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June 11, 2010

David W. Danner, Executive Director and Secretary
Washington Utilities and Transportation Commission
1300 S. Evergreen Park Dr. SW
P. O. Box 47250
Olympia, Washington 98504-7250

RE: *WUTC v. Harold LeMay Enterprises, Inc., d/b/a Joe's Refuse Service*
Docket TG-091769

Dear Mr. Danner:

Enclosed for filing in the above-referenced docket are the original and two copies of the Settlement Stipulation for Partial Exemption to Workpaper Requirements of WAC 480-07-520(4), and Certificate of Service.

Sincerely,

ROBERT D. CEDARBAUM
Assistant Attorney General

RDC:klg
Enclosures
cc: Parties

with the workpaper requirements of any subsection of WAC 480-07-520(4) not addressed below.¹

3 References in this Settlement Stipulation to county and district operations of the Company, for both regulated and unregulated services, come from the Attachment to this Settlement Stipulation. The Company's operations for Joe's Refuse Service are shown in Lewis County, District 2188 for regulated services and District 2189 for unregulated services.

A. WAC 480-07-520(4)(a) (detailed proforma income statement)

4 The Parties agree to a partial exemption, for purposes of this case only, that: (1) the detailed proforma income statement will show revenues and expenses for each district in Pierce, Grays Harbor, Thurston and Lewis Counties, as shown on the Attachment, and the total of all columns will equal total Company revenues and expenses, as reported in the Company's 2009 Annual Report to the Commission; and (2) for Joe's Refuse Service, the income statement, separated into solid waste, residential recycling, multi-family recycling, and yard waste, showing restating and pro forma adjustments, will be limited to Lewis County operations, Districts 2188 and 2189.

B. WAC 480-07-520(4)(c) (income statement listing all revenue and expense accounts by month)

5 The Parties agree to a partial exemption, for purposes of this case only, that the monthly income statement will be provided for the combined total of Joe's Refuse Service

¹ The workpaper requirements already fulfilled by the Company are: WAC 480-07-520(4)(b) (revenue impact calculation of the proposed tariff revisions); WAC 480-07-520(4)(f) (detailed price-out information); WAC 480-07-520(4) (g) (consolidated balance sheet, including the percentage of equity and the percentage of debt, and the cost of that debt by component); WAC 480-07-520(4)(h) (detailed depreciation schedule); WAC 480-07-520(4)(i) (computed average investment); and WAC 480-07-520(4) (j) (information about every transaction with affiliated interests or subsidiaries).

Districts 2188 and 2189. To date, the Company has submitted the monthly income statement for District 2188 only.

C. WAC 480-07-520(4)(d) (detailed separation of all revenue and expenses between regulated and non-regulated operations, if non-regulated revenue represents more than ten percent of total Company test period revenue)

6 The Parties agree to a partial exemption, for purposes of this case only, that the Company will provide the detailed calculation of any allocation used to separate revenue and expenses:

- (1) Between District 2188 for Joe's Refuse Service regulated operations in Lewis County and District 2189 for Joe's Refuse Service unregulated operations in Lewis County; and
- (2) Between District 2188 for Joe's Refuse Service regulated operations in Lewis County and any other district with which District 2188 has intra-Company transactions or arrangements that, but for the fact that that district or districts are not separate corporations, would constitute affiliated interest transactions.

D. WAC 480-07-520(4)(e) (detailed list of all non-regulated operations, including the rates charged for the services rendered)

7 The Parties agree to a partial exemption, for purposes of this case only, that the Company will file the rates for Joe's Refuse Service Districts 2188 and 2189, except that the Company will not be required to file rates for its long-haul trucking operations.

II. APPLICABLE LEGAL STANDARD

8 WAC 480-07-110 provides that the Commission may grant an exemption from or modify the application of its rules in individual cases if consistent with the public interest and the purposes of the underlying regulation:

The standard for consideration is the public interest standard. Factors the commission may consider include whether application of the rule would impose undue hardship on the requesting person, of a degree or a kind different from hardships imposed on other similarly situated persons, and whether the effect of applying the rule would be contrary to the underlying purposes of the rule.

9 The Parties agree that the Settlement Stipulation is consistent with the public interest to ease the administrative burden of the Company, but in a manner that still provides Staff and the Commission the necessary information to assess the reasonableness of the Company's proposed allocation of common costs between internal business districts and any affiliates. The Settlement Stipulation, therefore, meets the requirements of WAC 480-07-110 and should be approved by the Commission in its entirety.

III. MISCELLANEOUS PROVISIONS

10 **A. Binding on Parties.** Each Party agrees to support the terms of this Settlement Stipulation. The Parties understand that that this Settlement Stipulation is subject to Commission approval.

11 **B. Procedure.** The Parties shall cooperate in submitting this Settlement Stipulation to the Commission for approval at the scheduled prehearing conference on June 14, 2010. The Parties also agree to cooperate in good faith in the development of any other information or presentation of witnesses, as may be necessary to support and explain the basis for the Settlement Stipulation, and to supplement the record accordingly.


12 If the Commission rejects all or any material portion of this Settlement Stipulation, or adds additional material conditions, each Party reserves the right within five (5) business days of the Commission's Order, to withdraw from the Settlement Stipulation. If either Party exercises its right of withdrawal, the Settlement Stipulation shall be void and of no effect, and the Parties will support a joint motion to establish an expedited procedural schedule to litigate the Company's Petition for Exemption from Portions of WAC 480-07-520(4). For purposes of this paragraph, each Party shall determine materiality and shall do so in good faith.

C. **No Precedent.** By executing this Settlement Stipulation, neither Party shall be deemed to have agreed that the Settlement Stipulation is appropriate for resolving any issues in any other proceeding.

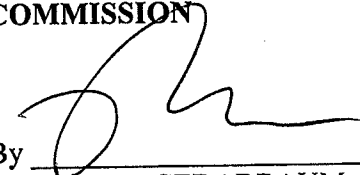
DATED this 11 day of June, 2010

**HAROLD LeMAY ENTERPRISES, INC.,
d/b/a JOE'S REFUSE SERVICE**

**WASHINGTON UTILITIES AND
TRANSPORTATION
COMMISSION**

By 

DAVID W. WILEY
Attorney for Harold LeMay Enterprises,
Inc., d/b/a Joe's Refuse Services


By _____
ROBERT D. CEDARBAUM
Assistant Attorney General

ATTACHMENT

G-98 Harold LeMay Enterprises, Incorporated Operations by County/District/Regulated & Unregulated Services

Pierce County	Thurston County	Grays Harbor County	Lewis County
<p style="text-align: center;">2180 - Regulated</p> <p>HAULING: Commercial Garbage Residential Garbage Residential Recycling Residential Yard Waste Roll Off</p> <p style="text-align: center;">2181 – UnRegulated/City Contracts</p> <p>HAULING: Commercial Garbage Commercial Recycling (All) Residential Garbage Residential Recycling Residential Yard Waste Roll Off</p> <p>CONTRACTS: Schnitzer Steel Ft. Lewis/McChord DuPont Eatonville Lakewood Roy Stellacoom University Place Mt. Rainer National Park</p>	<p style="text-align: center;">2183 - Regulated</p> <p>HAULING: Commercial Garbage Residential Garbage Residential Recycling Residential Yard Waste Roll Off Rainier Yelm</p> <p style="text-align: center;">2184 – UnRegulated/City Contracts/ Exempt</p> <p>HAULING: Commercial Garbage Commercial Recycling (All) Residential Garbage Residential Recycling (All) Residential Yard Waste Roll Off</p> <p>OTHER OPS: Transfer Station Composting MRF</p> <p>CONTRACTS: Thurston County (Compost Ops) Regional Disposal (Tfx Station & Disp) Thurston County (Recycling Agreement)</p>	<p style="text-align: center;">2186 - Regulated</p> <p>HAULING: Commercial Garbage Residential Garbage Residential Recycling Residential Yard Waste Roll Off</p> <p style="text-align: center;">2187 – UnRegulated/City Contracts/ Exempt</p> <p>HAULING: Commercial Garbage Commercial Recycling (All) Residential Garbage Residential Recycling Residential Yard Waste Roll Off</p> <p>OTHER OPS: Transfer Station</p> <p>CONTRACTS: Aberdeen Cosmopolis Elma McCleary Montesano Oakville Ocean Shores Westport</p>	<p style="text-align: center;">2188 - Regulated</p> <p>HAULING: Commercial Garbage Residential Garbage Residential Recycling Residential Yard Waste Roll Off</p> <p style="text-align: center;">2189 - UnRegulated/City Contracts/ Exempt</p> <p>HAULING: Commercial Garbage Commercial Recycling (All) Residential Garbage Residential Recycling Residential Yard Waste Roll Off</p> <p>OTHER OPS: Long Haul</p> <p>CONTRACTS: Bucoda Centralia Chehalis Morton Napavine Tenino</p>

<p>LeMay Transportation - Unregulated (2182)</p> <p>Transfer Station for Lakewood and LRI Long Haul Operations Drop Box Hauling (Recyclables) Container Repair Facility</p>	<p>LeMay Transportation Shredding - Unregulated (2185)</p> <p>Mobile Shredding in Washington and Oregon Headquartered in Thurston County</p>
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