1 2 3 4 5 6 BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION 7 8 WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION, Docket Nos. TG-120840, TG-120842 and 9 TG-120843 Complainant, 10 RESPONDENT WASTE 11 MANAGEMENT OF WASHINGTON. INC.'S RESPONSE TO THE WASTE MANAGEMENT OF 12 **WASHINGTON UTILITIES &** WASHINGTON, INC. d/b/a WASTE TRANSPORTATION COMMISSION'S 13 MANAGEMENT - NORTHWEST, WASTE JANUARY 23, 2014 BENCH REQUEST MANAGEMENT OF SEATTLE & WASTE NO. 5 14 MANAGEMENT - SOUTH SOUND, AND WASTE MANAGEMENT SNO-KING, G-237, 15 Respondent. 16 17 18 COMES NOW Polly L. McNeill as attorney for Respondent Waste Management of 19 Washington, Inc. d/b/a Waste Management - Northwest, Waste Management of Seattle and 20 South Sound, and Waste Management of Sno-King ("WMW") and responds to the Washington 21 Utilities and Transportation Commission's January 23, 2014 Bench Request No. 5 as follows: 22 Bench Request No. 5: 23 In WMW's Response Brief, it expressed opposition to the Commission staff's proposed language for when credits should be issued to customers during a work stoppage as follows: 24 For customers with collection service more frequently than weekly. 25 Staff's Proposal would require the company to issue credits for service misses within the first few days of a strike Rather than 26

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RESPONDENT WASTE MANAGEMENT OF

WASHINGTON, INC.'S RESPONSE TO THE

NO. 5 - 1

WASHINGTON UTILITIES & TRANSPORTATION

COMMISSION'S JANUARY 23, 2014 BENCH REQUEST

deploy resources to maximize collections and prioritize critical accounts, the company would be forced to prioritize commercial customers in WUTC territories.

WMW later clarifies that:

WMW is not suggesting that commercial customers with daily services will be affirmatively ignored if the Commission were to adopt the approach taken in the Hauler Proposal. Indeed, as the Commission is aware, many of the critical customers for whom services were prioritized in the 2012 strike were commercial.

Please indicate how many daily service customers you serve and group them by customer class (i.e., commercial, industrial, et cetera). In addition, please state how many of these daily customers WMW includes within its definition of "critical accounts" which would be prioritized for collection restoration during a temporary labor disruption.

WMW Response: Table 1 below indicates the approximate number and types of daily customers that WMW serves under the tariffs relevant to this proceeding. In addition, Table 1 also includes the approximate number and types of customers that WMW serves more frequently than weekly.

	Commercial	Multi-Family	Roll-Off
Daily	0	0	1
6X per week	1	0	0
5X per week	10	1	1
4X per week	8	1	0
3X per week	111	7	3
2X per week	436	49	5

WMW must clarify the reference to "commercial customers with daily service" quoted in the Bench Request from WMW's Response Brief, and appreciates the opportunity to correct potential misimpressions that might have been created. In its brief, WMW discussed how the Staff's Proposal would affect customers "with collection service more frequently than weekly," but then later referred to "commercial customers with daily services." The suggestion that there is any meaningful distinction between the two categories of customers may have confused the point that WMW was trying to make. The intent of this discussion was to highlight how Staff's Proposal would force WMW to favor certain customers over others – *i.e.*, customers with service

RESPONDENT WASTE MANAGEMENT OF WASHINGTON, INC.'S RESPONSE TO THE WASHINGTON UTILITIES & TRANSPORTATION COMMISSION'S JANUARY 23, 2014 BENCH REQUEST NO. 5 - 2

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more frequent than weekly versus those with weekly service. Staff's Proposal would require quicker restoration of service to customers with service more frequent than weekly (whether it be daily or even two times a week or more), forcing the hauler to divert resources that might otherwise be better used to restore service to weekly customers. It could also cause a hauler to prioritize strike response actions to avoid penalties, rather than maximizing the mitigation of harm to the overall system. The reference to "commercial customers with daily service" should have been more carefully stated as "commercial customers with service more frequent than weekly." WMW's position, however, remains the same: forcing a hauler to restore collection service to more-frequent-than-weekly customers will force haulers to favor those customers over weekly customers, including those deemed "critical facilities." WMW believes that this approach will unduly hamstring a hauler's best judgment for restoring service to all customers.

The Bench Request also requested that WMW provide the number of daily customers that would be "critical accounts" prioritized for collection. WMW's prior response to Bench Request No. 1 explained that WMW did not include references to critical accounts in the Haulers' Proposal for several reasons. There is no such customer classification, and neither tariff regulations nor WMW's own customer data specifically identifies "critical customers." WMW cannot quantify how many daily customers would be prioritized as "critical accounts" during a temporary service disruption. Nor would it want to try. Determining which accounts are prioritized as "critical accounts" will depend on the circumstances of each disruption and the best professional judgment of each hauler. A day care with weekly collection on Monday might be a "critical" customer; but another day care with Friday collection might be able to wait until early the following week for missed collection to be made up. As WMW previously noted, every service disruption situation will be different, and the specific tactics will depend on innumerable different considerations, such as weather conditions, time of year, location, type and extent of the disruption, mix of franchises and WUTC territories, tariff and franchise requirements, the anticipated duration of the service disruption, availability of substitute drivers and vehicles,

customer location, customer hours and days of operation, frequency of service, even day of the week. It is very challenging to respond to a strike and implement service recovery efforts. Decisions need to be made and priorities set based on the hauler's best judgment, the information available to it, and coordination with the WUTC and our municipal customers. Thus, given that WMW recommends against defining "critical accounts" or "critical facilities" in a vacuum without knowing the specific circumstances of each service disruption, WMW does not have a count of the number of daily accounts that it would deem critical.

In light of this Bench Request, WMW feels it is important to re-emphasize that the WUTC tariff requirements should set the general expectations for service recovery as a result of weather or road conditions, disasters, labor disruptions and other service interruptions. They should not be micro-managing how a hauler can most efficiently and effectively restore service. By inquiring about the numbers of daily customers and how many would be prioritized, the Commission appears to be considering some sort of complex tariff requirement that mandates service recovery based on the frequency of service and whether an account is deemed "critical" or not. WMW would strongly recommend against an approach that does anything more than set general expectations.

Under the Haulers' Proposal, the WUTC can still review how well a hauler recovered from a service disruption. It can evaluate whether the hauler "[used] all reasonable, practicable means to resume regularly-scheduled service to all customers within five business days" and can consider "the company's resources, the circumstances of the labor disruption and any other relevant factors." WMW believes that the Hauler Proposal strikes a fair and realistic balance of the Commission's interests in ensuring prompt resumption of services during and after a labor disruption without setting an unrealistic performance standard or unfairly penalizing a company's efforts to provide service under extremely difficult circumstances.

Telephone: (206) 676-7000 Fax: (206) 676-7001 DATED this 31st day of January, 2014.

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RESPONDENT WASTE MANAGEMENT OF WASHINGTON, INC.'S RESPONSE TO THE WASHINGTON UTILITIES & TRANSPORTATION COMMISSION'S JANUARY 23, 2014 BENCH REQUEST NO. 5 - 5

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CERTIFICATE OF SERVICE

I hereby certify that I have this day served this document upon all parties of record in this proceeding, by the method as indicated below, pursuant to WAC 480-07-405(7)(d).

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RESPONDENT WASTE MANAGEMENT OF WASHINGTON, INC.'S RESPONSE TO THE WASHINGTON UTILITIES & TRANSPORTATION COMMISSION'S JANUARY 23, 2014 BENCH REQUEST NO. 5 - 6

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DATED at Seattle, Washington, this 31st day of January, 2014.

Katie Angelikis, Legal Assistant

RESPONDENT WASTE MANAGEMENT OF WASHINGTON, INC.'S RESPONSE TO THE WASHINGTON UTILITIES & TRANSPORTATION COMMISSION'S JANUARY 23, 2014 BENCH REQUEST NO. 5 - 7

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