RATE INCREASE NOTICE FOR COMPACTOR SERVICE

Dear Customer: December 30, 2010

Mason County Garbage Co., Inc. has filed a request for a rate increase with the Washington Utilities and Transportation Commission (WUTC). The last general rate increase was approved by the WUTC April 1, 2001. Since that time, the Company has experienced increases in operating costs in the areas of labor, employee benefits, fuel, parts and equipment amongst other categories which it now seeks to update in rates. In addition the Board of County Commissioners voted to increase the tipping fee by $.64 per ton effective January 1, 2011.

If approved, the proposed rates will become effective February 1, 2011. The rate per haul will increase as follows:

|  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- |
|  |  |  | Proposed  |  |  |
|  | Current Rate |  | Increase |  | Proposed Rate |
| **Compactors:** | Per Haul |  | Per Haul |  | Per Haul |
| 10 yard | 73.80 |  | 51.50 |  | 125.30 |
| 15 yard | 85.15 |  | 59.40 |  | 144.55 |
| 20 yard | 90.80 |  | 63.40 |  | 154.20 |
| 25 yard | 99.30 |  | 69.30 |  | 168.60 |
| 30 yard | 113.50 |  | 79.30 |  | 192.80 |
| 35 yard | 130.55 |  | 91.05 |  | 221.60 |
| 40 yard | 130.55 |  | 91.05 |  | 221.60 |
| Excess miles | 1.40 |  | 1.00 |  | 2.40 |
| Tipping fee per ton | 80.40 |  | .64 |  | 81.04 |
| Other services not listed will increase an average of 69.8%  |  |  |  |  |

The Commission has the authority to set final rates that may be either lower or higher from the Company’s request, depending on the results of its investigation. Commission staff will make a recommendation to the Commissioners at an open meeting in Olympia, which is scheduled for 9:30 a.m. on January 27, 2011. You will have an opportunity to comment in person at this meeting. If you are unable to attend the open meeting, the Commission has a bridge line which enables you to participate or listen by telephone. Call 360-664-1234 for instructions the day before the open meeting. You can also comment by using the “Public Comment” feature at the Commission’s Web site at utc.wa.gov or by using the contact information below.

Washington Utilities and Transportation Commission

1300 S Evergreen Park Dr SW

Post Office Box 47250

Olympia, WA 98504-7250

E-mail: comments@utc.wa.gov

Telephone: 1-888-333-WUTC (9882)

If you have any questions regarding this increase, please contact Mason County Garbage Co., Inc. between 8:00 a.m. and 4:00 p.m. Monday through Friday.

Sincerely,

Management

Mason County Garbage Co., Inc.