

July 15, 2009

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

RE: Withdrawal of Tariff Filings
Sanitary Service Co, Inc., G-14 (Docket No. TG-090904)
Blaine Bay Refuse, Inc., G-145 (Docket No. TG-090901)

Dear Mr. Danner:

This letter is to withdraw the general rate filings for Sanitary Service Co, Inc. (SSC), G-14 (Docket No. TG-090904) and Blaine Bay Refuse, Inc. (BBR), G-145 (Docket No. TG-090901).

On June 12, 2009, SSC and BBR submitted revised tariff pages and work papers requesting an effective date of August 1 for increases to solid waste collection rates. The companies were informed on July 13 that the filings were not in compliance with WAC 480-07-520(4)(a), which requires as part of the work papers, "A detailed pro forma income statement separated among solid waste, single family residential recycling, multifamily recycling, and yard waste, with restating actual and pro forma adjustments, including all supporting calculations and documentation for all adjustments."

The companies do not concede that the filings failed to comply with this rule. Both filings included a pro forma income statement in which income was separated by the various lines of operation. The work papers did not include a detailed profit and loss statement for each of the separate divisions. The filing for Sanitary Service Company included far more analysis – only the yard waste and residential recycling revenues and expenses, which are performed by a subsidiary company and for which no rate change was requested, were stated together. The filing for Blaine Bay Refuse was less detailed because our ability to compile data for BBR is constrained due to the recent acquisition of control over that company which limited the time period in which we were able to document cost allocations.

Staff has informed us of their position that WAC 480-07-520(4)(a) requires work papers to include a stand-alone income statement for each line of business. There is no agency guidance document or policy communicating that interpretation. These filings are consistent with the form and substance of prior filings made by SSC – and the rule only

speaks in terms of one statement being required. We do not agree with staff's interpretation, and at the very least wish that someone had told us sooner.

Regardless, in the interest of moving forward, the companies have resolved that the most expeditious means of addressing staff's concern is to withdraw the filings and prepare the analysis requested. Please, therefore, consider the filings withdrawn.

Thank you for your attention to this matter. If you have any questions, please call me at (360) 734-3490 or contact me at ed@ssc-inc.com.

Sincerely,

Edward Nikula
Vice President

cc: Polly McNeill