



April 8, 2011

Tariff Advice Letter No. 49-692  
Regulatory Commission of Alaska  
701 West 8<sup>th</sup> Avenue, Suite 300  
Anchorage, Alaska 99501

Re: Alaska Pacific Environmental Services Anchorage, LLC d/b/a Alaska Waste  
Standard Can Service Phase-Out Notification

Dear Commissioners:

This tariff filing is transmitted to you by Alaska Pacific Environmental Services Anchorage, LLC d/b/a Alaska Waste (Alaska Waste) in compliance with the Alaska Public Utilities Regulatory Act and 3 AAC 48.200 – 3 AAC 48.430. Alaska Waste, through its undersigned consultants, revises the following tariff sheets:

Tariff Sheet Number		Cancels Sheet Number		Schedule or Rule Number
Original	Revised	Original	Revised	
	56, 5 <sup>th</sup>		56, 4 <sup>th</sup>	Residential Standard Can Service

Alaska Waste files this tariff to notify the Commission and affected residential customers of its planned phase out of residential standard can service as discussed and agreed to in its recently concluded rate case in Docket Nos. U-09-12/U-09-13/U-09-14.

Alaska Waste has undertaken the effort to fully automate residential routes in its Municipality of Anchorage service area. This project and its implications were fully vetted during the testimony and discovery stages of Alaska Waste's rate case referenced above. The move to fully automated pick up service will be safer, cleaner, more efficient and beneficial to Alaska Waste, its customers and the community as a whole. Alaska Waste's Chief Operations Officer, Jeff Riley described Alaska Waste's proposed service design changes and improvements in his pre-filed testimony submitted in the case.<sup>1</sup> The Attorney General's witnesses, did not object to the upcoming requirement to transition standard can service customers to automated roll cart service.<sup>2</sup>

<sup>1</sup> See July 2, 2009 prefiled testimony of Jeff Riley, Section II, Residential Service, pp. 6 -10 and Section IV, Service Improvements, pp. 14-16.

<sup>2</sup> See April 7, 2010 prefiled testimony of Janet Fairchild filed in Docket Nos. U-09-12/U-09-13/U-09-14, p. 50.

Alaska Waste is now prepared to begin to migrate customers from standard can service to automated roll cart service. During this time, customers currently subscribed to the standard can service may keep that service until their route is slated for transition to full automation. Standard can service will not be available as a service option to new or existing customers who are not already subscribed to the service. Current customers who discontinue or change their standard can service for any reason, including stoppage for nonpayment, will not be allowed to subscribe to the standard can service again.

As customers' routes become ripe for transition to automation, Alaska Waste will provide advance notification to standard can service customers through the US mail of the upcoming transition plan and the options available to them. Migrating customers will have the option of choosing from roll cart services described in the Alaska Waste tariff or to discontinue their service entirely. When all customers have been migrated from standard can service, Alaska Waste will remove the service offering from its tariff.

Alaska Waste has approximately 38,000 customers subscribed to residential standard can service at the rate of \$15.63 per month. Below is a table showing customers currently subscribed for each phased transition and the estimated revenue impact of each phase. Attachment A to this filing is a map showing the locations of each of the planned phases. Alaska Waste understands that not all customers will want to migrate to automated roll cart service. It has assumed a 5% demand impact for each phase as shown below which is estimated to be an overall annual residential revenue reduction of approximately \$525,000.

Customer and Revenue Impact:

Phase	Number of Customers	Standard Can Rate	Revenue/Year	Demand		Revenue/Year	Revenue Impact
				Avg Roll Cart Rate	Adjustment at 5%		
Phase 1	11,567	\$ 15.63	\$ 2,169,507	15.24	10,989	\$ 2,009,604	\$ 159,902
Phase 2	9,665	15.63	1,812,767	15.24	9,182	1,679,158	133,609
Phase 3	11,023	15.63	2,067,474	15.24	10,472	1,915,092	152,382
Phase 4	5,749	15.63	<u>1,078,282</u>	15.24	5,462	<u>998,808</u>	<u>79,474</u>
			\$ 7,128,030			\$ 6,602,663	\$ 525,367

Alaska Waste expects this tariff will go into effect following the forty-five day statutory timeline or on May 23, 2011.

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This filing will not change any rates, but as discuss above is the beginning of a phase out of standard can service. This filing does not conflict with any other schedule or rate, or in any other way adversely affect customers or the public.

As Commission Staff is aware, Phase 1 customers have already received notification by Alaska Waste of the upcoming transition in their area. Alaska Waste has agreed to allow those customers who so desire to keep their standard can service until this tariff is effective on May 23, 2011. Alaska Waste is willing and available to meet with Commission Staff in order to discuss the best approach to making these transitions go smoothly. Please contact either Tami Graff or Michelle Barnett to discuss further.

Tami Graff, Chief Financial Officer  
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Sincerely,



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Attachment

# Anchorage



