

**BEFORE THE WASHINGTON  
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Request of

WASTE MANAGEMENT OF  
WASHINGTON, INC., d/b/a BREM-AIR  
DISPOSAL

Petitioner,

Seeking Exemption from the Provisions of  
WAC 480-70-351(2) Relating to  
Recycling Credits or Charges

DOCKET TG-180791

ORDER 01

ORDER GRANTING EXEMPTION  
FROM RULE; ALLOWING TARIFF  
REVISIONS TO BECOME  
EFFECTIVE BY OPERATION OF  
LAW

**BACKGROUND**

- 1 On September 7, 2018, Waste Management of Washington, Inc., d/b/a Brem-Air Disposal (Brem-Air or Company) filed with the Washington Utilities and Transportation Commission (Commission) a petition requesting an exemption from WAC 480-70-351(2) Rates, recycling programs, credits, or charges (Petition). Because the proposed commodity adjustment will create a charge, the Company provided 30 days' advance notice to educate its customers on the current state of recycling markets and explain how customers are impacted. The Company seeks to allow the commodity adjustment to take effect November 1, 2018.
- 2 In its Petition, Brem-Air seeks an exemption from WAC 480-70-351(2), which states that solid waste companies that estimate the revenue from the sales of recyclable materials collected in residential curbside programs as part of a deferred accounting program to return recycling revenues or charges to customers must use the most recent 12-month historical period to estimate the revenue for the next 12 months. Due to the decreased value of recyclable commodities, Brem-Air proposes to use a 6-month, rather than 12-month, average to calculate its proposed recycling commodity adjustment. The Company asserts that the recycling commodity markets have become more volatile, and a shorter projection period for calculating commodity adjustments would avoid large swings in the credit or debit to customers based on changing commodity values.
- 3 Commission staff (Staff) reviewed the Petition and determined that the request for an exemption from the 12-month historical period requirement is reasonable. Staff recommends the Commission grant Brem-Air's request for exemption.

## DISCUSSION

4 We agree with Staff's recommendation and grant Brem-Air's Petition for exemption  
from WAC 480-70-351(2). Using the most recent 6-month historical period to estimate  
revenues is reasonable because it reflects a more realistic estimate of recyclable  
commodity revenue. Accordingly, we find that granting the Company's request for an  
exemption is consistent with the public interest, the purposes underlying regulation and  
applicable statutes.<sup>1</sup>

## FINDINGS AND CONCLUSIONS

- 5 (1) The Commission is an agency of the State of Washington vested by statute with  
the authority to regulate the rates, regulations, practices, accounts, and affiliated  
interests of public service companies, including solid waste companies.
- 6 (2) Brem-Air is a solid waste company and a public service company subject to  
Commission jurisdiction.
- 7 (3) Brem-Air is subject to WAC 480-70-351(2), which requires solid waste  
companies that estimate the revenue from the sales of recyclable materials  
collected in residential curbside programs as part of a deferred accounting  
program to return recycling revenues or charges to customers to use the most  
recent 12-month historical period to estimate the revenue for the next 12 months.
- 8 (4) Under WAC 480-70-051, the Commission may grant an exemption from the  
provisions of any rule in WAC 480-70, if consistent with the public interest, the  
purposes underlying regulation and applicable statutes. See also WAC 480-07-  
110.
- 9 (5) Staff recommends the Commission grant Brem-Air's request for exemption from  
WAC 480-70-351(2).
- 10 (6) This matter came before the Commission at its regularly scheduled meeting on  
October 19, 2018.
- 11 (7) After reviewing Brem-Air's proposed tariff revisions filed on September 7, 2018,  
in this Docket and giving due consideration to all relevant matters and for good  
cause shown, the Commission finds that the requested exemption is in the public

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<sup>1</sup> See WAC 480-70-051 and WAC 480-07-110.

interest, is consistent with the purposes underlying the regulation and applicable statutes, and should be granted, and that the proposed tariff revisions should become effective November 1, 2018, by operation of law.

**ORDER**

**THE COMMISSION ORDERS:**

- 12* (1) The Commission grants Waste Management of Washington, Inc. d/b/a Brem-Air Disposal's petition for an exemption from WAC 480-70-351(2). Waste Management of Washington, Inc. d/b/a Brem-Air Disposal may use the most recent 6 months of historical revenues to calculate its recycling commodity adjustment.
- 13* (2) The tariff revisions Waste Management of Washington, Inc. d/b/a Brem-Air Disposal, filed on September 7, 2018, will become effective on November 1, 2018, by operation of law.

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 October 19, 2018.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARK L. JOHNSON, Executive Director and Secretary