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BEFORE THE WASHINGTON UTILITIES AND  
TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	)	DOCKET TG-130501 <i>(consolidated)</i>
Complainant,	)	NARRATIVE STATEMENT OF THE RESPONDENT IN SUPPORT OF PROPOSED SETTLEMENT
v.	)	
MURREY'S DISPOSAL COMPANY, INC., G-9,	)	
Respondent.	)	
.....	)	
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION,	)	DOCKET TG-130502 <i>(consolidated)</i>
Complainant,	)	NARRATIVE STATEMENT OF THE RESPONDENT IN SUPPORT OF PROPOSED SETTLEMENT
v.	)	
AMERICAN DISPOSAL COMPANY, INC., G-87,	)	
Respondent.	)	
.....	)	

I. PRELIMINARY STATEMENT

1 This narrative statement is filed pursuant to WAC 480-07-740(2)(a), in support of and  
 2 in response to the settlement agreement being filed simultaneously by the staff of the  
 3 Washington Utilities and Transportation Commission ("Staff").  
 4 Respondent Murrey's Disposal Company, Inc. and American Disposal Company, Inc.  
 5 (hereinafter "Murrey's/American") files this statement endorsing the proposed

1 settlement agreement and pertinent documentation addressing the settlement for revised  
2 general rates to be published by Respondent on Commission approval and Order.

3 II. SETTLEMENT PROPOSAL REVIEW PROCESS

4 3 Respondent, through counsel, and accounting witness(es) will appear at any proposed  
5 public hearing on this matter should the Commission believe that is necessary, at a time  
6 and location to be fixed by the Commission, and will be prepared to present evidence  
7 and legal argument, if necessary, and assert various rights devolving to parties to the  
8 settlement under WAC 480-07-740.

9 III. POSITION OF RESPONDENT SUPPORTING SETTLEMENT AS CONSISTENT  
10 WITH THE COMPANY'S AND THE PUBLIC'S INTEREST

11 4 As outlined in the memorandum and stipulations attached to the Staff's submissions,  
12 the Respondent company believes that the proposed revenue requirement and rate  
13 design and rate spread, as described in Attachments A, B and C, satisfy statutory  
14 requirements that rates be just, reasonable and compensatory pursuant to  
15 RCW 81.28.230, and therefore contends that the settlement represents a fair  
16 compromise of the positions of the parties with respect to the proposed rate levels to be  
17 assessed by Respondent and considered for approval and adoption by the Commission.  
18 As directed by Washington law and the Order No. 1 originally suspending the proposed  
19 rates, the Respondent has the burden of proving the justness, fairness, reasonableness  
20 and sufficiency of the proposed rates to allow it to pay reasonable operating expenses  
21 and earn a reasonable return.

22 5 Through its general rate filing and the Staff's audit, review, extensive discovery and  
23 negotiation process, the Respondent believes the settling parties have arrived at an  
24 overall revenue requirement and rate spread/design agreement predicated on a thorough  
25 audit of Respondent's submission and supporting data which satisfies all of these

1 criteria and, on the other hand, believes that disputing any remaining individual,  
2 isolated expense items' disallowance or diminution by Staff in a contested case setting  
3 would be contrary to its own and the ratepaying public's interest from a cost-benefit  
4 standpoint.

5 6 The proposed rates constitute a substantial revision to Respondent's originally filed  
6 rates and the parties submit this settlement in reflection of that development,  
7 recognizing that certain of the accounting adjustments bearing on the ultimate revenue  
8 requirement were originally contested, but again, have negotiated a compromise in  
9 proposed resolution of those matters based on a lengthy examination of the Company's  
10 books and records and prolonged dialogue and interchanges between the Staff and the  
11 Company.

12 7 As noted, the Respondent believes that further litigation of the items potentially in  
13 dispute would not be cost effective for it or the ratepayers and believes the proposed  
14 settlement fairly addresses the statutory issues involved in a general rate filing and the  
15 requirements of the Commission under law, rule and the public interest.

16 8 As provided in Order 01 of May 10, 2013, the chief issue to be decided in this  
17 proceeding is whether the proposed rates of the Respondent are just fair, reasonable and  
18 sufficient and satisfy, among other legal requirements, the Commission's form and  
19 content provisions under WAC 480-70-241, 480-70-251 and the customer notice  
20 requirements as potentially modified by the Commission by its final order pursuant to  
21 WAC 480-70-271, and requirements set forth by the Commission in its procedural rules  
22 at WAC 480-07-505 and WAC 480-70-520, *inter alia*, as cited above. Again,  
23 Respondent believes all of those regulatory standards are satisfied by the proposed  
24 settlement being submitted herewith.

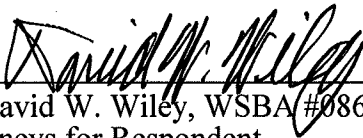
1 IV. CONCLUSION/REQUEST FOR RELIEF

2 9 WHEREFORE, having outlined in the above paragraphs its rationale and justification  
3 for the proposed settlement and incorporating for reference herein the audited results of  
4 operations as described in attachments to the Staff's filing in support of settlement,  
5 Respondent Murrey's Disposal Company, Inc. and American Disposal Company, Inc.  
6 asks that the settlement be approved by the Commission in an Order adopting the  
7 proposed tariffs and that the Commission authorize and order those rates to be effective  
8 no later than August 15, 2013.

9 DATED this 31<sup>st</sup> day of July, 2013.

10 Respectfully submitted,

11 WILLIAMS, KASTNER & GIBBS PLLC

12  
13 By   
14 David W. Wiley, WSBA #08614  
15 Attorneys for Respondent