Staff argued that this number should actually be \$176,638 higher, or \$4,108,617.⁵ This increase in regulated revenue results in a fuel surcharge of 0.82 percent instead of the 1.13 percent originally requested by the Company.

4 In addition, Staff stated that the Company has proposed billing this temporary Special Fuel Surcharge inconsistently, and thus, inequitably, amongst its customers.⁶ As an example, Staff points to the conflicting application of the surcharge across bi-monthly customers.⁷ As proposed by Waste Control, bi-monthly customers billed at the end of February would see the surcharge applied to all services provided in the months of March and April 2014; while the bi-monthly customers billed at the end of March would only see the surcharge for April 2014.⁸ Equitable treatment of bi-monthly customers billed at the end of March would require application of the surcharge to services provided in April and May 2014.⁹ The Company also inaccurately designated, within the Supplements in Effect portion of its proposed tariff sheet as “Special Fuel Surcharge Supplement No. 11” instead of “Special Fuel Surcharge Supplement No. 1.” Staff states that, if Waste Control

³ Staff referenced Waste Control’s inconsistent citations to its own tariff as “Tariff No. 14” and “Tariff No. 15.” This minor issue, while vexing, has been resolved by the Company promptly.

⁴ Staff’s Response, ¶ 6.

⁵ *Id.*

⁶ *Id.*, ¶ 13.

⁷ *Id.*, ¶ 10.

⁸ *Id.* Staff also pointed to the Company’s incorrect usage of the term “arrears” in its Special Fuel Surcharge Supplement No. 11 when applies to the billing months listed by Waste Control. This, too, has been resolved by the Company.

⁹ *Id.*

corrects these issues, the Commission should “[a]uthorize the [C]ompany to file a fuel surcharge to Tariff [No.] 15, and [a]pprove the fuel surcharge to become effective on less than statutory notice.”¹⁰

- 5 The Company filed a reply to Staff’s Response (Reply) on January 30, 2014.¹¹ Waste Control’s Reply corrected the Fuel Surcharge Worksheet to include the temporary disposal fee and recalculated the Special Fuel Surcharge at 0.82 percent.¹² The Company also revised its request for implementation of the temporary surcharge, extending the duration of the surcharge from April 30, 2014, to May 31, 2014. This modification corrected the inequity of the Company’s requested billing for bi-monthly customers, who are billed two months in advance, by applying the surcharge to their end of March 2014 bills for services provided in April and May 2014, rather than solely in April 2014 as originally proposed.¹³ Finally, Waste Control also re-filed its proposed Tariff No. 15, Revised Page No. 2, listing “Special Fuel Surcharge Supplement No. 1” instead of the inaccurate “Special Fuel Surcharge Supplement No. 11.”

DISCUSSION

- 6 Waste Control alleges, and the parties do not disagree, that its fuel costs have risen from \$2.36 per gallon for the base period to \$3.5955 per gallon current price. The fuel surcharge would temporarily allow the Company to recoup these increased costs. As Waste Control has corrected the defects in its request and referenced by Staff, the Company’s request is reasonable and should be approved.

¹⁰ *Id.*, ¶ 17. Staff argues that the suspension does not need to be lifted in order for the Commission to approve the temporary fuel surcharge.

¹¹ Due to the rapidly approaching requested effective date, the Company filed its Reply in the form of a letter and requested the Commission treat it “as a formal Reply to a Motion Response under WAC 480-07-375.” Waste Control’s Cover Letter to its Reply.

¹² Fuel Surcharge Worksheet, at 1 (January 30, 2014). See also Waste Control’s Cover Letter to Reply.

¹³ Waste Control’s Special Fuel Surcharge Supplement No. 1. The Company complained of typographical errors Staff committed in its Response. As with Waste Control, these are errors are minor and do not change the substance of Staff’s arguments.

O R D E R

- 7 THE COMMISSION ORDERS That the temporary Special Fuel Surcharge requested by Waste Control, Inc. in its revised January 30, 2014, filing is approved.

Dated at Olympia, Washington, and effective January 31, 2014.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARGUERITE E. FRIEDLANDER
Administrative Law Judge