



**Snohomish County
Public Works**

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June 18, 2012

David W. Danner, Secretary and Executive Director
Attention: Gene Eckhardt, Assistant Director
Washington State Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

RE: Docket TG-111993 –Revenue Sharing Plans

Dear Mr. Danner:

The purpose of this letter is to provide Snohomish County's determinations regarding the revenue sharing compliance with RCW 81.77.185 by Republic Services of Lynnwood (Republic Services). This letter conveys support for and certification of a new revenue sharing plan that addresses revenue sharing programs in Snohomish County from August 1, 2012, through July 31, 2013. It also reports the County's findings regarding Republic Services' performance under Part A of the previous revenue sharing plan from January 1, 2012, to April 30, 2012. The plans referenced herein apply to Republic Services' G-12 certificated territory within Snohomish County.

2012-13 Plan

Republic Services and Snohomish County have come to an agreement on a new Recycling Plan and associated budget for its service area within Snohomish County for the period beginning August 1, 2012, and ending July 31, 2013. A copy of the Plan, signed by both parties and certified by the County as being in compliance with its current Solid Waste Management Plan, is being transmitted to you by Republic Services concurrently with this letter. The plan is divided into two parts to accommodate filing deadlines. Part A will run August 1, 2012 – April 30, 2013; Part B will run May 1 – July 31, 2013.

We recommend that the Washington Utilities and Transportation Commission (WUTC) allow Republic Services to retain up to 36 percent of the revenues from the sale of commodities generated during the 2012-2013 Plan period, to implement the program activities described in the Plan. The County will work closely with Republic Services through quarterly meetings to ensure milestones in the Plan are being met and to make adjustments to the plan if projected revenues are not being realized.

We have worked with Republic Services to improve this Plan based on discussions with the WUTC Commissioners and others over the last year, and to be responsive to the WUTC's Interpretive and Policy Statement of RCW 81.77.185 dated May 30, 2012 (Docket TG-112162). We believe the result is an improved plan and process.

The County believes the Plan activities demonstrate how the retained revenue will be used to increase recycling, as required by RCW 81.77.185. "Recycling," as defined in RCW 70.95.030, means "transforming or remanufacturing waste materials into usable or marketable materials for use other than landfill disposal or incineration."

January 1-July 31 2012 Plan

In December of 2011, the County provided initial certification of the January 1 – July 31, 2012 Plan, and recommended that Republic Services retain 50% of the commodity revenues generated during that time period. The plan was divided into two parts to accommodate required filing deadlines; Part A was to run January 1 – April 30, 2012 and Part B May 1 – July 31, 2012.

Not all of the tasks outlined and budgeted for Part A have been completed and not all of the projected budget has been expended. Therefore, the County recommends that retained revenues that were not spent on the tasks outlined in Part A be returned to rate payers. The company will report revenue retained and money spent during Part B of the plan in its next filing along with Part A of the proposed 2012-2013 Plan.

Thank you for the opportunity to offer our comments and support for the recycling plans developed by Republic Services and Snohomish County. If you have any questions, please contact Segó Jackson at (425)388-6490 or sego.jackson@snoco.org

Sincerely,



Matthew Zybas
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