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7 BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION

8 IN THE MATTER OF:

NO. TG-

9 PETITION FOR EXEMPTION BY
10 RABANCO, LTD. D/B/A LYNNWOOD
11 DISPOSAL

DECLARATION OF ALEX BRENNER
IN SUPPORT OF THE PETITION FOR
EXEMPTION FROM PORTIONS OF
WAC 480-07-520(4) OF RABANCO,
LTD. d/b/a LYNNWOOD DISPOSAL

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13 Alex Brenner declares:

14 1. I am the Senior Market Analyst for the Northwest Area for Allied Waste
15 Republic Services Company. I have been employed by Allied Waste since October, 2005 and
16 am responsible for working with the WUTC for rate cases, commodity credit and other
17 regulatory filings, and also work on city contracts and bid proposals and various other financial
18 analyses for the company. I am over 18 and competent to testify in the matters set forth below
19 and have personal knowledge of those matters.

20 2. Lynnwood Disposal currently services approximately 16,600 regulated
21 residential customers and 975 regulated commercial solid waste customers largely in
22 Snohomish County.

23 3. Much of the accounting for city contract, commercial recycling, transfer station,
24 special waste and other services is not isolated or is otherwise combined both for revenue and
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1 cost reporting purposes in Rabanco Ltd. since there has been no requirement on an overall
2 reporting basis to isolate/segregate those data.

3 4. Petitioner is filing separated and segregable data as concerns regulated and
4 unregulated operations of Lynnwood Disposal, as well (as requested in ¶7 of the Petition) and
5 under WAC 480-07-520(4)(e) transactions or relationships that intersect the tariff-filing
6 entity's operations in order to allow audit of the cost allocations attributable to the transactions.

7 5. The Company as a whole has responded to the Commission's letters to the
8 industry in April and November, 2009 by initiating standardized reporting procedures across
9 tariff divisions to attempt to ensure comparable data. It is also working with the parent
10 company's IT department to allow for easier extraction of data from our accounting system and
11 for consolidation of divisions for reporting purposes to better measure and separate all
12 individual and combined business operations which include either fully isolated costs or costs
13 which are allocable based on route hours and/or revenue or customer counts depending on
14 particular circumstances of the featured business operation.

15 6. Because of the traditional treatment/interpretation of the requisite data
16 supporting a tariff filing, necessary accounting schedules and computations for evaluating the
17 results of operations of the division requesting a rate adjustment are far more refined and
18 specific than are the various financial data for other non-regulated businesses operated by the
19 holder of G-12 as a whole.

20 7. Due to the longstanding and familiar data points/measurement tools for
21 analyzing projected revenue requirements against a backdrop of reported results of operations
22 for a tariff division which has historically reported in successive rate filings over a period of
23 years, the format for reporting for a tariff-filing entity such as Lynnwood Disposal is more
24 reliable than that more informally compiled for unregulated operations of Rabanco Ltd. The
25 latter reporting format has neither been subject to regulatory utility accounting principals such

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1 as Lynnwood Disposal's reporting format, nor has it been aligned with measurement standards
2 like the Lurito-Gallagher revenue requirement for various classes of solid waste customer
3 service that regulated tariff filing divisions have engaged in over the past two or so decades.

4 I declare under penalty of perjury under the laws of the State of Washington that the
5 foregoing is true and correct.

6 DATED this 29th day of June, 2010 at Bellevue, Washington.

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8 By 
9 Alex Brenner

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