

# **EXHIBIT 3**

## SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT is entered into this 30th day of April, 2007, by and between the undersigned parties (collectively referred to as the "Settling Parties"). The purpose of this Settlement Agreement is to settle the matters arising from the filing of US Ecology Washington, Inc. ("US Ecology" or "Company"), to be made on or before May 1, 2007.

### BACKGROUND

Each of the Settling Parties or their predecessors participated in the original rate case involving US Ecology, Inc. under Consolidated Docket Numbers UR-950619 and UR-950620 (collectively the "Original Docket"). In the Original Docket, the Settling Parties or their predecessors were participants in the docket and participated in detailed and exhaustive collaboration processes. The result of the collaboration processes was the execution of a stipulation and a settlement agreement, each of which was ultimately accepted by the Washington Utilities and Transportation Commission ("Commission"). The first of these documents addressed the rate design aspects of the case and was accepted by the Commission in its Fifth Supplemental Order in the Original Docket. The second was in the form of Settlement Agreement on revenue requirement issues. That Settlement Agreement was accepted by the Commission in its Sixth Supplemental Order in the Original Docket. The result of the Original Docket was a Commission order accepting the settlements reached among the Settling Parties (and others) that established a rate design and a revenue requirement that would be in place for a period of six years (ending with calendar year 2001).

With a desire to continue using the rate design which was agreed to and approved in the Original Docket and to avoid the high cost and expense of additional detailed collaborative and other adjudicatory processes, the Settling Parties or their predecessors entered into a new Settlement Agreement which retained all relevant language from the former stipulation and Settlement Agreement. With this new Settlement Agreement, the Company filed a tariff for another six year period (expiring at the end of the 2007 calendar year) with a considerably reduced revenue requirement. The Commission accepted this new Settlement

Agreement in the Commission's Docket Numbers UR-010623 and UR-010706.

The Settling Parties desire to continue using the same rate design which we have become accustomed and to again avoid the high cost and expense of additional detailed collaborative and other adjudicatory processes and desire to have the matter resolved pursuant to this Settlement Agreement.

WHEREFORE, in consideration of mutual promises and benefits that may be gained therefrom, the Settling Parties desire to enter into this Settlement Agreement and present it to the Commission for its consideration.

#### AGREEMENT

##### 1. Rate Adjustment Mechanism.

In the Original Docket, the Settling Parties or their predecessors agreed to a rate adjustment mechanism. The Settling Parties desire that the rate adjustment mechanism be continued. For ease of reference, that rate adjustment mechanism is as follows:

Rates for disposal of low-level radioactive waste ("LLRW") at the Richland site will be adjusted each January 1, beginning January 1, 2009, by a rate adjustment mechanism with the following elements:

(a) Inflation Adjustment. The revenue requirement (after exclusion of certain expense items) shall be adjusted by a percentage equal to the change in the Inflation Index during the preceding year. "Inflation Index" shall mean the Implicit Price Deflator for Gross Domestic Product as reported by the U.S. Department of Commerce, Bureau of Economic Analysis. The expense items to be excluded before applying the Inflation Index are: depreciation, rate case expense, amortization of goodwill, leasehold rent, and associated leasehold taxes.

(b) Annual Projections. Rates shall be determined each January on the basis of projections provided by the Company's customers, according to the following procedure. On or about October 15 of each year, the Company shall submit a written request to each of its customers for estimates of LLRW by volume (in cubic feet), numbers of

containers and shipments, and average dose rate per container (in millirems per hour) to be disposed by such customers at the site during the following calendar year. For those customers not responding to the request for estimates, the Company shall prepare its own estimate of the LLRW that these customers can be expected to deliver to the site during such calendar year. On the basis of the estimates prepared by the Company and its customers, the Company shall calculate total projected LLRW for the calendar year. Estimates of volumes which meet the requirements of RCW 81.108.020(3) as "extraordinary" shall be included in the calculation weighted at 51.5% of such volume estimates. Estimates of decommissioning waste volumes shall be included in the calculation weighted at 80% of such volume estimates; provided, however, that the quantities set forth in such estimates must satisfy the requirements of paragraph 2(c) below.

(c) Use of "Safety Margin." In determining rates, a "safety margin" shall be included by basing rates on 80% of projected amounts; provided, however, that:

(1) The safety margin shall not be applied to the site availability charge component, and

(2) Application of the safety margin to the dose rate charge shall be effected by dividing the revenue requirement for the dose rate component by 80% rather than by basing rates on 80% of projected amounts.

The sample calculation attached as Schedule 1 to Exhibit A (see line 39 of Sheet 1) illustrates the application of the safety margin.

(d) Deferred Accounting. Deferred accounting shall be used to track over and under-recoveries, calculated separately with respect to each rate component, as follows:

(1) Over-recoveries shall be refunded promptly (rather than carried forward), with refund amounts determined according to actual deliveries during the year.

(2) Under-recoveries shall be carried forward and added to the revenue requirement in a subsequent year.

(3) An individual customer may cease payment of the dose rate component once its total payments equal the portion of the total revenue requirement allocated to the dose rate component.

The sample calculation attached as Schedule 1 to Exhibit A (see lines 1-14 of Sheet 1) illustrates the operation of deferred accounting.

## 2. Rate Design.

In the Original Docket, the Settling Parties or their predecessors reached agreement on the rate design to be used for LLRW, and desire that rate design to continue. For ease of reference, the agreed upon rate design is as follows:

(a) General. The Settling Parties agree that rates will be set on the basis of a rate design with the following rate components and percentages of revenue requirement responsibility:

(1) Site availability charge	22.0%
(2) Volume	31.6%
(3) Shipments	10.7%
(4) Containers	21.5%
(5) Activity as measured by dose rate at container surface	14.2%

(b) Structure of Site Availability Charge. The site availability charge shall be recovered from holders of site use permits issued by the Department of Ecology according to the rate structure used in the Original Docket, provided, however, that:

(1) Educational research institutions which generate LLRW for research, medical or educational purposes shall be placed in a rate block for the site availability charge which is one (1) lower than what would otherwise apply through application of the block criteria shown on Schedule 2 of Exhibit A.  
"Educational research institution" means a state or

independent, not-for-profit, post-secondary educational institution.

(2) As to LLRW which arises as residual or secondary waste from brokers' provision of compaction or processing services for others, if application of the block criteria shown on Schedule 2 of Exhibit A would place a broker in a rate block for the site availability charge which is greater than Block No. 7, such broker shall be placed in the rate block which is the greater of (i) Block No. 7, or (ii) the block which is two (2) lower than what would otherwise apply through application of the block criteria shown on Schedule 2 of Exhibit A. "Brokers" are those customers holding the "broker" classification of site use permits issued by the Department of Ecology.

(3) If necessary due to changes in the mix or number of customers, the rate schedule for the site availability charge shall be revised annually. In making such revisions, the relationships between a particular block's rate and the rates for the other blocks shall be preserved; provided, however, that;

(i) the annual charge per generator for any block shall not in any event increase by a percentage greater than two (2) times the percentage increase in the Inflation Index during the preceding year; and

(ii) the maximum annual charge per generator shall not in any event exceed an amount equal to 2.4% of the revenue requirement for the Richland site, which amount shall be adjusted annually beginning January 1, 2009 by a percentage equal to the change in the Inflation Index during the preceding year.

Any under-recovery in the site availability charge revenue requirement in any year as a result of the application of the above limitations shall be assigned to the other rate components (volumes, shipments, containers and activity) proportionate to the percentages of revenue requirement responsibility set forth in (2) through (5) of paragraph 2(a). Such reassignment shall not continue in years thereafter unless determined to be necessary upon

the recalculation of the above limitations for such years.

(c) Nuclear Decommissioning Waste. For nuclear decommissioning waste, the volume charge shall be 80% of the rate that would otherwise apply; provided, however, that such waste must satisfy the requirements of RCW 81.108.020(3) as to volume.

(d) Structure of Dose Rate Charge. The dose rate component of the revenue requirement shall be collected according to the rate structure currently in place. In making such revisions, the relationships between a particular block's rate and the rates for the other blocks shall be preserved. See Schedule 3 of Exhibit A for the current rate structure.

### 3. Ratesetting Methodology.

(a) Limitation of Issues. The Settling Parties agree that the Commission's determinations made in the Original Docket (and earlier orders) should apply. In particular, that:

(1) the appropriate ratesetting methodology for determining the revenue requirement at the Richland site is an operating ratio approach, and

(2) the appropriate operating ratio to be allowed is 71%, applied as shown on page 27 of the 1992 Rate Case Order (Docket No. TG-920234), and will not be relitigated for the term of this Settlement Agreement. The application of a 71% operating ratio in the manner set forth in paragraph 3(b) below will result in rates for the Company's Richland site that are fair, just, reasonable and sufficient.

(b) Application of Operating Ratio. For purposes of applying the operating ratio, the operating expenses of the Richland site shall not include:

(1) depreciation and amortizations (in accordance with the methodology set forth in the 1992 Rate Case Order), and

(2) amortization of rate case expenses incurred in this proceeding. Moreover, in calculating the revenue requirement for the Richland site, the Company

shall not seek recovery of a return on working capital, inventory or unamortized balances.

4. NORM/NARM Waste<sup>1</sup> Disposal Revenues.

(a) Rate-making Treatment. So long as the site continues to receive NORM/NARM waste for disposal in LLRW trenches,<sup>2</sup> revenues from disposal of NORM/NARM waste shall be credited in part against the revenue requirement for the Richland site, in the following manner. At the conclusion of each calendar year, 50% of net proceeds (disposal revenue less marketing costs and other expenses incurred by the Company to obtain and deliver such wastes to the disposal facility) shall be refunded to customers, allocated according to the rate classifications set forth in paragraph 2(a) above. For purposes of setting rates at the beginning of each year, no projection will be made of NORM/NARM volumes.

(b) Audits. The Company shall itemize and substantiate the (1) revenues derived from disposal of NORM/NARM waste, and (2) the costs incurred by the Company to obtain such wastes. Commission Staff may perform such audit of the books and records of the Company as may be necessary to verify such amounts.

5. Moratorium on General Rate Case Filing.

Except for the rate changes implementing the rate adjustment mechanism authorized in Section 1 above and adjustments authorized by RCW 81.108.050(4)(a), the Company shall not seek any general increase in rates that would become effective prior to January 1, 2014; provided, however, that in extraordinary circumstances, the Company may submit a rate filing seeking a general increase in rates. "Extraordinary circumstances" shall mean the Company reasonably believes its financial condition is such that emergency rate relief would be warranted under the criteria enunciated by the Commission in WUTC v. Pacific

<sup>1</sup> "NORM" means naturally occurring radioactive materials, while "NARM" means naturally occurring and accelerator produced radioactive materials. This waste is not classified as LLRW.

<sup>2</sup> If NORM/NARM volumes are such that the Company establishes a separate operation for such functions—including the use of separate trenches—the joint costs shared between the LLRW and NORM/NARM operations would be minimized. Any remaining joint costs would be allocated between regulated and unregulated operations on the basis of a fully distributed cost allocation study.



Northwest Bell Telephone Company, Cause No. U-72-30, Second Supplemental Order (October 1972) or involves unanticipated expenditures as described in Section 8.

Other Ratemaking Matters.

(a) Application of the Inflation Adjustment. The "inflation adjustment" required by RCW 81.108.020(6) shall be implemented by adjusting rates on January 1 of each year by a percentage equal to the change in the Inflation Index for the preceding calendar year in accordance with paragraph 1(a).

(b) Application of the Volume Adjustment. The "volume adjustment" required by RCW 81.108.020(11) shall be implemented by defining "material changes in volumes" to mean a change of one hundred percent (100%) or more. The volume adjustment shall not, in any event, affect the calculation of rates under Section 1 of this Settlement Agreement.

(c) True-up of Current Rates. The 2007 rates will be tried-up pursuant to the terms of the settlement agreement applicable to 2007 ratemaking, even though those true-ups may occur in 2008.

6. Revenue Requirement.

The Company's filing in this proceeding will request a revenue requirement of \$5,200,000.00 for the calendar year beginning January 1, 2008. The Settling Parties agree that the revenue requirement, which represents a reduction in revenue requirement of 13.3% from the preliminary 2007 revenue requirement as filed with the Commission, should be adopted by the Commission as the revenue requirement for the Company which is fair, just, reasonable and sufficient.

8. Unanticipated Expenditures.

The revenue requirement supported by the Settling Parties does not include costs associated with an investigation under either the Resource Conservation and Recovery Act of 1976 ("RCRA") or the Model Toxics Control Act ("MTCA").<sup>3</sup> Nor does it include additional costs which may result from new regulatory actions imposed by local,

<sup>3</sup> In the past, these costs have been recovered from the site closure fund. It is anticipated, but not guaranteed, that future investigation costs will also be recovered from that fund or a similar fund.

state or federal agencies with jurisdiction over the activity of the Company by order or regulation. The Settling Parties agree that the Company may submit a separate rate filing or filings to recover these costs once they become certain as to amount and timing, and that such a filing or filings is not contrary to the moratorium provisions of Section 5 of the Settlement Agreement. Such filing(s) would relate exclusively to the recovery in rates of expenditures incurred by the Company in connection with the investigation to be performed as a result of the Richland site's inclusion in a site investigation(s) or as otherwise required as a condition of the facility's license or closure plan or as imposed by regulation or order of a local, state or federal agency with jurisdiction over the Company's activities. Commission Staff and Intervenors<sup>4</sup> reserve the right in that filing to dispute the recoverability of these expenditures in rates. The Company agrees to promptly inform customers of any potential expenditure that may cause the Company to make such a filing.

9. Term.

This Settlement Agreement shall be effective until January 1, 2014.

10. Miscellaneous Provisions.

(a) No Precedent. The Settling Parties enter into this Settlement Agreement to avoid further expense, inconvenience, and delay and to dispose of litigation. By executing this Settlement Agreement, no Settling Party shall be deemed to have accepted or consented to the facts, principles, methods or theories employed in arriving at such a Settlement Agreement, nor shall any Settling Party be deemed to have agreed that such a Settlement Agreement is appropriate for resolving issues in any other proceeding.

(b) Binding on Settling Parties. This Settlement Agreement is offered in this proceeding as the joint, exclusive proposal of the Settling Parties with respect to the issues set forth herein. The Settling Parties have negotiated this Settlement Agreement as an integrated document, and therefore recommend that the Commission accept this Settlement Agreement in its entirety.

---

<sup>4</sup> This term refers to the Settling Parties other than the Company.

(c) Procedure. The Settling Parties shall cooperate in submitting this Settlement Agreement promptly to the Commission for acceptance. In the event the Commission reserves ruling on the Settlement Agreement and proceeds with consideration of other issues in this general rate case, the Settling Parties agree to support this Settlement Agreement to achieve a result on the merits in the proceeding consistent with the terms and underlying intent of this Settlement Agreement, and will not offer any competing or alternative proposals with respect to the issues set forth herein. If the Commission rejects all or any material portion of this Settlement Agreement, each Settling Party reserves the right, upon written notice to the Commission and all Settling Parties within fifteen (15) days of the date of the Commission's order, to withdraw from the Settlement Agreement, whereupon the Settling Parties will not be bound by any position in the Settlement Agreement.

(d) Authority. Each Settling Party represents that it is authorized to enter into this Settlement Agreement and that the obligations such Settling Party undertakes in this Settlement Agreement are valid, lawful, binding and enforceable obligations and within the authority of such Settling Party to undertake. Each Settling Party represents that all necessary approvals in respect to its authority to execute this Settlement Agreement have been obtained.

(e) Execution. This Settlement Agreement may be executed by the Settling Parties in several counterparts and as executed shall constitute one agreement.

(f) Necessary Actions. Each Settling Party shall take all actions necessary and appropriate to enable it to carry out this Settlement Agreement.

(g) Compliance. The complaint procedures provided in WAC 480-92-090 shall apply with respect to the Company's compliance with this Settlement Agreement.

(h) Incorporation by Reference. This Settlement Agreement incorporates into its terms all exhibits referenced in the Settlement Agreement.

SETTLING PARTIES:

SETTLING PARTIES:

ENERGY NORTHWEST

By: *A. Bennett* 4/2/07

Its: *Chemistry Technical Services*

PO Box 968  
Richland, WA 99352-0968

SETTLING PARTIES:

ENVIRONMENTAL MANAGEMENT & CONTROLS, INC.


By: Richard E. Gallego

Its: Vice President

3106 S. Faith Home Road  
Turlock, CA 95380-9356

**SETTLING PARTIES:**

**PACIFIC ECOSOLUTIONS**

By: 

Its: President & COO

2025 Battelle Blvd.  
Richland, WA 99354-5313.

SETTLING PARTIES:

US ECOLOGY WASHINGTON, INC.

By:

Thomas R. Hey

Its:

VP & GM

1777 Terminal Drive  
Richland, WA 99354-4952



US Ecology Washington, Inc.  
Final Calculation of 2006 Rates

	Source or Reference*	Preliminary Calculations	Rate Components					TOTAL
			Site Availability Charge (SAC)	Volume	Shipments	Containers	Dose Rate	
1. Revenue requirement by rate component for 2005	2005 FCS 1, line 37		691,018	1,888,016	638,620	1,283,208	847,514	5,346,378
2. Revenue by rate component in 2005	Exhibit 1		890,990	2,411,406	715,880	1,742,580	725,090	6,285,928
3. Overall end-of-year collection/(refund) due to SAC true-up	Line 2 + line 3		(126,233)					(126,233)
4. Revenue in 2005, including effect of SAC true-up	Line 4 - line 1		564,757	2,411,406	715,880	1,742,580	725,090	6,159,693
5. Revenue surplus/(deficit) for 2005	Settlement \$ 4(a)		(126,261)	525,388	77,260	459,352	(122,424)	613,315
8. Calculation of 2005 NORMNARM net revenue	Exhibit 3	\$ 722,159						
7. Revenue	Exhibit 3	(401,152)						
8. Expenses	Line 7 - line 8	321,007						
9. Net revenue	Line 9 + 2	160,504						
10. Generators' share of NORMNARM net revenue	Settlement \$ 2(a)		22.0%	31.6%	10.7%	21.5%	14.2%	100.0%
11. Allocators for 2005	Line 11 x line 10		35,311	50,719	17,174	34,508	22,791	160,504
12. Generators' share of net revenue, by rate component	Line 5 + line 12 (if positive)		-	576,107	94,434	493,860	-	1,164,401
13. Amount to be refunded to generators	Line 5 + line 12 (if negative)		90,950	-	-	-	99,633	190,583
14. Amount to be added to 2006 revenue requirement	2005 FCS 1, line 27							5,404,337
15. Revenue requirement for 2005, before deferrals from 2004	Settlement \$ 1(a)	\$ 326,322						
16. Calculation of revenue requirement not subject to inflation index	Results of Operations	65,170						
17. Depreciation and amortization (including airspace amortization)	Results of Operations	108,608						
18. Rate case expense	Sum of lines 17-19	\$ 500,100						
19. Leasehold rent and taxes	Line 15 - line 20							4,904,237
20. Total portion of revenue requirement not subject to inflation index	Settlement \$ 1(a)	112,134						
21. Revenue requirement subject to inflation index	Exhibit 4 (Table 1.1.9 thereon)	109,099						
22. Calculation of inflation index	Exhibit 4 (Table 1.1.9 thereon)	2.78%						
23. Gross domestic product implicit price deflator, 2005	(Line 23 + line 24) - 1							
24. Gross domestic product implicit price deflator, 2004	Line 21 x (1 + line 25)							
25. Inflation index	Line 20 + line 26							
26. Revenue requirement subject to inflation index, inflated	Exhibit 5							
27. Revenue requirement for 2006, before WUTC fee and deferrals	Line 27 - line 28							
28. WUTC regulatory fee to be refunded	Settlement \$ 2(e)		22.0%	31.6%	10.7%	21.5%	14.2%	100.0%
29. Revenue requirement for 2006, before deferrals from 2005	Line 27 x line 30		1,207,292	1,734,111	587,183	1,179,854	779,252	5,487,593
30. Allocators for 2006	Line 14 + line 31		1,298,243	1,734,111	587,183	1,179,854	878,885	5,678,278
31. Allocated revenue requirement for 2006, before deferrals from 2005	Calculation Sheet 2		592,742					
32. Allocated revenue requirement to be allocated to other rate components	Line 30 reallocated without SAC							
33. SAC underrecovery to be allocated to other rate components	Line 33 x line 34			40.5%	13.7%	27.6%	18.2%	100.0%
34. Allocators for SAC underrecovery	Line 33 x line 35			240,136	81,312	163,384	107,909	692,742
35. Allocated SAC underrecovery for 2006	Line 32 + line 36			1,974,247	666,495	1,343,238	986,794	5,678,278
36. Allocated revenue requirement for 2006, including SAC reallocation	Calculation Sheet 2 and line 38			1,974,247	666,495	1,343,238	986,794	
37. Revenue requirement for 2006	Exhibit 6		705,501	28,389	89	277	80%	
38. Projections for 2006	Settlement \$ 1(c)			80%	80%	80%	80%	
39. "Safety Margin"	Settlement \$ 1(c)(2)							1,233,493
40. Dose rate revenue requirement for 2006	Line 38 x line 39		22,711		55	222		
41. Billing determinants for 2006 rates	Line 38 + line 41		\$ 86.93	\$ 12,110.42	\$ 6,061.54			
42. Rates for 2006, before rounding	Line 38 + line 41		\$ 86.90	\$ 12,110.00	\$ 6,050.00			
43. Rates for 2006, rounded	Line 42, rounded							

Exhibit A  
Schedule 1

\* "2005 FCS" refers to US Ecology, Inc., "Final Calculation of 2005 Rates, Calculation Sheet," filed with the Washington Utilities and Transportation Commission in Docket No. TL-050497  
 "Settlement" refers to the Settlement Agreement executed as of 2001 April 30, including the first amendment thereto, between US Ecology, Inc., and the Settling Parties, accepted by the Washington Utilities and Transportation Commission in Docket No. UR-010623  
 "Results of Operations" refers to the spreadsheet entitled "US Ecology, Inc. / Results of Operations," filed with the Washington Utilities and Transportation Commission in Docket No. UR-010623

US Ecology Washington, Inc.  
Final Calculation of 2006 Site Availability Charge (SAC)

Inputs to SAC Calculation

- 1. Revenue requirement for 2006 SAC (from Calculation Sheet 1, line 32) \$ 1,298,243
- 2. Inflation Index (from Calculation Sheet 1, line 25) 2.78%
- 3. Maximum Increase in SAC (Inflation Index x 2; see Settlement\* 2(b)(3)(i)) 5.56%

Block No.	Characteristics for Year	Column Number:	2005 SAC	Ratio of Each 2006 Block Charge to that of the Previous Block	Maximum Increase in SAC	2005 SAC (2005 SAC plus Maximum Increase)†	Ratio of Each 2006 Block Charge to that of the Previous Block*	2006 Projected Revenues from SAC
		1	2	3	4	5	6	7
		2006 Projected Generators in Block	Tariff Sheet Schedule A, A.1	Division of each block by previous	Column 2 x Line 3	Column 2 + Column 4 (except block No. 11; see footnote)	Division of each block by previous	Column 1 x Column 5
0	No site use at all	45	\$ 176	1.92	\$ 10	\$ 186	1.92	\$ 8,370
1	Greater than zero but less than or equal to 10 c.f. and 50 mR/h††	30	338	1.92	19	357	1.92	10,710
2	Greater than 10 c.f. or 50 mR/h†† but less than or equal to 20 c.f. and 100 mR/h††	5	648	1.92	36	684	1.92	3,420
3	Greater than 20 c.f. or 100 mR/h†† but less than or equal to 40 c.f. and 200 mR/h††	20	1,243	1.92	69	1,312	1.92	26,240
4	Greater than 40 c.f. or 200 mR/h†† but less than or equal to 80 c.f. and 400 mR/h††	2	2,388	1.92	133	2,521	1.92	5,042
5	Greater than 80 c.f. or 400 mR/h†† but less than or equal to 160 c.f. and 800 mR/h††	10	4,589	1.92	255	4,844	1.92	48,440
6	Greater than 160 c.f. or 800 mR/h†† but less than or equal to 320 c.f. and 1,600 mR/h††	0	8,804	1.92	490	9,294	1.92	-
7	Greater than 320 c.f. or 1,600 mR/h†† but less than or equal to 640 c.f. and 3,200 mR/h††	2	16,947	1.92	943	17,890	1.92	35,780
8	Greater than 640 c.f. or 3,200 mR/h†† but less than or equal to 1,280 c.f. and 6,400 mR/h††	1	32,464	1.92	1,806	34,270	1.92	34,270
9	Greater than 1,280 c.f. or 6,400 mR/h†† but less than or equal to 2,560 c.f. and 12,800 mR/h††	2	62,286	1.92	3,465	65,751	1.92	131,502
10	Greater than 2,560 c.f. or 12,800 mR/h†† but less than or equal to 5,120 c.f. and 25,600 mR/h††	0	119,951	1.93	6,674	126,625	1.93	-
11	Greater than 5,120 c.f. or 25,600 mR/h††	3	130,287	1.09	7,249	133,909	1.06	401,727
	Total	120						705,501
	Underrecovery to be spread to other rate components pursuant to Settlement* § 2(b)(3), flush language							\$ 592,742

\* "Settlement" refers to the Settlement Agreement executed as of 2001 April 30, including the first amendment thereto, between US Ecology, Inc., and the Settling Parties, accepted by the Washington Utilities and Transportation Commission in Docket No. UR-010623

† "Tariff Sheet" refers to the tariff sheets entitled "US Ecology, Inc., Washington Nuclear Center, Radioactive Waste Disposal," filed with the Washington Utilities and Transportation Commission in Docket No. TL-050497

‡ Checked to ensure compliance with Settlement § 2(b)(3)(ii); the maximum charge for 2006 is \$5,173,239 x 0.024 x 1.0112 [the 2003 Inflation Index] x 1.0164 [the 2004 Inflation Index], x 1.0210 [the 2006 Inflation Index] x 1.0278 [the 2006 Inflation Index] or \$133,909 for 2006. Block No. 11 is affected by this provision in 2006

\*\* Calculated to ensure compliance with Settlement § 2(b)(3)

†† For purposes of determining the Site Availability Charge, R per hour is calculated by summing the R per hour at container surface for all containers received during the year

**US Ecology Washington, Inc.  
Final Calculation of 2006 Dose Rate Charge**

\$ 1,233,493

Revenue requirement for 2006 dose rate charge (from Calculation Sheet 1, line 40)

Block No.	Dose Rate at Container Surface	Column Number:	2006 Projected Containers in Block	2005 Dose Rate Charge	Ratio of Each 2005 Block Charge to that of the Previous Block	2006 Dose Rate Charge	Ratio of Each 2006 Block Charge to that of the Previous Block	2006 Projected Revenues from Dose Rate Charge
			1	2	3	4	5	6
		Source:	Exhibit 6	Tariff Sheet* Schedule A, B,4	Division of each block by previous	Set such that Column 5 will equal Column 3	Division of each block by previous	Column 1 x Column 4
1	Less than or equal to 200 mR/h		255	\$ 167		\$ 63		\$ 16,065
2	Greater than 200 mR/h but less than or equal to 1,000 mR/h		6	11,875	71.1	4,480	71.1	26,880
3	Greater than 1,000 mR/h but less than or equal to 10,000 mR/h		9	47,300	4.0	17,800	4.0	160,200
4	Greater than 10,000 mR/h but less than or equal to 100,000 mR/h		5	70,500	1.5	26,700	1.5	133,500
5	Greater than 100,000 mR/h		2	1,185,000	16.8	448,400	16.8	896,800
	Total		<u>277</u>					<u>\$ 1,233,445</u>

\*"Tariff Sheet" refers to the tariff sheets entitled "US Ecology, Inc., Washington Nuclear Center, Radioactive Waste Disposal," filed with the Washington Utilities and Transportation Commission in Docket No. TL-050497

† Calculated to ensure compliance with the Settlement Agreement executed as of 2001 April 30, including the first amendment thereto, between US Ecology, Inc., and the Settling Parties, accepted by the Washington Utilities and Transportation Commission in Docket No. UR-010623, § 2(d)