

Freedom 2000, LLC  
Dba Cando Recycling and Disposal  
550 Calder Drive  
PO Box 1314  
Point Roberts, WA 98281-1314  
(360)914-1410

**July 26<sup>th</sup>, 2009**

**Washington Utilities and Transportation Commission  
1300 S. Evergreen Park Drive S.W.  
PO Box 74250  
Olympia, WA 98504**

**Re: Docket TG-081576**

Pursuant to our telephone conference (Ingram, Ekhardt, ?? and Gellatly) of July 24<sup>th</sup>, 2009 at 3:30 PM, we are providing for your consideration, the items requested by WUTC staff.

During that conference call, it was pointed out by WUTC staff, that any matters pertaining to the transfer station at Point Roberts were not regulated by the WUTC and that the information provided in our correspondence pertained to operations which were inclusive of the transfer station. We refer specifically to the financial section of the revised "Cando Startup Plan" and "Updated budget" submitted by email on July 23<sup>rd</sup>, 2009 and received by staff on July 24<sup>th</sup>, 2009 upon arrival at work.

We have, at WUTC staff's request, revised the document and renamed it "Cando Financial assumptions including transfer station" and created a second document named "Cando Financial assumptions less Transfer Station Revenue and Expense" additionally, we have created a spreadsheet in excel providing side by side monthly and annual comparisons of our business budget; one "- Transfer Stn" on the left; and one "+Transfer Stn" on the right.

It is important to note, that no company operating a solid waste collection service in Point Roberts since the inception of solid waste collection service in the Point Roberts area some 40 years ago has ever been deprived of a transfer station or land fill at Point Roberts. In this case, WUTC staff have carefully pointed out that the transfer station is still at Point Roberts and is available for use by Freedom/Cando. The difference however, is transporting the regulated solid waste to Ferndale and paying \$0.0375 per pound versus dropping the regulated solid waste at the Point Roberts transfer station and paying \$0.13 per pound a difference in cost of \$185.00 per ton or just a little over \$9,000.00 per month based on an average 50 tons per month. The savings to Freedom/Cando is substantial.

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Removing the transfer station from our budget reduces our annual profitability from 14.62% or \$56,820.00 to 3.14% or \$6,900.00.

Whatcom County's representative provided, at the July 16<sup>th</sup> regularly scheduled meeting of the Washington Utilities and Transportation Commission, on the bridge line, that the County would, exercise their option to cancel the existing transfer station lease with Points, and enter into a lease for the transfer station with Freedom/Cando, if the WUTC granted Freedom/Cando a "G" certificate.

For Freedom/Cando, a Catch-22 exists. WUTC staff indicates that the transfer station cannot be considered because it does not fall into their jurisdiction; they do not regulate the transfer station. Without the transfer station, Freedom/Cando's operations are marginal unless the tariff is revised and increased; an unnecessary and unfair step because under the projected budget with the transfer station included Freedom/Cando's operations are healthy.

The fact is that if Freedom/Cando is granted the "G" certificate; before it commences its operations, the transfer station lease between Whatcom County and Freedom 2000/Cando will have been ratified (as was clearly stated by Whatcom County's representative at the July 16<sup>th</sup> meeting of the Commission) and the original projected budget would be the guideline by which the company would proceed.

Should you have any further questions or require further clarification on any matter regarding this and previous submissions, please do not hesitate to contact the undersigned at (604) 328-1410, or by email to [david@kordlyn.com](mailto:david@kordlyn.com) which will be received on blackberry wireless.

Sincerely

David Gellatly