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April 25, 2007

Carol Washburn, Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive S.W. P.O. Box 47250 Olympia, Washington 98504-7250

Re: Waste Management of Washington, Inc. d/b/a Waste Management of Ellensburg d/b/a Waste Management of Greater Wenatchee (TG-070525)

Secretary Washburn:

On behalf of Waste Management of Washington, Inc. (WMW), this letter is to respond to comments submitted on the above-numbered tariff filing for WMW's Central Washington operations by the Countywide Solid Waste Program of Douglas County in correspondence from Ron Draggoo, dated April 13, 2007. WMW looks forward to working with Mr. Draggoo's program to resolve issues he raises, but for reasons more fully discussed below we believe his comments are mostly based on erroneous understandings and assumptions.

To begin with, several of Mr. Draggoo's comments rely on references to a Douglas County Service Level Ordinance that has apparently not been codified or otherwise made publicly available. For example, the first concern expressed in Mr. Draggoo's letter relates to yard debris collection that is ostensibly required by the cited ordinance. WMW was not aware of this obligation. The officially-enacted Douglas County Code has a chapter entitled "Collection of Designated Recyclables," but it is apparently not the same as the ordinance Mr. Draggoo references. *See* Ch. 8.24 Douglas County Code. The codified service level regulations do not mention yard

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debris at all. The company has relied on the Douglas County Code, and although it was aware that Douglas County was considering adoption of a new service level ordinance in 2003, WMW assumed any legal mandates adopted by the County would be ultimately codified.

If WMW's tariff adjustment had not been filed and published for comment, we might not have been informed of the requirement to offer yard debris services at all. Certainly Mr. Draggoo has not sought fit to communicate any concern to the company before this. There was no reason to reasonably anticipate it, because the public need for collection of yard debris in Douglas County is doubtful. As far as we know, the closest processing facility is Royal City Organics, over 80 miles away. The unincorporated areas of Douglas County are largely agricultural. Yard waste collection would probably only be utilized if a ban on backyard burning or composting were enacted. The cost of providing the services would be high, and the demand would be low. Nonetheless, WMW will work with Mr. Draggoo to evaluate yard debris collection services and, if the services are determined to be legally required, the company will file a separate tariff rate.

Mr. Draggoo's comment regarding the Douglas County Solid Waste Disposal Host Agreement is even more perplexing, especially in the context of a WUTC tariff filing. Other than perhaps confirming that the host fee payments are indeed legally required by the landfill, the parties' obligations under the contract are not the subject of Commission scrutiny or enforcement. The Greater Wenatchee Regional Landfill has consistently submitted payments that are required by the agreement to the Douglas County Program, and Mr. Draggoo's letter does not suggest otherwise. If there are any concerns about how the fee is being remitted, although the company would obviously be interested in learning what they might be and in resolving them with Mr. Draggoo, this comment is not relevant to the filing before the Commission.

Other comments in Mr. Draggoo's letter are based on misunderstandings. Several paragraphs relate to the notes regarding the expiration date for the annual solid waste collection fee, which are merely an indication that the amount changes year-by-year. The notes are not meant to state a termination date for the fee itself, and instead perpetuate the manner in which this fee has been noted in tariffs for some years.

Finally, the comments about costs of preparing annual reports and distributing consumer information are hard to understand. Contrary to what Mr. Draggoo seems to be suggesting, under no circumstance would charges related to those items be stated as separate rates under a tariff. The expense of compliance would be instead subsumed in the company's overall administration cost. Costs aside, even though these information obligations are derived from the unpublished ordinance, nonetheless WMW is in substantial compliance with the reporting and information requirements stated.

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For instance, WMW already provides Douglas County with annual volume reports, broken down by service categories. Indeed, this is how the annual solid waste collection fee is calculated each year. In the future, if the County would like further break-downs of the data than is now provided, the company will do so in accordance with what the adopted code requires.

With regard to customer information, WMW regularly distributes materials to new residential and commercial customers providing some, but not all, of the information identified in Mr. Draggoo's letter. However, in investigating the concerns raised by his letter, the company has discovered that it is not in strict compliance with the availability of information requirements of the WUTC's regulations under WAC 480-70-361. Even though the comment letter was again relying on obligations in the unpublished ordinance, nonetheless the company's compliance with state regulatons for availability of information is the only valid issue raised by the Douglas County comments, albeit indirectly. WMW will institute corrective actions immediately to supplement its existing information distribution practices. The company's administrative costs of doing so would be incremental, and would not affect the rates proposed in the requested tariff.

In sum, Mr. Draggoo's comments have no meaningful impact on the tariff filing before the Commission. WMW wishes his concerns had been communicated directly to the company outside of the context of the WUTC's proposed action, because for the reasons discussed above most of them could have been easily corrected or addressed. The company apologizes to the Commission for its failure to ensure adequate communications with Douglas County's local solid waste manager, but nonetheless requests that its requested tariff be approved without any further changes.

Sincerely,

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