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June 9, 2010

David W. Danner
Director and Executive Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive S.W.
P.O. Box 47250
Olympia, WA 98504-7250

Re: Waste Management of Washington, Inc.:

2010 Recycling Commodity Credits - Request for Less than

Statutory Notice

(Docket Numbers TG-090759, TG-090760 and TG-090761)

Dear Secretary Danner:

This letter is to formally request approval from the Commission for Waste Management of Washington, Inc. ("WMW") (Certificate of Public Convenience and Necessity No. G-237) to continue charging the recycle commodity adjustment rates that are currently stated in the tariffs for the operating divisions of Waste Management – Northwest (Tariff No. 17, Item 100, 1st Revised Pages 21 & 22), Waste Management – Sno-King (Tariff No. 15, Item 100, Original Page 21) and Waste Management – South Sound/Waste Management of Seattle (Tariff No. 21, Item 100, 5th Revised Page 21). Because the recycling trackers in the tariffs for these three operating divisions currently expire on June 30, 2010, WMW requests less than statutory notice on the extension of the rate under WAC 480-70-276 for an effective date of July 1, 2010.

In a letter to the Commission dated May 17, 2010, WMW explained the merits for this request, having to do with the status of revenue sharing plans between the company and King and Snohomish Counties. The ability to calculate new recycling commodity adjustments is tied to complications of having new plans certified by the Counties. The Counties wish to evaluate performance data for the preceding year which just ended on March 31 in order to inform the terms and conditions of new

revenue sharing plans. Because legislation was enacted that authorized an increased percentage for revenue sharing that concern is understandable. WMW is vigorously undertaking analysis of the preceding year, and the parties are negotiating in good faith to prepare new plans.

To buy time for that process to take place, extending the existing recycling credit adjustments under provisions of the existing revenue-sharing plan is the simplest way to protect the customers from unnecessary rate fluctuations. It would not be in the public interest to calculate a 2010 recycling commodity tracker based on a revenue-sharing plan that will possibly become outdated shortly afterwards. Continuing the current adjustment amount and revenue-sharing arrangement will keep the same recycling credit on the ratepayers' bills and therefore the merit of refraining from notice until the updated amount is established outweighs the expense of notifying customers of the extension, and supports WMW's request for less than statutory notice from the customer notice requirements under WAC 480-70-271. The deferred accounting methodology employed in calculating the recycling commodity adjustment lends itself to allowing for an extension of the existing amount.

When the existing recycling credits were approved in 2009, the Commission ordered the company to file its next commodity adjustment with forty-five days' notice. For purposes of managing the workload of the Commission's auditing staff, extending the existing recycling commodity tracker would enable a forty-five day notice to be more easily accommodated.

WMW aspires to filing a new rate under a new revenue-sharing plan on June 15, for an effective date of August 1. However, despite the parties' intentions and good faith efforts, it may not be possible to have new revenue-sharing plans certified by both King and Snohomish Counties by June 15. For that reason, WMW requests an effective date of July 1 for the extension but urges the Commission to approve an expiration date for the current tracker that allows for the possibility of needing more time for the Counties to negotiate and certify the new plans. We suggest that the Commission condition its approval of this extension request on requiring WMW to file for new recycling adjustments with forty-five days notice "as soon as practicable following certification of the applicable revenue-sharing plan."

¹ See In the Matter of the Petition of Waste Management of Washington, Inc. d/b/a Waste Management — Northwest, Docket TG-090759; In the Matter of the Petition of Waste Management of Washington, Inc. d/b/a Waste Management — SnoKing, Docket TG-090760; In the Matter of the Petition of Waste Management of Washington, Inc. d/b/a/ Waste Management — South Sound, Waste Management of Seattle, Docket TG-090761 (collectively Order 01 Approving Commodity Credits; Authorizing Revenue Sharing; and Requiring Deferred Accounting Treatment for Recyclable Commodities Revenue (June 25, 2009)).

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forth an expiration date, the tariff item could state that the recycling commodity adjustment expires "according to the terms of the Commission's order" issued in these dockets; or "no later than September 30, 2010" in order to avoid the administrative burden of duplicating this request.

WMW therefore requests that the Commission approve an extension of the applicable existing recycling credit adjustments under the provisions of the existing plans on less than statutory notice for an effective date of July 1, 2010, with an expiration date that allows reasonable time for the Counties to certify new revenue-sharing plans plus sufficient time for the company to calculate the amount of the updated recycling commodity tracker and file with forty-five days' notice, and without further notice to customers until the new rate is determined.

We very much appreciate staff's assistance with this matter, and we thank the Commission for its consideration of this request.

Sincerely,

SUMMIT LAW GROUP PLLC

Polly L. McNeill

cc:

Mike Weinstein Susan Robinson Gene Eckhardt Dave Gomez Sally Brown