



May 1, 2017

Steven King
Executive Director & Secretary
Washington Utilities and
Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

RECEIVED
RECORDS MANAGEMENT
2017 MAY 22 AM 9:02
STATE OF WASHINGTON
UTIL. AND TRANSPORTATION
COMMISSION

RE: G-12 Rabanco Ltd. – Affiliated Transactions and Annual Report

Dear Mr. King,

Enclosed please find the affiliated transactions and annual reports for G-12 Rabanco Ltd. as required by WAC 480-70-079.

In regards to items WAC 480-70-079 (3) (d) and WAC 480-70-079 (3) (e). The company does not have any outstanding loans between itself and any of its affiliated companies, nor does it assume any obligations or liabilities for its affiliated companies. In regards to WAC 480-70-079 (4) there are no affiliated interest contracts or arrangements to report.

In prior years, Staff has asked for a breakout of regulated revenue specific to the 4 tariff areas within G-12. For the applicable annual report year this breakout is as follows:

Tariff #11 – Eastside Disposal	\$ 6,387,513.43
Tariff #4 – Lynnwood Disposal	\$ 10,528,224.75
Tariff #26 – Sea Tac Disposal	\$ 3,532,833.60
Tariff #7 – Tri-County Disposal	\$ 1,794,162.12
Total	\$ 22,242,733.91

If you have any questions please call me at (425) 646.2433.

Sincerely,

Rick Waldren
Division Controller
BU407
rwaldren@republicservices.com
p. 425-646-2423



- **Rabanco Recycling Companies (Certificate G-12)**
 - Services Provided & Description of Pricing Basis
 - Processing of recyclable materials
 - Processing of yard waste/organic materials

Rabanco Recycling Companies provides post-collection services from one location in South Seattle. The company allows for the drop-off of: co-mingled recyclable materials, source separated recyclable materials and yard waste. The company processes the materials and prepares material for sale in commodity markets.

Residential processing rates were determined utilizing the Lurito-Gallagher curve with costs allocated using the following measures: processing resources required, tonnage, headcount and previously allocated costs. Charges for these services are booked directly to the respective companies and are reflected as intercompany revenue for Rabanco Recycling companies and Cost of Goods Sold for affiliated collection companies.

Processing rates for non-regulated commercial recycling were established by evaluating the cost structure required to process anticipated volume levels and achieve acceptable returns. Charges for these services are booked directly to the respective companies and are reflected as intercompany revenue for Rabanco Recycling companies and Cost of Goods Sold for affiliated collection companies.

Yard Waste rates were established by evaluating the rate required to achieve a break-even level of profitability at anticipated volume levels. The break-even rate is then increased to accommodate a return on assets employed. Charges for these services are booked directly to the respective companies and are reflected as intercompany revenue for Rabanco Recycling companies and Cost of Goods Sold for affiliated collection companies. As of July 2016 this facility is no longer accepting yard waste.

-
- **Regional Disposal Company**
 - Services Provided & Description of Pricing Basis
 - Processing of Construction & Demolition recyclable materials
 - Transportation and disposal of residual material from recycle processing

Regional Disposal Company is a Washington joint venture with partners Rabanco Ltd. and WJR Environmental, which provides post-collection services via transfer stations and intermodal facilities throughout the state. In addition, Regional Disposal Company owns Roosevelt Landfill in Klickitat County which offers free collection of recyclables for residents of Klickitat County as outlined in the landfill host agreement.

Processing rates for non-regulated Construction & Demolition recycling are established by evaluating the rate required to achieve a break-even level of profitability at anticipated volume levels. The break-even rate is then increased to accommodate a return on assets employed. Charges for these services are booked directly to the respective companies and are reflected as intercompany revenue for Regional Disposal Company and Cost of Goods Sold for affiliated collection companies.



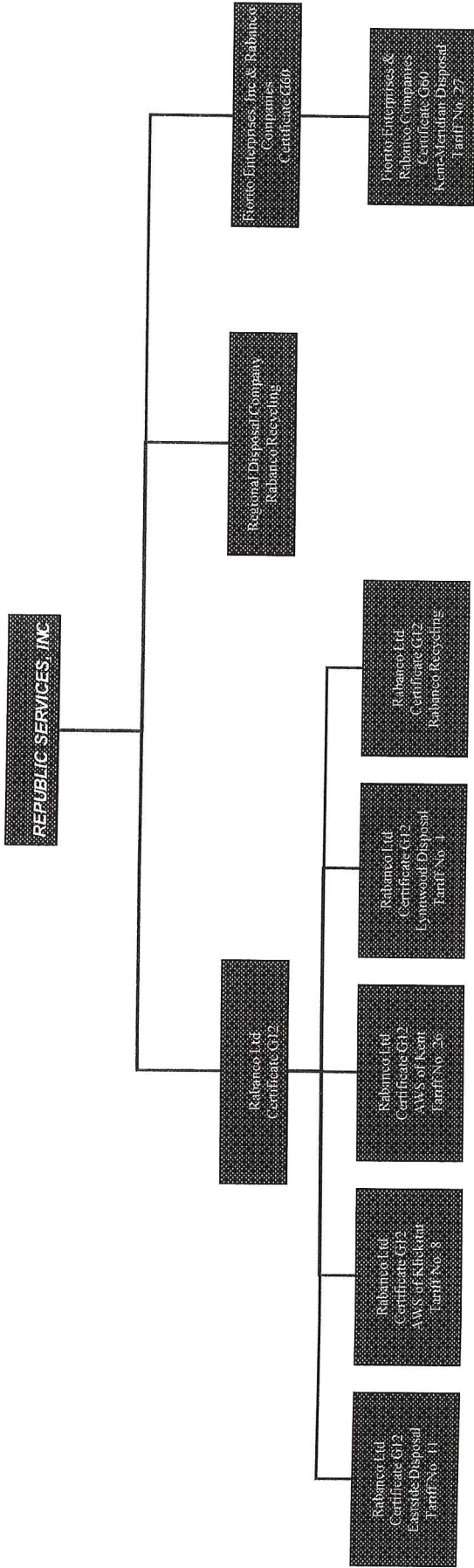
Transportation and disposal rates are based on standard transportation rates from a 3rd party vendor and disposal rates charged to similar volume 3rd party customers. Charges for these services are booked directly to the respective companies and are reflected as intercompany revenue for Regional Disposal Company and disposal expense for affiliated collection companies.

- **Rabanco Ltd. Collection companies (Certificate G-12)**
 - Services Provided & Description of Pricing Basis
 - Collection and drop-off of recyclable materials

Rabanco Ltd. collection companies provide collection services in King and Snohomish counties. The company collects recyclable commodities from residential and commercial customers and delivers them to Rabanco Recycling Companies for processing and sale to commodity markets.

Rates paid to collection companies for the delivery of commodities are based on the market price of the delivered commodity. Charges for these services are booked directly to the respective companies and are reflected as intercompany revenue for Rabanco Ltd. collection companies and Cost of Goods Sold for Rabanco Recycling companies.

Regional Disposal Company uses collection equipment and employees of Rabanco Ltd., DBA Tri-County Disposal to provide free residential recycling service to residents of the Tri-County service area in accordance with the Landfill Operating Contract that it has with Klickitat County. Any associated costs and revenues are captured on the financial statements of RDC's Roosevelt LF and do not impact rates for Tri-County Disposal.





Rabanco Ltd. G-12
Balance Sheet
As of December 31, 2016

Current Assets	<u>\$ 12,589,364</u>
Gross PP&E	92,864,103
Less: Accumulated Depreciation	<u>(48,946,032)</u>
Net PP&E	<u>43,918,071</u>
Other Long Term Assets	153,691
Total Assets	<u>\$ 56,661,126</u>
<hr/>	
Current Liabilities	\$ 7,593,120
Long Term Liabilities	<u>(25,147,502)</u>
Total Liabilities	<u>(17,554,382)</u>
Total Equity	<u>74,215,511</u>
Total Liabilities and Equity	<u>\$ 56,661,129</u>



Rabanco Ltd. G-12
Income Statement
Through December 31, 2016

Total Revenues	<u>\$ 131,857,369</u>
Total Expenses before Other Items	<u>121,340,928</u>
Net Income before Other Items	<u>10,516,441</u>
Total Other Income and Expense	<u>(4,565,754)</u>
Net Income before Federal Income Taxes	<u>5,950,687</u>
Federal Income Taxes	<u>2,380,275</u>
Net Income/(Loss)	<u>\$ 3,570,412</u>



Regional Disposal Company
Balance Sheet
As of December 31, 2016

Current Assets	\$ 15,732,099
Gross PP&E	351,468,111
Less: Accumulated Depreciation	<u>(74,197,948)</u>
Net PP&E	<u>277,270,162</u>
Other Long Term Assets	13,266,897
Total Assets	<u>\$ 306,269,159</u>
<hr/>	
Current Liabilities	\$ 6,716,707
Long Term Liabilities	<u>157,502,737</u>
Total Liabilities	<u>164,219,444</u>
Total Equity	<u>142,049,715</u>
Total Liabilities and Equity	<u>\$ 306,269,159</u>



Regional Disposal Company
Income Statement
Through December 31, 2016

Total Revenues	<u>\$ 181,774,855</u>
Total Expenses before Other Items	<u>165,434,732</u>
Net Income before Other Items	<u>16,340,124</u>
Total Other (Income) and Expense	<u>(8,552,813)</u>
Net Income before Federal Income Taxes	<u>24,892,937</u>
Federal Income Taxes	<u>9,957,175</u>
Net Income/(Loss)	<u>\$ 14,935,762</u>



Rabanco Ltd G-12 -
Rabanco Recycling Companies
Balance Sheet
As of December 31, 2016

Current Assets	\$ 3,816,199
Gross PP&E	28,909,613
Less: Accumulated Depreciation	(10,572,800)
Net PP&E	<u>18,336,813</u>
Other Long Term Assets	-
Total Assets	<u>\$ 22,153,012</u>
<hr/>	
Current Liabilities	\$ 627,494
Long Term Liabilities	<u>(38,165,587)</u>
Total Liabilities	<u>(37,538,093)</u>
Total Equity	<u>59,691,105</u>
Total Liabilities and Equity	<u>\$ 22,153,012</u>



Rabanco Ltd G-12 -
Rabanco Recycling Companies
Income Statement
Through December 31, 2016

Total Revenues	<u>\$ 36,006,204</u>
Total Expenses before Other Items	<u>29,370,425</u>
Net Income before Other Items	<u>6,635,779</u>
Total Other (Income) and Expense	<u>(1,470,625)</u>
Net Income before Federal Income Taxes	<u>8,106,404</u>
Federal Income Taxes	<u>3,242,561</u>
Net Income/(Loss)	<u>\$ 4,863,842</u>



G-12 Affiliated Transactions

Regulated Company	Tariff No. <i>(if applicable)</i>	Commodity	Affiliated Company	G Certificate <i>(if applicable)</i>	Value of Transactions	Value of Transactions <i>(tons)</i>
Eastside Disposal	11	CDL Recycling	Regional Disposal Companies		\$ 408,307	4,638.7
Eastside Disposal	11	Recycling	Rabanco Recycling Company	G-12	\$ (279,371)	44,213.0
Eastside Disposal	11	Yardwaste	Rabanco Recycling Company	G-12	\$ 975,658	12,967.3
Lynnwood Disposal	4	CDL Recycling	Regional Disposal Companies		\$ -	-
Lynnwood Disposal	4	Recycling	Rabanco Recycling Company	G-12	\$ (123,573)	15,415.3
Lynnwood Disposal	4	Yardwaste	Rabanco Recycling Company	G-12	\$ 3,972	44.4
Allied Waste of Kent	26	CDL Recycling	Regional Disposal Companies		\$ 268,672	3,085.5
Allied Waste of Kent	26	Recycling	Rabanco Recycling Company	G-12	\$ (29,005)	4,721.7
Allied Waste of Kent	26	Yardwaste	Rabanco Recycling Company	G-12	\$ 419,366	5,055.4
Allied Waste of Klickitat	8	MSW	Regional Disposal Companies		\$ 117,900	3,500.8
Allied Waste of Seattle		CDL Recycling	Regional Disposal Companies		\$ 458,362	14,689
Allied Waste of Seattle		Recycling	Rabanco Recycling Company	G-12	\$ (51,402)	15,048.5
Allied Waste of Seattle		Yardwaste	Rabanco Recycling Company	G-12	\$ 1,432,645	17,614.6
Rabanco Recycling Company		Recycle Commodity Value	Eastside Disposal	G-12	\$ 279,371	44,213.0
Rabanco Recycling Company		Recycle Commodity Value	Allied Waste of Seattle	G-12	\$ 51,402	15,048.5
Rabanco Recycling Company		Recycle Commodity Value	Allied Waste of Kent	G-12	\$ 29,005	4,721.7
Rabanco Recycling Company		Recycle Commodity Value	Lynnwood Disposal	G-12	\$ 123,573	15,415.3
Rabanco Recycling Company		Recycle Commodity Value	Kent-Meridian Disposal	G-60	\$ 206,372	27,570.8
Rabanco Recycling Company		Recycle Commodity Value	Regional Disposal Companies		\$ 13,237	1,293.6
Rabanco Recycling Company		MSW Disposal	Regional Disposal Companies		\$ 89,895	1,293.6



Kent-Meridian Disposal G-60

Balance Sheet

As of December 31, 2016

Current Assets	\$ 4,678,871
Gross PP&E	21,138,870
Less: Accumulated Depreciation	(12,143,625)
Net PP&E	8,995,245
Other Long Term Assets	-
Total Assets	\$ 13,674,116
<hr/>	
Current Liabilities	\$ 4,143,412
Long Term Liabilities	5,771,580
Total Liabilities	9,914,992
Total Equity	3,759,125
Total Liabilities and Equity	\$ 13,674,117



Kent-Meridian Disposal G-60

Income Statement

Through December 31, 2016

Total Revenues	\$	47,795,619
Total Expenses before Other Items		46,743,259
Net Income before Other Items		1,052,360
Total Other Income and Expense		52,580
Net Income before Federal Income Taxes		1,104,940
Federal Income Taxes		441,976
Net Income/(Loss)	\$	662,964



G-60 Affiliated Transactions

Regulated Company	Tariff No. <i>(if)</i>	Commodity	Affiliated Company	G Certificate <i>(if)</i>	Value of Transactions	Value of Transactions <i>(tons)</i>
Kent-Meridian Disposal	27	CDL Recycling	Regional Disposal Companies		\$ 1,800,915	22,274.7
Kent-Meridian Disposal	27	Recycling	Rabanco Recycling Company	G-12	\$ (206,372)	27,570.8
Kent-Meridian Disposal	27	Yardwaste	Rabanco Recycling Company	G-12	\$ 282,150	3,133.0

Directors/Officers Report

As of April 12, 2017

Rabanco, Ltd.

Directors

Brian A. Goebel

Director

Effective Date: 07/15/2013

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Officers

Nathan Cabbil

President

Effective Date: 03/31/2017

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Tim M. Benter

Vice President

Effective Date: 02/03/2009

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Gregg K. Brummer

Vice President

Effective Date: 07/29/2016

Primary Address

1600 127th Ave., NE
Bellevue, Washington 98005 (United States)

Directors/Officers Report

As of April 12, 2017

Rabanco, Ltd.

Myndi M. Kort

Vice President

Effective Date: 04/27/2016
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Marsha A. Lacy

Vice President

Effective Date: 03/31/2017
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Sabrina Mizrachi

Vice President

Effective Date: 03/31/2017
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Eileen B. Schuler

Vice President

Effective Date: 03/31/2017
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Timothy E. Stuart

Vice President

Effective Date: 01/30/2016
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Rabanco, Ltd.

Andrew J. Sweet

Vice President

Effective Date: 05/19/2009
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Jon Vander Ark

Vice President

Effective Date: 04/01/2016
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Adrienne W. Wilhoit

Vice President

Effective Date: 02/14/2017
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Lawrence Focazio

Vice President, Tax

Effective Date: 02/03/2009
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Eileen B. Schuler

Secretary

Effective Date: 05/19/2009
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Rabanco, Ltd.

Myndi M. Kort

Assistant Secretary

Effective Date: 04/27/2016

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Sabrina Mizrachi

Assistant Secretary

Effective Date: 03/31/2017

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Andrew J. Sweet

Assistant Secretary

Effective Date: 05/19/2009

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Adrienne W. Wilhoit

Assistant Secretary

Effective Date: 02/14/2017

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Marsha A. Lacy

Treasurer

Effective Date: 10/31/2014

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Directors/Officers Report

As of April 12, 2017

Rabanco Recycling, Inc.

Directors

Brian A. Goebel

Director

Effective Date: 07/15/2013
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Officers

Nathan Cabbil

President

Effective Date: 03/31/2017
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Tim M. Benter

Vice President

Effective Date: 02/03/2009
Primary Address
18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Gregg K. Brummer

Vice President

Effective Date: 07/29/2016
Primary Address
1600 127th Ave., NE
Bellevue, Washington 98005 (United States)

Directors/Officers Report

As of April 12, 2017

Rabanco Recycling, Inc.

Myndi M. Kort

Vice President

Effective Date: 04/27/2016

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Marsha A. Lacy

Vice President

Effective Date: 03/31/2017

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Sabrina Mizrachi

Vice President

Effective Date: 03/31/2017

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Eileen B. Schuler

Vice President

Effective Date: 03/31/2017

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Timothy E. Stuart

Vice President

Effective Date: 01/30/2016

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Directors/Officers Report

As of April 12, 2017

Rabanco Recycling, Inc.

Andrew J. Sweet

Vice President

Effective Date: 05/19/2009

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Jon Vander Ark

Vice President

Effective Date: 04/01/2016

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Adrienne W. Wilhoit

Vice President

Effective Date: 02/14/2017

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Lawrence Focazio

Vice President, Tax

Effective Date: 02/03/2009

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Eileen B. Schuler

Secretary

Effective Date: 05/19/2009

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Directors/Officers Report

As of April 12, 2017

Rabanco Recycling, Inc.

Myndi M. Kort

Assistant Secretary

Effective Date: 04/27/2016

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Sabrina Mizrachi

Assistant Secretary

Effective Date: 03/31/2017

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Andrew J. Sweet

Assistant Secretary

Effective Date: 05/19/2009

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Adrienne W. Wilhoit

Assistant Secretary

Effective Date: 02/14/2017

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)

Marsha A. Lacy

Treasurer

Effective Date: 10/31/2014

Primary Address

18500 North Allied Way
Phoenix, Arizona 85054 (United States)