I. RELIEF REQUESTED

1. Applicant Waste Management of Washington, Inc. d/b/a WM Healthcare Solutions of Washington ("Waste Management") does not oppose Protestant Stericycle of Washington, Inc.'s ("Stericycle") request to depose Waste Management employees Jeff Norton and Jeff Daub so long as those depositions are scheduled to occur after the deadline for filing direct testimony. Waste Management requests that the Commission deny Stericycle's motion for leave to take depositions of Northwest Hospital employees.

II. ARGUMENT

- A. Waste Management Does Not Oppose the Request for Depositions of Jeff Norton and Jeff Daub.
- 2. Stericycle seeks leave to depose Messrs. Norton and Daub. Waste Management does not oppose this request. However, Waste Management does oppose the request that the depositions be completed by August 24, 17 days from today. That Messrs. Norton and Daub will be key witnesses for Waste Management comes as no surprise to Stericycle. Both witnesses are former Stericycle employees, and well known to Stericycle's principals and its lawyers. Stericycle has not offered any justification for its sudden request for instantaneous depositions, and none exists. In its deposition motion, Stericycle has expressed the parties' prior agreement to request a continuance of the deadline for prefiled direct testimony from August 14, 2012 until August 31, 2012. All of the parties are now in agreement that the hearing date should be continued by four to six weeks to allow the parties to complete discovery in an orderly and efficient fashion. Waste Management will make that request to the Presiding Officer at the August 8, 2012 telephonic hearing. If the Presiding Officer agrees to the requested continuance, the parties also are in agreement that all of the pre-hearing deadlines should be continued an equivalent amount of time. That would push the deadline for filing direct testimony until the end of September or the middle of October.
- 3. Whether the prefiled direct testimony deadline is moved to August 31 or later, there is no reason why the Norton and Daub depositions which will not be the subject of Stericycle's prefiled **direct testimony** must take place in August. Moreover, Waste Management expects that Stericycle may **also** wish to depose Messrs. Norton and Daub after Waste Management files its direct testimony,

and Waste Management will oppose making these witnesses available for more than one deposition each. Furthermore, Messrs. Norton and Daub will be directly involved in preparing Waste Management's direct testimony and, with an August 31 deadline to file direct testimony, it will be burdensome to Waste Management and its counsel to have to interrupt that work to prepare for and offer up deposition testimony. Scheduled vacations in August will also compound the burdensomeness of the requested August depositions.

4. Waste Management asks that the requested Norton and Daub depositions take place after the deadline for prefiled direct testimony.

B. Stericycle Should Not Be Permitted to Depose Employees of Waste Management's Customer Northwest Hospital.

5. One of Stericycle's primary theories for opposing Waste Management's application is that Waste Management improperly offered both regulated and nonregulated services to Stericycle's former customer Northwest Hospital. In chasing this theory, Stericycle has propounded – and Waste Management has provided complete responses to – data requests regarding Waste Management's dealings with Northwest Hospital. In response to Stericycle's Data Request No. 20 regarding six named generators including Northwest Hospital, Waste Management responded:

The contracts with these entities along with the one email exchange which is responsive are produced herewith.... Prior to providing biomedical waste services to Northwest Hospital, Waste Management charged the hospital \$132 per haul for recycling. Currently, Waste Management charges the hospital the competitive rate of \$95 per haul for recycling with a \$40/ton refund based on the market commodity price obtained by Waste Management for the recycled material.¹

In response to Stericycle's Data Request No. 22 regarding solicitations made by Mr. Norton, Waste Management responded:

Waste Management has offered recycling services to the following biomedical waste generators: Northwest Hospital In each case, Waste Management has made a competitive bid in line with the local market. Because hospitals provide a wide range (and usually large volumes) of commodities, this market is very competitive. In the case of Northwest Hospital and Virginia Mason, the pricing was provided to Waste Management by the hospitals.²

١.

¹ Stericycle's Mot. to Compel, Ex. C, DR No. 20.

² *Id.*, DR No. 22.

25

26

27

28

As Stericycle acknowledges, "Waste Management has confirmed much of these events" alleged by Stericycle to be nefarious.³

Stericycle now seeks to take the depositions of Northwest Hospital employees Juan Escalante and Rose Hong. Waste Management has agreed to make Mr. Norton available for deposition and Stericycle will have an opportunity to ask him about his discussions with Northwest Hospital. That testimony will provide answers to any remaining fact questions Stericycle has about the communications between Waste Management and Northwest Hospital. Having not yet taken Mr. Norton's deposition, Stericycle cannot satisfy its burden of demonstrating a need for the requested third-party depositions. Pursuant to WAC 480-07-400(3), Stericycle "must not seek discovery that is unreasonably cumulative or duplicative, or is obtainable from some other source that is more convenient, less burdensome, or less expensive." That regulation prohibits Stericycle from using the discovery process to harass its former - and Waste Management's present - biomedical waste customer.4

III. CONCLUSION

Waste Management does not oppose Stericycle's request to depose Messrs. Norton and 7. Daub, but requests that those depositions be permitted only after the filing of direct testimony. Waste Management further requests that the Commission deny Stericycle's request to depose the Northwest Hospital employees.

DATED this 7th day of August, 2012.

SUMMIT LAW GROUP PLLC

Polly L. McNeill, WSBA #17437 Jessica L. Goldman, WSBA #21856 pollym@summitlaw.com

jessicag@summitlaw.com

Attorneys for Waste Management of Washington, Inc.

³ Deposition Mot. ¶ 7.

⁴ WAC 480-07-400(3).

CERTIFICATE OF SERVICE

I hereby certify that I have this day served this document upon all parties of record in this proceeding, by the method indicated below, pursuant to WAC 480-07-150.

Washington Utilities and Transportation Commission	☐ Via Legal Messenger
1300 S. Evergreen Park Dr. SW	☐ Via Facsimile
PO Box 47250	☑ Via Federal Express
Olympia, WA 98504-7250	☑ Via Email
360-664-1160	
records@utc.wa.gov	
Gregory J. Kopta	☐ Via Legal Messenger
Administrative Law Judge	☐ Via Facsimile
Washington Utilities and Transportation Commission	☐ Via U.S. Mail
gkopta@utc.wa.gov	☑ Via Email
Fronda Woods	☐ Via Legal Messenger
Attorney General's Office of Washington	☐ Via Facsimile
PO Box 40128	☐ Via U.S. Mail
Olympia, WA 98504	☑ Via Email
(360) 664-1225	
fwoods@utc.wa.gov	
bdemarco@utc.wa.gov	
Stephen B. Johnson	☐ Via Legal Messenger
Jared Van Kirk	☐ Via Facsimile
Garvey Schubert Barer	□ Via U.S. Mail
1191 Second Avenue, Suite 1800	☑ Via Email
Seattle, WA 98101	
(206) 464-3939	
sjohnson@gsblaw.com	
jvankirk@gsblaw.com	
vowen@gsblaw.com	
dbarrientes@gsblaw.com	
Attorneys for Stericycle of Washington, Inc.	
James K. Sells	☐ Via Legal Messenger
3110 Judson Street	☐ Via Facsimile
Gig Harbor, WA 98335	☐ Via U.S. Mail
(360) 981-0168	☑ Via Email
jamessells@comcast.net	
cheryls@rsulaw.com	
Attorney for Protestant WRRA, Rubatino, Consolidated,	
Murrey's, and Pullman	
•	

DATED at Seattle, Washington, this 7th day of August, 2012.

Deanna L. Schow

WASTE MANAGEMENT'S RESPONSE TO STERICYCLE'S MOTION FOR LEAVE TO TAKE DEPOSITIONS - 4 SUMMIT LAW GROUP PLLC

315 FIFTH AVENUE SOUTH, SUITE 1000 SEATTLE, WASHINGTON 98104-2682 Telephone: (206) 676-7000 Fax: (206) 676-7001