



WASHINGTON REFUSE & RECYCLING ASSOCIATION

April 30, 2020

Mr. Mark Johnson
Executive Director and Secretary
Washington Utilities and Transportation Commission
P.O. Box 47250
Olympia, WA 98504-7250

State Of WASH.
UTIL. AND TRANSP.
COMMISSION

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Received
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Re: Docket TV-200348 Comments Regarding Washington Mover's Conference Petition for a Declaratory Order.

Dear Mr. Johnson:

The Washington Refuse and Recycling Association (WRRA) is a trade association representing the private sector solid waste industry in Washington, much of which falls under Commission regulation. Similar to household good movers, Washington's solid waste system and the customers it serves have long benefitted from robust and effective regulation by the Commission. WRRA member companies and the solid waste industry serve a vital role in public health, safety, and environmental protection.

WRRA shares many concerns with the Washington Mover's Conference (WMC) related to regulated services contracted and performed by third parties. Every business likely faces situations that a third-party contractor can most efficiently address. Custodial services and temporary administrative workers are common. However, those that perform regulated services should possess the appropriate authority and be subject to all applicable regulations of the Commission.

Consumer Protection & Enforcement: Regulation by the Commission provides important consumer protection and accountability. No matter who performs the service, the need for Commission regulation and oversight of said service remain. Customers should know who is providing their service and handling their property. The introduction of third parties will allow for "finger pointing," introduce confusion, and make enforcement of the Commission's regulations more difficult. With third parties, Commission staff may not know who is performing regulated services, let alone be in a position to provide effective regulatory oversight required by statute and the Commission's own rules.

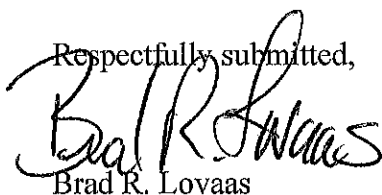
Regulatory Structure: Regulated companies should perform regulated services. A regulated company is under the obligation to provide services according to its tariff. Regulated entities cannot effectively operate as a broker and shift the costs of compliance and responsibility to provide service to unknown third parties. Allowing such would result in a model where regulated companies could essentially lease out their authority to non-permitted operators. Third parties will not pay the same taxes, regulatory fees to the Commission, or be subject to the same vehicle and safety requirements. Unregulated third-party contractors will challenge the stability and integrity of the transportation regulatory structure in Washington.

New transportation network companies: In recent years, a new business model has emerged for app-based transportation network companies. These companies recruit drivers as third-party contractors. Often, these companies operate outside existing regulations. Many have been the subject of enforcement actions before the Commission in Washington or across the nation. Allowing regulated companies to contract regulated services away to unregulated third parties will embolden similar operators to continue operations outside the regulatory structure and may provide an endorsement of this business model.

Implications for Solid Waste: Solid Waste Collection Companies face similar issues with companies that illegally operate outside the regulatory structure and some companies that claim to operate within it. The operations of a regulated company that adheres to all Commission and other applicable regulations will always be more costly than unregulated or illegally operating third party hauling operations. Commission policy and enforcement should ensure a level playing field among regulated companies and police those that attempt to circumvent the system.

WRRRA supports the WMC position that there should be a level playing field for companies regulated by the Commission. A regulated company could act as a shell or broker if regulated companies are able to contract away-regulated services to cheaper, unregulated, or illegally operating third parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Brad R. Lovaas". The signature is written in a cursive, flowing style.

Brad R. Lovaas
Executive Director