

December 03, 2004

Carole Washburn, Executive Secretary
Washington Utilities and Transportation Commission
1300 South Evergreen Park Drive SW
P.O. Box 47250
Olympia WA 98504-7250

RE: Annual Recycling Tracker Adjustment

Dear Ms. Washburn:

In Docket No. TG-960419 a recycling commodity price tracker was established by the WUTC for Sanitary Service Co., Inc. (SSC). That order requires SSC to file each year to reflect an update of the commodity prices and to put an expiration date of December 31 on the tariff pages.

This tracker applies to SSC's residential curbside recycling customers in unincorporated Whatcom County and multi-family customers in the City of Bellingham and in unincorporated Whatcom County only.

Enclosed are revisions to our Solid Waste Tariff No. 6 for Permit G-14. These tariff pages have an issue date of December 03, 2004 and an effective date of February 1, 2005. This filing is required because of the Commissions order in Docket No. TG-960419 which set up a commodity price tracker for recycling commodities. This filing is a reduction for residential customers and an increase for multi-family customers. We are requesting LSN treatment as the data for this filing doesn't become available until December 1, of each year and the expiration date on the tariff is December 31.

This filing will result in an annual **reduction** of \$12,858 (2.2%) for unincorporated Whatcom County residential customers for recycling, and an **increase** \$2,426 (11.8%) for multi-family customers for recycling in comparison to the current rates. **SSC does not get to keep this money.** This money goes to cover the commodity costs of the recycling commodities. This is the purpose of the tracker. The customer **receives all** of the money that SSC collects for the value of the commodities and **also pays** the commodity expense if the value is negative.

In 2004, the net commodity price adjustment for the residential curbside program was a charge (debit) of \$0.22 per customer per month. This filing reduces that charge to a charge of \$0.16 per customer per month. For a multi-family customer the current commodity price charge will be increased from a charge of \$0.17 per yard, per pickup to a charge of \$0.19 per yard, per pickup.

The work papers show the calculation of the tracker and have been supplied to Bob Colbo of the WUTC staff. The purpose of the tracker is that the company does not get the benefit of market swings in the value of commodities. We have had tracking charges and tracking credits for our customers for the last five years. In some years the customer will see a charge and in other years the customer will see a credit. It all depends upon the market value of the commodities that we collect.

Carol Washburn
page 2
December 13, 2004

Notice of the increase (WAC 480-70-271 (2) (a)) will be shown on the customer bills starting in January 2005. Because of cycle billing for residential customers, the final notice will be put on the bills that are mailed on March 1, 2005. Copies of this letter are also being sent to the Bellingham Herald, the Whatcom County Council and the Mayors of Bellingham and Ferndale. The notice on the customers' bills will state:

Effective January 1, 2005 the
commodity charge of \$0.22 will
become a charge of \$0.16.

If you have any questions relating to this filing please contact me at (360) 734-3490.

Sincerely,

Edward J. Nikula
Vice President

Attachments:

cc:	Whatcom County Council	City of Bellingham
	City of Ferndale	Bellingham Herald
	Penni Lempers	Jeff Williamson
	Pat Dunn	Polly McNeill
	Lisa Meucci	