



November 15, 2012

Washington Utilities and Transportation Commission
Chandler Plaza Building
1300 S. Evergreen Park Drive SW
P.O. Box 47250
Olympia, WA 98504-7250

Subject: Waste Management – South Sound and Waste Management of Seattle, divisions of Waste Management of Washington, Inc.(G-237); Tariff # 22

Enclosed are revised pages 2, 16, 20, 21, 23, 25, 27, 32, 33, 34 and 35 to the above-referenced tariff. The purpose of these tariff revisions is twofold. First, residential and commercial rates are being adjusted due to the increase in the King County disposal fees. The revisions also reflect the change in the commodity credits for residential and multi-family customers receiving recycling collection services.

The King County Council approved the increase in disposal fees from \$109.00 to \$120.17 per ton as reflected in King County Ordinance No.17423, a copy of which is included with this filing. The increased rates, if approved by the Commission, would approximately increase Company revenue by \$427,000, and residential and commercial garbage rates by 4.6%. The effective date of these proposed tariff revisions is January 1, 2013.

These revised tariff pages also reflect a decrease of the current commodity credit from \$3.41 to \$2.40 per month for residential customers and a decrease from \$0.75 per yard to \$0.41 per yard for multi-family customers. These changes are principally due to the overall decrease in commodity values since our last commodity credit adjustment on December 1, 2011. They are also a result of implementing the terms of the Settlement Agreement approved by the Commission under which Waste Management agreed to a mechanism intended to return to the ratepayers the unexpended revenues retained during the Revenue Sharing Plan period of 2011-2012. Order 06/07 – Final Order Approving Settlement Agreement and Lifting Suspension, *WUTC v. Waste Management of Washington, Inc.*, Docket Nos. TG-111813 et al. (consolidated) (September 27, 2012). Further, in accordance with RCW 81.77.185, the recycling commodity credit was adjusted to accommodate a Revenue Sharing Plan with King County for 2013, under which the Company is authorized to retain 38% of recycling commodity revenues to be spent on program activities. The 2013 Revenue Sharing Plan with King County that has been certified by Kevin Kiernan, the director of the King County Solid Waste Division, is included with this filing. The proposed effective date of the revised recycling commodity credit is also January 1, 2013.

Enclosed for your review are our accounting work papers for both the disposal fee increase and the change in the commodity credit, along with other pertinent documentation described above. Customers will be notified of the change in their rates and in their commodity credit adjustment on their next regularly scheduled billing after the approval of the Commission.

If you have any questions or need additional information, please contact me at (425) 814-7840.

Very truly yours,

A handwritten signature in blue ink, appearing to read 'Mike Weinstein', with a long horizontal line extending to the right.

Mike Weinstein
Senior Pricing Manager, Pacific Northwest Market Area

cc: Jeff McMahon
Clerk of the Board, King County Chair
Jeff Gaisford, King County Solid Waste Division