



FOSTER PEPPER PLLC

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June 4, 2012

VIA EMAIL and U.S. MAIL

Mr. David Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
1300 S. Evergreen Park Drive SW
Olympia, WA 98504-7250

Re: Revised Limited Tariff Filing by Harold LeMay Enterprises, Inc. Certificate G-98
d/b/a Pierce County Refuse

Dear Mr. Danner:

We represent Equity Residential Management, LLC and Lewis McChord Communities, LLC ("Fort Lewis Communities"). Fort Lewis Communities operates, under contract with the United States government, the residential housing at Joint Base Lewis McChord ("JBLM") in Pierce County. That community is comprised of approximately 5,000 homes, townhomes and apartment units. This correspondence constitutes the initial notice by Fort Lewis Communities of its protest and opposition to the revised limited tariff filing by Harold LeMay Enterprises. The proposed tariff, and proposed rate amendments, should be suspended pending investigation; and, the Commission should not act on this matter on its June 28, 2012 consent agenda.

In our preliminary discussions with WUTC staff, it appears clear that the WUTC recognizes that JBLM operates independently of the Pierce County Solid Waste System. The disposal rates identified in the revised tariff filing recognizes the same. However, the proposed rate for disposal of solid waste remains based on the Pierce County structure. As the Commission knows, the landfill is owned by an "affiliated interest" of LeMay (and, its controlling interest, Waste Connections, Inc.) and must be separately evaluated for purposes of determining a fair and reasonable disposal rate. The rate set by contract with the County has no relationship to a rate for a separate governmental entity not subject to or benefitting from the County regulatory program.

Independently, information indicates that rates to be charged under the revised tariff within the gates of JBLM are in excess of rates charged outside of the gate. Fort Lewis Communities continues to investigate this matter and will present further information to the WUTC as we are better informed regarding this subject. However, preliminarily it appears that any rate should be far below that outside the gate. Reasons for this distinction include the substantial differential in credit loss (there is no credit loss with respect to services provided at JBLM); and, the economies for operation within the compact and dense military housing at JBLM provides for economies of scale that provide far more efficient activity relating to this service.

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Fort Lewis Communities appreciates the WUTC's attention to its concerns. As the tariff filing indicates, the increased cost for solid waste services to military families would be increased dramatically by the revised tariff if approved by the Commission. The Federal government is reducing military appropriations; and, there appears to be no alternative but to negatively impact the families of our military at JBLM.

We will be working directly with WUTC staff to further address these issues, and with LeMay Enterprises, Inc.

Thank you for your attention to this matter.

Very truly yours,

FOSTER PEPPER PLLC

A handwritten signature in black ink that reads "P. Stephen DiJulio". The signature is written in a cursive style with a large, prominent "D" and "J".

P. Stephen DiJulio

PSD:sb

cc: David Gomez, WUTC
Fort Lewis Communities
Harold LeMay Enterprises, Inc.