

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of Tariff Revisions to	)	DOCKET TG-130928
Increase Rates Due to a Disposal Fee	)	
Increase Filed by	)	ORDER 01
	)	
WASTE MANAGEMENT OF	)	ORDER GRANTING EXEMPTION
WASHINGTON, INC., DBA WASTE	)	FROM RULE AND ALLOWING
MANAGEMENT OF SPOKANE,	)	TARIFF REVISIONS TO BECOME
	)	EFFECTIVE BY OPERATION OF
Certificate G-237	)	LAW
.....	)	

**BACKGROUND**

- 1      On May 23, 2013, Waste Management of Washington, Inc., dba Waste Management of Spokane (Waste Management or Company) filed with the Washington Utilities and Transportation Commission (Commission) revisions to Tariff No. 17 due to increased disposal fees. The increases were set by the Waste Management Landfill Group, an affiliate to the Company. WAC 480-07-505(3)(b) defines an affiliate transaction as a general rate proceeding, which is subject to WAC 480-07-520 work paper filing requirements. RCW 81.77.160 (3) defines pass-through rules if an affiliate interest exists. The Company serves approximately 51,400 customers in Spokane County. The Company’s last general rate increase became effective on May 1, 2013.
- 2      On July 8, 2013, Waste Management Landfill Group will increase disposal fees from \$32.98 per ton to \$34.62 per ton, Industrial Processing Waste from \$24.05 per ton to \$26.45 per ton, Foundry Casting Slag from \$17.00 per ton to \$18.70 per ton and Special Wastes (requiring a permit to dispose) from \$29.95 per ton to \$31.44 per ton, and add a new rate for asbestos disposal at \$175.00 per ton at the Graham Road Recycling and Disposal Facility. The proposed rate increases would generate approximately \$38,000 (0.2 percent) additional annual revenue and become effective July 8, 2013.
- 3      An Item 230 pass through disposal fee increase involving an affiliate interest relationship falls within the definition of a general rate increase pursuant to WAC 480-07-505. RCW 81.77.160 defines pass-through rules and specifically RCW 81.77.160 (3) allow the application to companies with an affiliate interest if total disposal costs and charges are equal to or lower than any other reasonable and currently available option.
- 4      WAC 480-07-520 lists the minimum required information the Company must provide in a general rate increase filing. The Company provided information pertinent to the

disposal fee increase but did not provide the remainder of the information required by the rule and requested an exemption from the work paper filing requirements of WAC 480-07-520(4).

5 WAC 480-07-110 allows the Commission to grant an exemption from or modify the application of its rules if consistent with the public interest, the purposes underlying regulation, and applicable statutes. See also WAC 480-70-051.

6 Commission Staff reviewed the proposed tariff revisions together with other factors and recommends the Commission allow the tariff to become effective by operation of law, and grant the Company's request for an exemption from WAC 480-07-520(4), work paper filing requirements for this filing for the following reasons:

- (a) There have not been any significant changes since the last rate case that became effective on May 1, 2013. Reviewing the rate case documents, customer numbers are relatively unchanged, inflation has been low, and the Company has not changed its collection methods.
- (b) The increased disposal fees are set by Waste Management Landfill Group, an affiliate to the Company, and are the same disposal fees charged to other non-affiliated companies and are equal to or lower than any other option available in Spokane County.
- (c) The Company's financial information supports the proposed revenue requirement and the proposed rates.
- (d) Staff concluded the proposed rate increase, by reason of the increase in disposal fees, is fair, just, and reasonable.

### **FINDINGS AND CONCLUSIONS**

7 (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.

- 8 (2) Waste Management 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.
- 9 (3) Waste Management is subject to the filing requirements of WAC 480-07-520, for general rate increase proposals. The Company requested an exemption from WAC 480-07-520(4).
- 10 (4) Under WAC 480-07-110, the Commission may grant an exemption from the provisions of any rule in WAC 480-07, if consistent with the public interest, the purpose underlying regulation and applicable statutes. See also WAC 480-70-051.
- 11 (5) This matter came before the Commission at its regularly scheduled meeting on June 27, 2013.
- 12 (6) After review of the tariff revisions filed in Docket TG-130928 by Waste Management on May 23, 2013, and giving due consideration, the Commission finds:
- (a) The Company's request for an exemption from general rate increase filing requirements set forth in WAC 480-07-520(4) is in the public interest and is consistent with the purposes underlying the regulation and applicable statutes and should be granted; and
  - (b) It is in the public interest to allow the revisions to Tariff No. 17 filed on May 23, 2013, to become effective on July 8, 2013, by operation of law.

**ORDER**

**THE COMMISSION ORDERS:**

- 13 (1) After the effective date of this Order, the Commission grants Waste Management of Washington, Inc., dba Waste Management of Spokane's, request for an exemption from WAC 480-07-520(4), for purposes of the tariff revisions filed in Docket TG-130928 on May 23, 2013.

- 14 (2) The Commission takes no action on the tariff revisions implementing the disposal fee increase and allows them to become effective on July 8, 2013, by operation of law.
- 15 (3) The Commission retains jurisdiction over the subject matter and Waste Management of Washington, Inc., dba Waste Management of Spokane, 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 June 27, 2013.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

STEVEN V. KING, Acting Executive Director and Secretary