



## King County

### Solid Waste Division

Department of Natural Resources and Parks

King Street Center

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Seattle, WA 98104-3855

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TTY Relay: 711

December 21, 2011

Dave Danner, Secretary and Executive Director  
Attention: Gene Eckhardt, Assistant Director  
Washington State Utilities and Transportation Commission  
PO Box 47250  
Olympia, WA 98504-7250

RE: Certification of Rabanco LTD, d.b.a. SeaTac Disposal, January 2012 to July 2012  
Recycling Plan

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Dear Mr. Danner:

The purpose of this letter is to meet the requirement in RCW 81.77.185, that recycling plans submitted by solid waste collection companies to the Washington Utilities and Transportation Commission (WUTC) be certified by the appropriate local government as being consistent with the local solid waste management plan.

King County and Rabanco LTD, d.b.a. SeaTac Disposal (hereafter referred to as SeaTac Disposal) have come to agreement on a recycling plan for the Tariff No. 26 service area of the G-12 certificate. The plan is for the period beginning January 1, 2012 and ending July 31, 2012. The seven-month period of the plan reflects the desire of both King County and SeaTac Disposal to have all plans for companies managed by Allied Waste in King County have the same August 1 start date. WUTC staff has been apprised of this proposed schedule change. A copy of the plan signed by both parties will be transmitted to you separately.

In the plan, King County recommends that WUTC allow SeaTac Disposal to retain 50 percent of the revenues from sale of commodities during this period. King County will evaluate SeaTac Disposal's implementation of this plan prior to its expiration. If some elements have not been fully implemented, King County may request that WUTC consider returning some of these revenues to customers.

The plan also incorporates incentives that reward the company for implementing programs in the plan and for achieving increased diversion. The County's desire is to develop an incentive structure that is applicable to all recycling plans submitted by companies serving county residents, and consequently these incentives are structured similarly to those included in the Waste Management filings currently under suspension by WUTC. We anticipate that WUTC will wish to suspend this filing and that the incentives may be changed to meet criteria recommended by WUTC staff. When the approach to incentives is finalized, we will ask the company to resubmit the detailed budget attached to the plan.

Comments on Current Recycling Plan

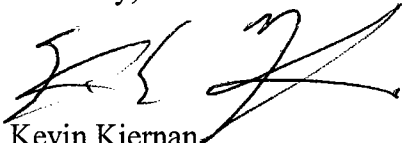
King County is satisfied that SeaTac Disposal has fulfilled the performance requirements in the recycling plan expiring December 31, 2011. Although diversion rates for single family households decreased from 48.9 percent to 47.7 percent during that time period, the pounds recycled per customer increased. During the period of the agreement, the SeaTac Disposal's WUTC-regulated area lost 18 percent of its customer base to annexation, including urban neighborhoods that typically have higher recycling participation. The company has requested retaining reimbursement for all expenditures related to implementation of programs in the Plan, and also requested retaining an incentive payment of \$741, equal to 50 percent of the revenues accrued from increased recycling volume per household. While this mechanism was not explicitly stated in our 2011 agreement, we believe it is reasonable reward for successfully increasing recycling during the period. The remaining retained but unexpended revenues of \$11,538 are proposed to be returned to customers via increased commodity price credits in the upcoming period.

King County Certification

In my position as Solid Waste Division Director, I have been delegated the authority to make the certification of this plan required in RCW 81.77.185. I hereby certify that the plan submitted to you by SeaTac Disposal is consistent with the King County Comprehensive Solid Waste Management Plan.

Thank you for the opportunity to provide this letter of certification for SeaTac Disposal's recycling plan with King County. If you have any questions, please contact Bill Reed, Program Analyst, at 206-296-4402, or [bill.reed@kingcounty.gov](mailto:bill.reed@kingcounty.gov).

Sincerely,



Kevin Kiernan  
Division Director

Enclosure

cc: Jeff Borgida, General Manager, Allied Waste Services of Bellevue  
Alex Brenner, Senior Market Analyst, Allied Waste Services  
Bill Reed, Program Analyst, Recycling and Environmental Services, Solid Waste Division