Bench Request No. 4:

Please indicate whether Rabanco also has a contingency plan in place should a labor disruption occur. If so, please provide a copy of that plan.

Response by Rabanco Ltd.:

Yes, in spring 2013 we developed a contingency plan for use in Washington for short-term labor disruptions and provided it to the Business Practices Section of the Commission before suffering a one-day sympathy walkout in April, 2013.

We caution that this attached plan was expressly preliminary and was evolving as this proceeding unfolded. Some of the elements/features of the plan have been modified and revised as reflected in the Item 30 verbiage referred to in Rabanco's August 16 Statement filed in this matter as the "Industry Proposal." In addition, work on the "separate operating plan for potential long-term labor disruptions" referenced in the last paragraph of the attached plan was in fact suspended due to the realization that the Commission would be clarifying criteria for such plans in its Order and that it was therefore appropriate to await the entrance of that Order.

Response:

John Lawler, Northwest Area Controller

Date:

November 25, 2013

Attachment 1 to Bench Request No. 4

Provisional Operating Plan in the Event of a Sporadic, Short Term Labor Disruption

Background: Rabanco Ltd./Republic Services ("the Company") has recently been experiencing short term or "spot" (1-2 day) labor disruptions by members of the Teamsters. These disruptions are currently based upon a dispute between Republic Services and the Teamsters in the Central States Pension Fund relating to where pension contributions should be made. In an apparent attempt to pressure Republic Services into settlement, they have picketed a number of our facilities across the country. It is possible that a short term picket line will be established in the Puget Sound area. The current collective bargaining agreement in effect authorizes union members to avoid lawful picket lines without fear of reprisal from the Company.

Prioritized and Measurable Goals for Restoring Service by Customer Class in All Service Areas:
Republic Services intends to deliver the highest possible service with all available resources at its
disposal in the event of any form of labor disruption. Regardless of location, our priority of service will

- 1. Critical Stops (hospitals, large waste generators, vital infrastructure)
- 2. Commercial MSW

be as follows:

- 3. Residential MSW
- 4. Commercial Food Waste/Organics
- 5. Residential Food Waste/Organics
- 6. Residential Recycling
- 7. Commercial Recycling

Communication and Assessment of Service Parameters Plan: If a short term disruption is initiated, the Company intends to implement the following program:

- 1. All key regulated and contract solid waste staff will receive an initial notification of the disruption.
- 2. The Company will then monitor and assess the situation. An assessment will be made of the number of available personnel (employees that cross the line, employees that will be willing to work behind the line, unrepresented employees in possession of a CDL and properly trained to operate a collection vehicle and "Blue Crew Members" in the area and available to work).
- 3. Based on the number of available resources, Republic Services will begin collections based on the above priority list. At a minimum, (based on the number of non-bargaining unit employees in possession of a CDL and properly trained to operate a solid waste collection vehicle) priority item #1 will be collected. We will not initiate collection of priorities 2-7 unless we are reasonably certain that we can complete that individual priority number during the collection day.

Attachment 1 to Bench Request No. 4

- 4. Once we have established our collection goals for the day based on the available resources, we will communicate to our regulated and city solid waste staffs the operating plan contemplated for the day.
- 5. Under that daily plan, we will communicate to our residential and commercial customers our collection plan and provide them with instructions on what to do with their solid waste receptacles including staging location for pick-up, containerization of extras, etc. This communication will be via our website, email and robo-calls (similar to reverse 911).
- 6. At the completion of the day, the Company will evaluate the results of its daily report which will be made available to regulated and city solid waste staffs.
- 7. In the event necessary, the previous procedure will be followed if the labor disruption extends to a second day.
- 8. Once the temporary labor disruption has subsided, an overall evaluation will be made to focus, particularly, on missed collections. If enough resources are available, a special collection will also occur on the Saturday/Sunday following the temporary labor disruption. The objective of the special collection will be to collect all materials not collected during the temporary labor disruption. If a special collection were to occur, this would be communicated to all regulated and city solid waste staffs. Residential and commercial customers would be notified via company website, email and robo-calls. Should the work stoppage caused by sympathy picketing proceed past two days and regular service for customers be disrupted in excess of one regular stop or pick up, the Company will either credit the customer for the missed stop or pick up extras during its next regular scheduled pick-up at no charge, provided the extras do not exceed double the number of containers for which the customer is normally invoiced.

Aftermath: Once the labor disruption has ended and service has returned to normal levels, a past-event comprehensive review will occur. Communications, information flow, operating plans and results, service completeness, and fallout will all be evaluated. Modifications and adjustments to the operating plan will be discussed and considered, culminating in a subsequent report containing empirical data, critiques and items for improvement and/or substitute measures will be outlined.

This operating plan is only applicable to sporadic or short-term (temporary) labor disruptions. A separate operating plan is being formulated for potential long-term labor disruptions that impact Company operations both in regulated and contract service in Washington State. Republic Services already has general national protocols and processes dealing with service disruptions. We anticipate working further with the staffs of the Commission and cities to finalize such a plan here and ensure it is tailored to unique local operating conditions and regulations. The Order anticipated soon in Docket No. TG-010374 will of course be instrumental in finalizing such a plan.