



April 22, 2020

Mr. Mark L. Johnson
Executive Director and Secretary
Attn: Records Section
Washington Utilities and
Transportation Commission
621 Woodland Square Loop SE
Lacey, WA 98503

Received
Records Management
04/22/20 09:33
State Of WASH.
UTIL. AND TRANSP.
COMMISSION

RE: Revised Petition to Allow for Deferred Revenue Accounting – TG-200358 - Harold LeMay Enterprises, Inc., dba Pierce County Refuse, G-98 – Please do not re-docket TG-200358.

Dear Mr. Johnson:

Pursuant to WAC 480-07-370(3)(b) and 480-70-066, Harold LeMay Enterprises, dba Pierce County Refuse (or the “Company”) files this petition (“Petition”) with the Washington Utilities and Transportation Commission (the “Commission”) seeking an accounting order to allow the use of deferred accounting to defer certain revenues as a regulatory asset, to be recovered at a later date.

BACKGROUND

On January 17, 2020, the Company filed a general rate case to request an increase in its revenue requirement. The proposed effective date was March 1, 2020, docket number TG-200044.

On February 13, 2020, the Company filed an extension of the effective date to April 1, 2020, to allow more time for Staff to complete its review of the rate case.

On March 19, 2020, the Company filed an extension of the effective date to June 1, 2020, due to the impact of COVID-19 on the company and the potential hardship customers may be facing during these unprecedented times.

PROPOSED ACCOUNTING TREATMENT

However, due to the continued impact financial impact COVID19 is having on its customers, the Company now requests to revise the effective date to May 1, 2020, while requesting permission (a) to defer charging and billing customers the new approved rates until August 31, 2020; (b) to defer the associated revenue increase as a regulatory asset. The deferred rate increase charges will be tracked and accounted for each billing cycle as a deferred asset.

Prior to beginning billing its customers the approved rates in this docket, on September 1, 2020, the company will seek commission approval to also begin at the same time the amortization of the accumulated balance of deferred revenues into rates in the form of a temporary surcharge. The company will be asking that the COVID-19 surcharge recover the deferred revenues over twelve-months. Once the deferred revenues are fully recovered, the surcharge will expire.

The company's request to defer rates and revenues in this docket does not apply to residential, commercial or roll off garbage services. The company feels that since garbage rates reflect a decrease, they should become effective May 1, 2020.

ESTIMATED AMOUNTS SUBJECT TO DEFERRAL

Revenue subject to deferral is estimated to be \$463,000 resulting in an estimated monthly surcharge for a 12-month period, resulting in an increase of 10% for recycling, and 4% for yard waste. For residential customers, this is estimated to result in an additional \$0.52 charge per month for recycling service, and an additional \$0.23 charge for yard waste service.

CONCLUSION

The company respectfully requests the Commission issue an accounting order authorizing the company to: (a) defer charging and billing customers the new approved rates until August 31, 2020; (b) defer the associated revenue of the approved increase as a regulatory asset until August 31, 2020.

Any questions on this matter may be addressed to the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Heather Garland", with a stylized flourish at the end.

Heather Garland, Pricing Manager
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