

**Exh. DS-1T
Docket TG-181023
Witness: Daniel Stein**

**BEFORE THE WASHINGTON
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Application of:

SUPERIOR WASTE & RECYCLE, LLC

for Authority to Operate as a Solid Waste
Collection Company in Washington

DOCKET TG-181023

**RESPONSE
TESTIMONY OF
DANIEL STEIN
ON BEHALF OF SUPERIOR WASTE & RECYCLE LLC**

Response Testimony

June 28, 2019

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1 **I. INTRODUCTION**

2 **Q. Please state your name and business address.**

3 A. My name is Daniel Stein. My business address is P.O. Box 480, Seabeck, WA 98380.

4
5 **Q. What is the purpose of this testimony?**

6 A. This testimony is my response based on Waste Management and WUTC's initial direct
7 testimony.

8
9 **II. REBUTTAL**

10 **Q. Waste Management argues result in duplication of services and, in turn, increased**
11 **rates for everyone. Is that an accurate statement?**

12 A. It is a generally accepted business principle that competition leads to lower prices.
13 Currently, Waste Management does not provide pack-out service. Even if they did, it
14 would cost \$100.00 or \$150.00 per month for Waste Management's one-mile max drive
15 in service. That is every other week service, costs would be double for a customer that
16 required once a week service. In any given month, if the customer requesting service
17 over the one mile the point was a Waste Management customer, he would be charged
18 \$200.00 - 250.00 per month by Waste Management. In comparison, Superior can offer
19 the same service for \$76.00 per month or less.

20
21 **Q. Waste Management states in its testimony that Item 80 of the Brem-Air tariff**
22 **(UTC Tariff 20, page 19) offers both carry-out and drive-in collection service for**
23 **an added charge, which is similar to the service you're offering?**

1 A. While Waste Management may have a specific tariff, they actually do not provide that
2 service in the area where I'm asking to be granted a certificate to operate. There have
3 been numerous complaints by customers and Waste Management denying service,
4 according to these customers, due to the added cost for Waste Management. Currently,
5 with the types of vehicles used by Waste Management in that area, Waste Management
6 does not have the ability to provide such service.

7

8 **Q. Do you believe Waste Management has a current plan in place, or can get a plan**
9 **in place by the end of the year to service the customers in the subject territory**
10 **before the end of the year?**

11 A. Unlikely. Waste Management has offered no proof of any ongoing attempts to provide
12 this service and has continuously refused service to its current customers. I am very
13 skeptical Waste Management will follow through with any proposal they may mention
14 after the case ends. They are happy with the status-quo and will continue in this matter
15 for as long as possible.

16

17 **Q. Waste Management mentions its G-Certificate is a valuable asset to the company.**
18 **What are the actual costs of getting a G-Certificate?**

19 A. Very negligible. Application fee to get a new certificate is \$200.00.

20

21 **Q. Waste Management states that it be allowed to be the only company that operates**
22 **in that territory. Is it possible for multiple companies to operate in one territory?**

23 A. There are already multiple companies operating such as Bainbridge Disposal, Basin
24 Disposal, Consolidated Disposal, Ed's Disposal, Excess Disposal Services, Naslund

1 Disposal, Nooksack Valley Disposal, Peninsula Sanitation Services, Pullman Disposal
2 Services, Republic Services, Rubatino Refuse Removal, Sam Juan Sanitation, Sound
3 Disposal, Sanitary Service Company, Stanley's Sanitary Service, Sunshine Disposal,
4 Waste Connections, Upper Valley Disposal, Waste Control, Waste Wise, and Zippy
5 Disposal Services. Additionally, WAC 480-70-151 allows for service agreements
6 between companies, which would be impossible if no competing companies were
7 allowed to exist.

8
9 **Q. Waste Management states they are willing to provide pack-out or drive-in service.**
10 **Is that accurate according to your knowledge?**

11 A. That is incorrect. Many of the customers that I propose to serve have requested this
12 service from Waste Management and have been denied time and time again. Most times they
13 are told there is not enough turn around space. Furthermore, if Waste Management was willing
14 to provide this service, they would not have limited themselves to one-mile for drive in service.
15 Many of the households in the subject area exceed the one mile. Waste Management also
16 would have offered to set up drive in service, when the 100-foot pack out rule was exceeded or
17 would have already developed a program such as the one I have developed to service the
18 customers that Waste Management normally ignores.

19
20
21 **Q. Mr. Weinstein in his testimony states in his 34 years of experience, he has never**
22 **seen anyone request or offer the particular, highly specialized services Superior proposes.**
23 **Is there a need for such a service?**

1 A. Waste Management's current customers are continuously asking for this service.
2 Furthermore, Mr. Rutledge's testimony indicated that he understands that Waste Management
3 or its affiliates may be offering similar service or using similar vehicles elsewhere, and there is
4 possibly a need for type of service suggested by Superior. Waste Management also testified
5 that it is considering use of smaller, specialized collection vehicles for pack out service. Along
6 with that Waste Management testifies it is considering submission of new or revised tariff
7 sheets to implement a new service. Both of these statements cannot be correct. Either Mr.
8 Weinstein is not involved in the day to day operations of Waste Management, or does not have
9 accurate information on the needs of its customer base.

10

11 **Q. Waste Management testifies that there may not be a need to add any additional**
12 **service. Is that accurate?**

13 A. Waste Management has known this problem has existed for years and a specialized
14 service needs to be added according to its customers and various newspaper articles. Yet,
15 Waste Management's intent has been to keep business as usual.

16

17 **Q. Waste Management points out a business called Trash Maidz and states Superior**
18 **can operate in a similar capacity. Is that accurate?**

19 A. The model that may work for Trash Maidz cannot work for Superior or its customer
20 base. Customers would be charged twice for the same service one company should be
21 providing to them. That is not fair or just for the customers. Although Waste Management
22 would be acceptable to this, as their bottom-line profit margin would not change, Superior does
23 not believe this is a right proposal.

24

1 **Q. Waste Management believes you are seeking general authority to provide**
2 **municipal solid waste and recycling within its proposed territory. Is that correct?**

3 A. I am applying for a certificate to serve customers that require pack-out and drive-in
4 service.

5

6 **Q. Is it your understanding that separate category for pack out service exists?**

7 A. My understanding is that it does not, however it used as it is a very unique and
8 specialized type of collection that require special vehicles.

9

10 **Q. Is there precedent for creating special categories of service?**

11 A. Yes, a special category was previously created for biomedical waste.

12

13 **Q. Waste Management specifies a list of concerns about Superior's continuing**
14 **effective service, including Superior's backup plans, once Superior is granted a**
15 **certificate. Do they have any validity?**

16 A. None. As superior grows it will purchase another vehicle, hire employees as needed,
17 and already has backup drivers in place. Unlike Waste Management, Superior has never
18 missed a scheduled pickup. According to the testimony of the Commission, Superior does
19 have the ability to provide effective service to all its customers. Furthermore, the question of
20 this inquiry is not about Superior, but whether Waste Management is meeting the needs of its
21 customers that is satisfactory to the commission. The answer to that is Waste Management is
22 not. Even with Waste Management's multiple backup plans, they have been unable to service
23 its customer base adequately.

24

1 **Q. Waste Management claims Superior does not have the ability to serve the**
2 **customers in Waste Management's territory, if Superior is granted a certificate?**

3 A. Waste management is again attempting to confuse and muddle the matter. Superior is
4 only attempting to gain a certificate and provide pack out and specialized services to its
5 customers.

6
7 **Q. Waste Management has questioned Superior's ability to keep records and comply**
8 **with other Commission rules and regulations. Does Superior have the ability to do that?**

9 A. Superior is not currently obligated by rules and regulations of UTC, such as record
10 keeping, office address, office hours, as it currently does not have a G-certificate. Superior has
11 plans to comply with all requirements as soon as the Commission is satisfied and the certificate
12 is granted.

13

14

IV. CONCLUSION

15 **Q. Does this conclude your testimony?**

16 A. Yes.