BEFORE THE WASHINGTON UTILITIES

AND TRANSPORTATION COMMISSION

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| In Re Application of  WASTE MANAGEMENT OF WASHINGTON, INC., d/b/a WM Healthcare Solutions of Washington |  | Docket No. TG-120033  DECLARATION OF Jeff dAUB REGARDING WASTE MANAGEMENT’S FITNESS |

I, Jeff Daub, declare as follows:

1. I am Senior District Manager for Waste Management of Washington, Inc. (“Waste Management”) and I make this declaration on personal knowledge.
2. I received a Bachelor of Arts in Social Sciences from Washington State University in 1985. I served as Medical Waste Salesperson and Operations Manager for American Environmental Management from 1988 until 1992. I was the District Manager at BFI Medical Waste from 1992 through 1998 and my responsibilities included all collection operations for Washington, Oregon, Idaho and British Columbia. I was Solid Waste Area Director for Waste Management from 1998 through 2001 and my responsibilities included collection, landfill, and recycling. I was a Salesperson for Stericycle of Washington, Inc. in 2010 and my responsibilities included large quantity generator and hospital sales, customer service, and account maintenance for Washington State with the exception of Spokane County.
3. I have been Senior District Manager for Waste Management since 2011. I am responsible for managing and overseeing all Washington operations for Waste Management’s United States Department of Agriculture Animal and Plant Health Inspection Service operations and medical waste operations including collections, processing, financial management, and budgeting.

# relationship with corporate affiliates

1. Waste Management is a wholly-owned subsidiary of Waste Management Holdings, Inc. which, itself, is a wholly-owned subsidiary of Waste Management, Inc. Waste Management, Inc. is based in Houston, Texas and is the leading provider of comprehensive waste management services in North America. It is also a leading developer, operator and owner of waste-to-energy and landfill gas-to-energy facilities in the United States. As of December 2011, Waste Management, Inc. served nearly 20 million residential, commercial, industrial and municipal customers through a network of 390 collection operations, 287 transfer stations, 271 landfill disposal sites, 17 waste-to-energy plants, 107 recycling facilities and 131 beneficial-use landfill gas projects. Waste Management, Inc. has been in business since 1894. A true and correct copy of Waste Management, Inc.’s 2011 Annual Report is attached hereto as Exhibit 1.
2. Waste Management’s offices are located in Kirkland, Washington. WM Healthcare Solutions of Washington is an operating division of Waste Management which is responsible for Waste Management’s regulated biomedical waste (“RMW”) services. WM Healthcare Solutions of Washington is not a separate entity. WM Healthcare Solutions of Washington uses a billing and record keeping system which allows for bar code tracking, manifesting, record retention and billing of RMW by weight and/or volume. Waste Management accounting staff in conjunction with accounting staff from national corporate headquarters in Houston, Texas manage the billing of Washington RMW customers. WM Healthcare Solutions of Washington has dedicated, toll-free phone numbers to respond to customer service issues. These phone numbers are answered 24 hours a day, seven days a week.
3. Waste Management does not use independent contractors or third parties to collect, transport, or autoclave RMW.

# present biomedical waste services

1. Presently, there are 13 Waste Management employees in addition to me who are involved with providing Waste Management’s RMW services in Washington. They are: Michael Weinstein (UTC issues), Jeff Altman (Environmental Protection Manager), Jack Floyd (training), Rob Sherman (Director of Operations), Penny Lane (billing), Rod Rosatto (plant operations), Kathy Howard (call center and small quantity generator sales), Glenn Good (driver), Mitchell Billings (driver), Jon Moser (driver), Pedro Ramos (back-up driver and processing plant worker), Sam Billings (processing plant worker), and Carol Dellumo (operations specialist).
2. Waste Management supplies its RMW customers with Rehrig Pacific Company reusable, plastic tubs with attached lids in three sizes (17-gallon, 31-gallon, and 43-gallon), and 30-gallon cardboard boxes. Waste Management also provides customers with linear, low-density polyethylene red bags with “Regulated Medical Waste” printed in black ink with a six-inch biohazard symbol. The bag sizes are 20” x 13” x 39” x 0015 mil., 45” x 49” x 0015 mil., and 26” x 22” x 65” x 0015 mil. These bags are certified by their manufacturers as meeting the standards outlined in CFR 49 Part 171.7, ASTM [American Society for Testing and Materials] D 1706, and ASTM D 1922. Each container (box or reusable tub) is lined with a red bag prior to the generator depositing medical waste into the container. The generator is required to close the bag with a Department of Transportation-approved knot and close the lid prior to collection by Waste Management. Boxes must be used for “incinerate only” materials and reusable tubs or boxes may be used for materials to be autoclaved.
3. Waste Management provides to its employees who handle RMW training in the following subjects: the regulatory definition of RMW, United States Department of Transportation medical waste collection and transportation regulations and guidelines, Waste Management’s requirements for acceptance, tracking and documentation of RMW, Occupational Safety and Health Administration blood borne pathogen regulations, personal protective equipment, spill control and emergency response. Attached hereto as Exhibit 2 are true and correct copies of the materials Waste Management uses to train its employees who handle RMW. All new Waste Management employees who handle RMW receive this training. Employees receive further training at any time that their job functions change. In addition, employees receive training annually regarding blood borne pathogen regulations and they receive training every two years regarding United States Department of Transportation regulations.
4. Waste Management’s Medical Waste Acceptance Protocol sets forth the types of RMW Waste Management will accept and how the customer must segregate, package, and label the waste for collection by Waste Management. The Protocol is provided to, and must be signed by, each customer. A true and correct copy of the Medical Waste Acceptance Protocol is attached hereto as Exhibit 3.
5. Waste Management requires that the customer’s name be placed on each container of RMW collected by Waste Management. Waste Management employees affix a bar-code to the outside of each box or container of RMW. Before transporting RMW from customer premises, Waste Management employees visually ensure that the waste is properly labeled, complete Waste Management’s tracking documentation, and verify that the waste tracking documentation is accurate. Attached hereto as Exhibit 4 are true and correct copies of Waste Management’s Straight Bill of Lading, Straight Bill of Lading & Medical Waste Tracking Document, Medical Waste Tracking Document, and biohazard, sharps, and incineration labels. *See also* Exhibit 2 at WM000318.
6. Waste Management scans the barcode on each container at the point of collection. At that time, the generator signs a tracking document and retains a copy of the tracking document. Two other copies of the signed tracking document accompany the waste on the collection truck. Once the waste is received at Waste Management’s processing plant, it is scanned for radiation, weighed and barcode scanned again. Generator information, the number of containers, and the weight of the waste are uploaded into Waste Management’s billing system.
7. Waste Management schedules the collection of RMW based on customer need, geography, and day. On-call service is available when customers’ containers are not accessible at the time of a scheduled pick-up or when the customer requests on-call service.
8. Waste Management marks its vehicles in compliance with United States Department of Transportation regulations including Waste Management’s name, its toll-free phone number, the international biohazard symbol, the Department of Transportation-issued identification number, the Seattle-King County Public Health annual inspection sticker, and the UTC G Certificate number. Waste Management vehicles used to transport RMW contain spill kits including the following items for use in the event of a spill: barricade tape, disinfectant, respirator masks, duct tape, nitrile gloves, biohazard stickers, sharps containers, red bags, absorbent pads, coveralls, bleach/water mixture, face shields, heavy rubber gloves, first-aid kits, germicidal antibacterial hand sanitizer, flashlights and batteries. Waste Management requires its employees who handle RMW to wear protective equipment including safety glasses, safety toe and hard soled safety shoes, water resistant safety boots, puncture/cut resistant gloves, face shields, chemically resistant aprons, and respirators as needed. Attached hereto as Exhibit 5 is a true and correct copy of Waste Management’s procedures for cleaning up spills of blood borne pathogens. *See also* Exhibit 2 at WM000269-307.
9. Waste Management employees daily clean all areas, equipment, and tools which become contaminated or potentially contaminated by untreated RMW. They decontaminate floors and work surfaces at the end of each shift. Reusable containers are decontaminated before being returned to customers. Employees decontaminate the cargo area of trailers and trucks before the vehicle may leave a plant or station.
10. Waste Management has a commercial general liability policy with ACE American Insurance Company with a general liability aggregate limit of $6,000,000 and a limit of $5,000,000 per occurrence, and a limit of $1,000,000 for automobile liability, above a self insured retention limit of $5,000,000. Waste Management also has umbrella coverage from ACE Property & Casualty Insurance Co. with occurrence and aggregate limits of $15,000,000 and excess auto liability coverage of $9,000,000. A true and correct copy of Waste Management’s Certificate of Liability Insurance is attached hereto as Exhibit 6. This coverage is substantially higher than the coverage obtained by Stericycle of Washington, Inc. (“Stericycle”) which provides a general liability aggregate limit of $2,000,000 and a limit of $1,000,000 per occurrence, a limit of $5,000,000 for automobile liability, with umbrella coverage with an occurrence limit of $5,000,000 and an aggregate limit of $10,000,000. A true and correct copy of Stericycle’s 2012 Certificate of Liability Insurance, obtained through a public records request to the King County Health Department, is attached hereto as Exhibit 7.

# facilities and equipment used by waste management

1. Waste Management transports all RMW to be autoclaved at its Seattle Biomedical Waste Treatment Facility at 149 SW Kenyon Street in Seattle. Autoclaving involves subjecting the waste to steam under pressure in a vessel at intervals. The autoclaved waste is rendered sterile. In 2011, Waste Management processed 317,197.10 pounds of RMW at the Kenyon Street facility. A true and correct copy of Waste Management’s 2011 Annual Report to the King County Health Department is attached hereto as Exhibit 8. Attached hereto as Exhibit 9 is a true and correct copy of Waste Management’s Biomedical Waste Operating Plan for the Kenyon Street facility which was the subject of review and comment by both the King County Health Department and the Department of Ecology. Following autoclaving, Waste Management transports the treated, sterilized RMW to its Greater Wenatchee Landfill in Wenatchee, Washington or to Waste Management Disposal Service of Oregon, Inc.’s Columbia Ridge Landfill in Arlington, Oregon for final disposal.
2. Waste Management transports all pathological and residual chemotherapy waste to be incinerated at the Marion County Solid Waste-to-Energy Facility in Brooks, Oregon. Attached as Exhibit 10 is a true and correct copy of Waste Management’s Medical Waste Disposal Agreement with Marion County, Oregon authorizing disposal of RMW at the Marion County Solid Waste-to-Energy Facility in Brooks, Oregon.
3. Waste Management incinerates cardboard boxes and box liners after use. After each use, Waste Management sanitizes and reuses its tubs.
4. The vehicles Waste Management uses to transport RMW are described in the true and correct copies of the leases for these vehicles which are attached hereto as Exhibit 11.

# relevant permits and regulatory activity

1. Waste Management provides RMW services pursuant to UTC Certificate No. G-237 a true and correct copy of which is attached hereto as Exhibit 12.
2. Waste Management’s Biomedical Waste Treatment Facility at 149 SW Kenyon Street in Seattle operates under Solid Waste Facility Permit No. PR0080378 issued by the King County Department of Public Health. The permit is effective from Jan. 1, 2012 until Dec. 31, 2012. A true and correct copy of this permit is attached hereto as Exhibit 13. To obtain the 2013 permit, Waste Management will send in a check and a written explanation of any changes to its operating plan.
3. Waste Management is authorized to collect RMW in the City of Spokane in 2012 by the City’s Solid Waste Management Department. A true and correct copy of this authorization is attached hereto as Exhibit 14. To obtain the 2013 authorization, Waste Management will fill out the application, send a check for $1,000, and report in January 2013 the 2012 volume of RMW collected in Spokane County.
4. Waste Management transports RMW in King County pursuant to Solid Waste Handling Permit for Vehicles No. PR0081085 issued by the King County Department of Public Health. The permit is effective from July 1, 2012 until June 30, 2013. A true and correct copy of this permit is attached hereto as Exhibit 15.
5. Waste Management’s autoclave processing facility at 8101 First Avenue South in Seattle operates under Wastewater Discharge Authorization No. 785-03 from the King County Wastewater Treatment Division. The authorization is effective from March 26, 2008 through March 25, 2013. A true and correct copy of this authorization is attached hereto as Exhibit 16.
6. On September 20, 2011, inspectors of the Washington State Department of Ecology Hazardous Waste and Toxics Reduction Program conducted an inspection of Waste Management’s Seattle Biomedical Waste Treatment Facility at 149 SW Kenyon Street in Seattle. The Department of Ecology concluded that Waste Management had failed to properly designate waste liquids and sludges. A true and correct copy of the Department of Ecology’s Notice to Comply is attached hereto as Exhibit 17. Waste Management timely submitted to the Department of Ecology on May 11, 2012 a Sampling Plan and Quality Assurance Project Plan as the Department of Ecology requested. After receiving the data from Waste Management, the Department of Ecology authorized Waste Management to resume operations at Kenyon Street without concluding that there had been any improper disposal or treatment of dangerous wastes at the Kenyon Street facility. A true and correct copy of an email exchange between me and David Keeney of the Department of Ecology is attached hereto as Exhibit 18.
7. Mike Jeffers, an Environmental Compliance Inspector for Seattle Public Utilities also attended the September 20, 2011 inspection. On September 22, 2011, he advised Waste Management that he had not observed any storm water code violations at the Kenyon Street facility. A true and correct copy of Mr. Jeffers’ letter is attached hereto as Exhibit 19.
8. On June 26, 2012, Stericycle requested of the UTC copies of all complaints filed with the UTC “regarding Waste Management of Washington, Inc.” The UTC subsequently produced to Waste Management all of the public records the UTC had produced in response to Stericycle’s request for public records reflecting complaints from 2001 through 2012. There were no consumer complaints to the UTC regarding Waste Management’s RMW service.
9. Other than as described above, Waste Management has not been advised by the UTC or any other regulatory agency of any concerns about, or regulatory violations by, Waste Management related to its RMW services.
10. Although it has nothing to do with RMW, in the interest of full disclosure, I am aware that on several occasions, Waste Management’s solid waste program has received notices of a regulatory violation. Waste Management has worked promptly and cooperatively to resolve and correct these issues.
11. On December 8, 2011, Seattle Public Utilities issued a Notice of Violation and Order for Corrective Action and Penalty to Waste Management related to storm water discharges at Waste Management’s Alaska Street facility in Seattle. At the inspection which lead to the Notice of Violation, it was determined that the facility wheel wash was broken which resulted in discharge and trackout of turbid water and industrial process water to the public drainage control system in violation of Waste Management’s storm water permit. Waste Management promptly shut down its operations and within thirty minutes had a spill response contractor onsite to clean the impacted catch basins and drainage lines. The wheel was repaired and Waste Management timely paid the $1,000 penalty to SPU. True and correct copies of the Notice of Violation and the receipt of payment are attached hereto as Exhibit 20.
12. On June 28, 2012, the Department of Ecology directed Waste Management’s solid waste program to make some changes to its facility in Auburn. Specifically, the Department of Ecology directed Waste Management to make structural changes that would minimize the amount of sediment leaving the site. The various changes are to be implemented on deadlines from September 15, 2012, October 1, 2012, and November 1, 2012. Waste Management has timely completed the changes due by September 15, 2012 and is on track to timely complete the remaining changes. A true and correct copy of the Amended Administrative Order is attached hereto as Exhibit 21.

# facilities and equipment for statewide service

1. If statewide service is authorized, Waste Management will require one additional Class A driver to provide RMW services when the RMW revenue increases by approximately 30% and, thereafter, each time there is an additional approximately 30% increase in the RMW revenue. Class A drivers are readily available for hire.
2. If statewide service is authorized, Waste Management also will require an additional truck to provide RMW services when the RMW revenue increases by approximately 30% and, thereafter, each time there is an additional approximately 30% increase in the RMW revenue. Trucks are readily available for purchase or lease.
3. If statewide service is authorized, Waste Management will not require additional tub tippers, boilers or autoclaves to provide RMW services. Waste Management’s present equipment is operated at 25% of capacity. Waste Management’s current daily processing volume for RMW is 3.5 tons on a five-day work week. The autoclave can process 12 tons per 24-hour period. Based on plant space and autoclave capacity, I expect that if statewide authority is granted in mid-2013, Waste Management can operate with its existing equipment until at least mid-2015. In addition, Waste Management has two back-up autoclaves available at the Seattle processing plant site which Waste Management can use to process RMW.
4. Waste Management is committed to obtaining, as necessary, all necessary employees, vehicles, equipment and facilities to provide statewide RMW service. It has the full financial backing of Waste Management, Inc. to undertake this planned growth.

DATED this \_\_\_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2012, at \_\_\_\_\_\_\_\_\_\_\_\_, Washington.

Jeff Daub

**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.

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DATED at Seattle, Washington, this 1st day of October, 2012

Lisa Tardiff