

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant

v.

WASTE MANAGEMENT OF
WASHINGTON, INC., d/b/a WASTE
MANAGEMENT – NORTHWEST,

Respondent.

.....
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant

v.

WASTE MANAGEMENT OF
WASHINGTON, INC, d/b/a WASTE
MANAGEMENT – SNO-KING,

Respondent.

.....
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,

Complainant,

v.

WASTE MANAGEMENT OF
WASHINGTON, INC., d/b/a WASTE
MANAGEMENT – SOUTH SOUND,
WASTE MANAGEMENT OF SEATTLE,

Respondent.

DOCKETS TG-101220, TG-101221
and TG-101222 (consolidated)

COMMISSION STAFF RESPONSE
TO WASTE MANAGEMENT
PETITION FOR LEAVE TO
EXTEND REVENUE SHARING
PROGRAMS AND RECYCLING
COMMODITY PRICE
ADJUSTMENTS

1 On July 12, 2011, the respondents in these consolidated dockets (collectively, “Waste Management”) filed a Petition for Leave to Extend Revenue Sharing Programs and Recycling Commodity Price Adjustments. Accompanying the petition were copies of a “Waste Management Recycling and Commodity Revenue Sharing Plan for King County, Extension No. 1, September 1-November 30, 2011,” and a “Waste Management Recycling and Commodity Revenue Sharing Plan for Snohomish County, Extension No. 1, September 1-November 30, 2011.” Each plan extension bears on its final page a certification by an authorized county official, in accordance with RCW 81.77.185(1).¹ Attached to the extensions is a “King and Snohomish County Revenue Sharing Plan Budget, September 1 – November 30, 2011 Extension Period.” Waste Management-Northwest also filed a letter from Snohomish County that expresses support for continuing that company’s current recycling commodity credit through November 30, 2011.²

2 The Staff of the Utilities and Transportation Commission (“Commission Staff”) does not oppose the extensions Waste Management seeks. Three months is a reasonable time to maintain the status quo pending resolution of the matters under litigation in these consolidated dockets. As explained below, however, the extensions should be subject to conditions.

3 In its Revenue Sharing Plan Budget for the extensions, Waste Management projects that it will receive \$916,300 from the sale of recyclable materials that it collects from “WUTC customers” during the September 1 – November 30, 2011 period. Waste Management proposes to spend \$421,400 (46%) on recycling activities, to keep \$36,750

¹ In a separate filing on July 13, 2011, King County also submitted a letter certifying consistency with the King County Solid Waste Management Plan.

² See WAC 480-70-351(2).

(4%) as profit, and to pass the remaining \$458,150 (50%) to residential customers. The Revenue Sharing Plan Budget that Waste Management submitted on November 1, 2010, for the September 1, 2010 – August 31, 2011 period, also contained a line item for profit. That profit item is currently the subject of litigation in these dockets. As described in the Commission Staff Motion for Summary Determination and Argument in Support Thereof, filed June 30, 2011, the recycling plans that Waste Management submitted on November 1, 2010 do not demonstrate that the proposed profit under the plan budget is a “use[] to increase recycling” within the meaning of RCW 81.77.185. For the same reasons, the recycling plan extensions that Waste Management has now submitted do not demonstrate that the proposed profit under the plan budget is a “use[] to increase recycling” within the meaning of RCW 81.77.185.³

4 Orders 01 and 02 in these dockets authorized Waste Management to retain fifty percent of the revenue it receives from the sale of recyclable materials collected in its residential recycling programs, subject to refund.⁴ Any extension of that authority should also be subject to refund pending resolution of the litigation in these dockets. Should the Commission issue a final order requiring Waste Management to refund to residential customers revenues that Waste Management has retained as profit during the 2010-2011 recycling plan period, that order should likewise apply to revenues collected during any extension that the Commission may grant.

5 Finally, if the Commission grants Waste Management’s petition, the Commission

³ The Revenue Sharing Plan Budget that Waste Management submitted on November 1, 2010, contained an allocation for equipment at the Cascade Recycling Center. The Revenue Sharing Plan Budget for the three-month extension does not allocate money for such equipment. Paragraphs 25 and 26 of the Commission Staff motion for summary determination focus on the allocation for equipment at the Cascade Recycling Center and do not apply to the budget that Waste management has submitted for the three-month extension.


⁴ Docket TG-101220, Order 01 ¶ 20, Order 02 ¶ 16; Docket TG-101221, Order 01 ¶ 20, Order 02 ¶ 16; Docket TG-101222, Order 01 ¶ 20, Order 02 ¶ 16.

should order Waste Management to file revised tariff pages that show the commodity credits will expire November 30, 2011.

DATED this 17th day of July 2011.

Respectfully submitted,

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