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February 2, 1993

Paul Curl, Secretary Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive S.W. Olympia, Washington 98504-9022

Re: T. G. 920 04

Enoch Rowland, d/b/a Kleenwell Biohazard and General Ecology Consultants

Dear Secretary Curl:

Enclosed please find an original and 3 copies of a Petition for Reconsideration and for Stay of Effectiveness of a Final Order. These petitions are filed pursuant to RCW 34.05.467 and 34.05.470.

Very truly yours,

James T. Johnson

Enclosure

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BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

In the Matter of Determining the Proper Carrier Classification of:

ENOCH ROWLAND, d/b/a KLEENWELL BIOHAZARD AND GENERAL ECOLOGY CONSULTANTS.

DOCKET NO. TG-920304

PETITION FOR RECONSIDERATION AND STAY OF EFFECTIVENESS OF ORDER

COMES NOW the applicant Enoch Rowland, d/b/a Kleenwell Biohazard and General Ecology Consultants and Kleenwell Biohazard Waste and General Ecology Consultants, Inc. to petition for reconsideration of the Order served January 25, 1993 and pursuant to RCW 34.05.467, petitions for Stay of Effectiveness of Order pending the Reconsideration of the Petition proceeding.

HISTORY OF PROCEEDING

This is a classification proceeding, initiated by the Commission on its own motion, to determine whether the respondent is operating as a solid waste collection company without having obtained the required operating authority. The order of which Kleenwell seeks reconsideration is, like the initial order, structured so as to justify the conclusions reached rather than to reach a proper and just decision and one consistent with prior federal court decisions. The Commission clearly erred in finding that Kleenwell is engaging in purely intrastate activity in collecting waste and in the transportation for collection and in finding that Chapter 81.77 RCW is designed to protect legitimate

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state health and safety interests.

ARGUMENT

is engaged in the The respondent concedes that it transportation of biohazardous or biomedical waste and that the material it transports from various generators in the State of Washington is always intended to be and is ultimately transported to an out-of-state disposal facility that meets all applicable Kleenwell urges that under environmental regulations. reasoning of a decision entered January 22, 1992, by the United States District Judge John T. Copenhaber, Jr. in the United States District Court for the Southern District of West Virginia in Charleston in the case of Medigen of Kentucky, Inc. and Medigen of Pennsylvania, Inc. v. Public Service Commission of West Virginia et al, Civil Action No. 2:90-2761, 787 Fed. Supp. 602 (S.D. W.VA. Utilities any effort by the Washington Transportation Commission to require transporters of the medical wastes who are common carriers by motor vehicles engaged solely in interstate transportation of medical wastes to obtain a certificate of convenience and necessary prior to providing those services would be a violation of rights protected by the Commerce Clause of the U.S. Constitution.

The only requirement of the Chapter 81.77.040 is that solid waste collection companies are required to obtain a certificate of public convenience and necessity. This is clearly economic regulation solely and has no bearing on public health or safety.

Contrary to the findings in the Order, the West Virginia

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Medical Waste Act, West Virginia Code Sections 20-5J-1 through 20-SJ-10 (1991 Cum. Supp.) provides that transporters of infectious medical waste shall be regulated by the BSC under the Common Carriers of Motor Vehicles Act. West Virginia Code Sections 24A-2-1 through 24A-2-5 (1986 Repl. Vol. and 1991 Cum. Supp.). The West Virginia Act requires a prospective common carrier transporter to first obtain a certificate of convenience and necessity from the PSC before commencing operations in the state. Upon application for the certificate, a legal notice of the application is published in the proposed area of operation and existing transporters are given an opportunity to oppose the application. If no protest is made, the certificate may be granted without hearing. If protest is received, the applicant must appear at a hearing and demonstrate that the public convenience and necessity require the proposed Existing transporters may present contradictory service. Id. evidence. It is evident that the West Virginia Act is virtually identical to the regulatory scheme in the State of Washington.

In <u>Medigen</u>, <u>supra</u>, the sole issue before the court was whether defendants can require plaintiffs to obtain a certificate of public convenience and necessity prior to transporting medical wastes from West Virginia to another state for disposal. As is our position here, it was the contention of the plaintiffs in the West Virginia case that requiring a certificate of public convenience and necessity is unconstitutional and violates the Commerce Clause of the U.S. Constitution because it is direct regulation of interstate commerce and because its purpose is economic protectionism and

because it is designed to prevent free competition.

The Commission's decision clearly stands at odds with the Medigen case. The Medigen case is a federal court case which is now before the Fourth Circuit Court of Appeals having been argued in early December, 1992. Clearly the decision of the Court of Appeals in the Medigen case will be important to consider in resolution of the issues presented in the instant case involving Kleenwell.

It is our position that the <u>Medigen</u> decision is applicable to the facts at hand and that the Commission should await the decision on appeal before deciding Kleenwell's status or classification.

On page 4 of its decision, the Washington Commission endeavors to distinguish this case from the <u>Medigen</u> case on its facts. However, that effort must fail. While it is true that RCW 1.77.100 states that the purpose of Commission regulation of solid waste collection companies is "to protect the public health and safety and to ensure solid waste collection services are provided in all areas of the state," but there is no connection between those purposes and the requirement of certificate of public convenience and necessity.

On page 16 of its Order, the Commission stated that Kleenwell produced no evidence at all of a discriminatory purpose or effect of Chapter 81.77 RCW implying that this was Kleenwell's burden when the Medigen case clearly establishes that the requirement of the public convenience and necessity showing is in fact, under Medigen, a requirement which stands in violation of the Commerce

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Clause. If the <u>Medigen</u> decision is upheld by the Fourth Circuit Court of Appeals, the decision hereunder attacked would clearly be in error.

On page 16 of its Order, the Commission twice referred to a "South Carolina statute" when the statute involved was that of West Virginia.

On page 24, the Commission stated that <u>Medigen</u> did not involve an intrastate movement prior to the statement out of state, stating that the parties stipulated that neither company engaged in the intrastate transportation of medical waste from one point in West Virginia to another point in West Virginia. In fact, the <u>Medigen</u> movements are similar to those here under review.

In its brief, Medigen stated in Pennsylvania, medical waste is processed and then transported to disposal facilities owned by Kentucky and New York. The affiliated corporations in transportation to the processing facilities is no different from Kleenwell's transportation from the generators to the storage facility in Washington where it is stored pending the accumulation of a sufficient volume of waste to constitute a proper load to the out of state disposal facility. The transportation from the generator to the storage facility is the initial leg of interstate trip.

The Commission endeavors to claim that the transportation from the generators' location to the storage facility is not the initial leg of the interstate trip because Enoch Rowland testified that the generator does not care whether the waste is disposed of in the

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State of Washington or in another state. Mr. Rowland made clear in his testimony that he explained to the generators the service he provided in taking the waste collected in the storage facilities from which it would be transported to an out of state disposal This is what was intended in connection with all of the site. waste transported by Kleenwell and clearly the transportation from the generation to the storage facility was the first leg of an interstate trip, contrary to the Commission's findings. Due to the erroneous findings and conclusions referred to herein, respondent seeks reconsideration of the order here at issue and requests an indefinite stay of the effectiveness of the order. failure to grant stay would involve irreparable harm to Kleenwell as it would require respondent to either (1) discontinue its operations or (2) enter federal court requesting a temporary injunction, permanent injunction, declaratory relief and attorney's fees.

If the Commission endeavors to enforce its decision in an absence of an overruling of the <u>Medigen</u> decision, respondent will very seriously consider seeking relief in federal court. We believe that the Commission's decision cannot stand in light of the Medigen decision on virtually identical facts.

DATED this 4th day of February, 1993.

James T. Johnson

WSBA No. 1490

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Johnson

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