Agenda Date: August 30, 2012 Item Numbers: B3, B4 and B5

Dockets: TG-120840, TG-120842 and TG-120843

Company Name: Waste Management of Washington, Inc. G-237

Staff: Penny Ingram, Regulatory Analyst

Recommendation

Issue a Complaint and Order Suspending the Tariff Revisions filed by Waste Management of Washington, Inc., on June 6, 2012.

Discussion

On June 6, 2012, Waste Management of Washington, Inc., (Waste Management or company) d/b/a Waste Management of the Northwest, Waste Management of Seattle and South Sound, and Waste Management of Sno-King, filed tariff revisions with the Utilities and Transportation Commission (commission). The proposed filings add language regarding missed pickups due to a labor dispute to Item 30 in its three tariffs.

Waste Management of Northwest provides regulated solid waste collection service to approximately 85,000 customers in Snohomish County. Waste Management of Seattle and South Sound provides solid waste collection services to approximately 20,000 customers in King County. Waste Management of Sno-King provides regulated solid waste collection service to approximately 22,000 customers in King County.

WAC 480-70-281 requires all solid waste collection companies to file proposed tariffs on forms available from the commission or on comparable forms approved by the commission. The commission adopted the current tariff template in 2001 in Docket TG-010374, which does not include Waste Management's proposed language for labor disputes in Item 30, Limitations of Service.

On May 18, the commission sent a letter to Waste Management reminding the company that its tariff does not address labor disputes. Waste Management worked with commission staff to craft proposed tariff language and filed proposed tariffs on June 6, all scheduled to become effective August 1. On July 12, Waste Management, at commission staff's request, postponed the effective date of the three tariffs to September 1. Staff asked the company to postpone those tariffs so that we could continue working with the company and the broader industry to bring an industry-wide proposal to the commission instead of company-specific proposals.

On July 25, Waste Management employees went on strike. That same day, the company filed a request that the commission consider and approve its pending tariff revisions at the July 27 open meeting. The commission discussed the pending tariffs at the July 27 open meeting, but took no action on the company's request.

Dockets TG-120840, TG-120842 and TG-120843 August 30, 2012 Page 2

On August 9, the commission held a special open meeting in Woodinville to discuss the company's response to the strike and to hear from the public how the strike impacted customers.

On August 21, 2012, the company asked the commission to "...approve, on a temporary basis, the Company's proposed methodology for handling missed collections, while at the same time refraining from an approval about the tariff language itself."

The recent labor dispute has raised many operational questions that still need to be answered before staff can finish its analysis of the proposed tariffs. Therefore, the company has not demonstrated the proposed tariffs are fair, just, reasonable, or sufficient.

Conclusion

Issue a Complaint and Order Suspending the Tariff Revisions filed by Waste Management of Washington, Inc., on June 6, 2012.