

Before the
Washington Utilities and Transportation Commission

In the Matter of the Application of Waste Management of Washington, Inc.
D/B/A WM Healthcare Solutions of Washington
Docket No. TG-120033

RESPONSE TESTIMONY OF MIKE PHILPOTT
On behalf of Waste Management of Washington, Inc.

November 16, 2012

Deposition of Mike Philpott

In the Matter of the Application of Waste Management of Washington, Inc.

October 22, 2012



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BEFORE THE WASHINGTON UTILITIES
AND TRANSPORTATION COMMISSION

In the Matter of the)
 Application of:)
)
 WASTE MANAGEMENT OF)
 WASHINGTON, INC. D/B/A WM)
 HEALTHCARE SOLUTIONS OF)
 WASHINGTON)
) Docket No. TG-120033
 For an Extension of)
 Certificate G-236 for a)
 Certificate of Public)
 Convenience and Necessity to)
 Operate Motor Vehicles in)
 Furnishing Solid Waste)
 Collection Service)
)

DEPOSITION UPON ORAL EXAMINATION
 OF
 MIKE PHILPOTT

Taken at 315 Fifth Avenue South
Seattle, Washington

DATE TAKEN: OCTOBER 22, 2012
REPORTED BY: SHERRILYN SMITH, CCR# 2097

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* * * * *

1 DEPOSITION OF MIKE PHILPOTT

2 EXAMINATION INDEX

3	EXAMINATION BY	PAGE
4	Ms. Goldman	4

7 EXHIBIT INDEX

8	EXHIBITS FOR IDENTIFICATION	PAGE
9	1 Direct Testimony of Jeff Norton	114
10	12 Stericycle of Washington, Inc. Tariff No. 1, Certificate No. G-244	69
11	13 10/01/12 Direct Testimony of Jean Longhenry	87
12	14 10/01/12 Direct Testimony of Carla Patshkowski	92
13	15 10/01/12 Direct Testimony of Julie Sell	93
14	16 Prefiled Testimony of Mike Philpott	98
15	17 Exhibit DR #1 to Stericycle's June 2012 Responses to Waste Management's First Data Requests	138

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1 SEATTLE, WASHINGTON; OCTOBER 22, 2012

2 9:30 A.M.

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5 MIKE PHILPOTT, witness herein, having been
6 first duly sworn on oath,
7 was examined and testified
8 as follows:

9

10 E X A M I N A T I O N

11 BY MS. GOLDMAN:

12 Q Good morning, Mr. Philpott. As you know, my
13 name is Jessica Goldman and I represent Waste
14 Management. Have you had your deposition taken
15 before?

16 A I have.

17 Q How many times?

18 A Half a dozen.

19 Q Do you have any direct role with Stericycle's
20 customers or prospective customers?

21 A What do you mean by that?

22 Q In your job, do you have any direct role
23 dealing with or working with or addressing
24 Stericycle's clients or prospective clients or
25 customers?

1 broken?

2 A It could be they want a different size. It
3 could be they feel they want a better looking one,
4 they think it's not clean. Sometimes a reusable
5 container can retain some odor. Other times it's
6 possible that it could have an issue that they just
7 want it changed out for. We typically don't try to
8 deliver a container that is broken. At times it can
9 happen where there could be a cracked lid along with a
10 container, or they need a new lid, or something else
11 with it, but that's the majority of it.

12 Q Are you familiar with the term Steri-Tub?

13 A Yes.

14 Q You are smiling because this is a very
15 familiar term, I assume?

16 A Well, it's a container we use.

17 Q So tell me, what is a Steri-Tub?

18 A A Steri-tub is a reusable plastic tub that's a
19 proprietary container, where the mold and everything
20 is owned by Stericycle. It's a reusable container
21 that has postconsumer recycled plastic in it.

22 Q And so it's owned by Stericycle, Inc.? I
23 assume we're not talking Stericycle of Washington,
24 Inc.?

25 A I wouldn't know how the ownership goes for the

1 If you are asking -- no, Stericycle of
2 Washington drivers aren't picking up accounts in
3 Northern California. No, they are not, but employees
4 will have interactions with other customers in other
5 states at times.

6 Q Anything else? Any other kinds of
7 responsibilities or tasks that are performed by
8 Stericycle of Washington, Inc. for customers or
9 services outside the state of Washington?

10 A I don't think so. I would have to check that
11 out, because -- I mean, we have employees the same as
12 myself that are -- have dual responsibilities in the
13 state of Washington, as well as outside.

14 Q So when you say "dual responsibilities," you
15 mean who are formally employees of both the corporate
16 parent and of the Washington subsidiary?

17 A What do you mean formally?

18 Q "Formally."

19 A Yes, we have -- a regional sales director
20 would be in the same capacity as me, would work on
21 things in the state and outside. The same with the
22 other program managers that would do that.

23 Q So what sizes are the Steri-Tubs offered in
24 Washington?

25 A I believe it's a 21-gallon, a 48-gallon.

1 There was -- some time ago there used to be, I think,
2 like a 32 or 34. That is no longer in use.

3 Q Why not?

4 A It was not a popular size.

5 Q What was the complaint about that size?

6 MR. VAN KIRK: Objection to the form of
7 the question.

8 A Well, I didn't say there was any complaints
9 about it, I said that it was not a popular size so it
10 wasn't used.

11 Q Why was it not popular?

12 A I couldn't tell you, you would have to ask
13 somebody that wasn't using it. It was something that
14 I think disappeared before I was there in '99, so I
15 don't have a lot of knowledge about it.

16 Q So since you've been with Stericycle, the only
17 two sizes of Steri-Tubs have been the 21 and 48-gallon
18 containers?

19 A To the best of my knowledge, yes.

20 Q Do you know when Stericycle began offering the
21 Steri-Tubs in the state of Washington?

22 A I believe it was when they started doing
23 business in the state of Washington, but since I
24 wasn't here when they started, I can't tell you for
25 sure. I know previously I was employed at BFI in '95

1 and they were using them at that time. They got in
2 the business I think a couple years before that in
3 this state. It's my understanding that that was the
4 only container they had to offer, were those two.

5 Q "They" meaning Stericycle?

6 A Stericycle, yes.

7 Q So at least from your own experience, at least
8 as far back as 1995, Stericycle was offering the
9 Steri-Tubs in Washington?

10 A Correct.

11 Q And what has Stericycle's experience been with
12 the level of satisfaction of customers with
13 Steri-Tubs?

14 A The same with any other reusable container we
15 have. There's no perfect container for anybody. Some
16 people enjoy them; some people don't. It depends on
17 what their use is for them.

18 Q And what have been the concerns among those
19 customers who don't find the Steri-Tub to be a perfect
20 container?

21 A Some of the concerns are they may not like the
22 color of the container.

23 Q What color is it?

24 A Black.

25 Q Okay. What else?

1 A Another is at times lids on those containers
2 crack because the plastic, since it is a recycled
3 plastic, is more of a brittle material.

4 Q Any other concerns that have been raised by
5 Stericycle customers regarding the Steri-Tubs, besides
6 the color and the lids cracking?

7 A At times some of the lids are difficult to
8 snap on.

9 Q Why is that?

10 A Just basically from reusable containers going
11 through a wash system. You know, they are exposed to
12 hot temperatures and cold and it may change the shape
13 somewhat. The same issue happens on Rubbermaid
14 containers with tabs, sometimes tabs break off, and
15 there's lid issues with those as well. So depending
16 on the container, all of them have certain
17 shortcomings.

18 Q Does Stericycle use Rubbermaid containers?

19 A We do.

20 Q For what?

21 A For picking up regulated medical waste.

22 Q What sizes?

23 A 10-gallon, 20-gallon, 28-gallon, 40.

24 Q Are these the square tubs?

25 A No.

1 customers that have them directly, or the sales reps
2 that have accounts that have them.

3 Q How many sales reps does Stericycle use in
4 Washington?

5 A Well, there's a multitude. You have people
6 that are actually out visiting customers would be --
7 you would have two major account executives in the
8 state of Washington. I believe there are three
9 individuals that cover the medium-quantity generators.
10 For the small-quantity generators, I couldn't tell
11 you, there's -- numerous have contacts with customers.

12 Q And those are by phone, correct, the
13 small-quantity generators, typically?

14 A Correct, and some of them could be visited by
15 the other people as well that are local.

16 Q How has Stericycle responded to concerns of
17 customers regarding the Steri-Tubs, if at all?

18 A Well, customers in the state of Washington are
19 free to use whichever container's on our tariff. I
20 believe at this time we have eight different reusable
21 containers, or actually nine different reusable
22 containers, and two cardboard boxes. If they request
23 a change, we change them at any time that they want.

24 Q So run me through the nine reusable containers
25 that Stericycle offers.

1 A We have the two Steri-Tub sizes, the 21 and
2 48. We have the Rubbermaid in the 10, the 20, the 28
3 and the 40. Plus, we have a 28-gallon incinerate
4 container, reusable Rubbermaid container, that's a
5 28-gallon.

6 Q You mentioned 28 as one of the four under
7 Rubbermaid. Is there a second 28 gallon?

8 A Yes, it's Rubbermaid, but there's a gray
9 container that's an incinerate-only container.

10 Q Okay.

11 A And we have two Rehrig containers. I think
12 they are a 31 and 43. I'm not positive of the
13 gallons.

14 Q So that adds up to nine. Is that the list?

15 A Of reusables?

16 Q Yes.

17 A To the best of my knowledge. There may be
18 more in the tariff that may not be getting used at the
19 current time.

20 Q And so is it your testimony that a Stericycle
21 customer is free to use any of these nine containers
22 anywhere in the state of Washington?

23 A I didn't say that.

24 Q Okay. Correct me then, please.

25 A Two of the containers aren't available in the

1 entire state.

2 Q Are not? Are or are not?

3 A Are not.

4 Q Which two are those?

5 A The Rehrigs.

6 Q Where are the Rehrigs available?

7 A I don't know specifically. It's listed on our
8 tariff.

9 Q So other than the Rehrigs, are the other seven
10 reusable containers available to any Washington
11 customer?

12 A They are.

13 Q So why are the Rehrigs not available to all
14 Washington customers?

15 A They are currently being tested.

16 Q And where are they being tested, do you know?

17 A I just answered previously. I'm not positive
18 which counties they are in. It's listed on our
19 tariff.

20 Q And how long is that test going to go on?

21 A Well, I'm not sure. It's actually not going
22 real well. Customers haven't received them very well.
23 I have a warehouse full of them. They don't
24 particularly like that container.

25 Q What are they telling you that they don't like

1 about it?

2 A They don't like it because basically it's got
3 the attached lid. The lid, when it's open -- in order
4 to fill a medical waste container, you have to have a
5 liner in it. The liner folds out over the lid. If
6 they are keeping it somewhere where they want to keep
7 a lid on top of the container, they have to pull the
8 bag out and tuck the bag inside and shut the lid.

9 Where on another container with the detached lid, you
10 can have the bag on it with the lid sitting on top of
11 the container.

12 Q Okay.

13 A It's not applicable for a lot of uses in
14 facilities.

15 Q What else? Any other complaints or concerns
16 that you've heard from customers about these new
17 Rehrig tubs that you are testing?

18 A That's the main concern that I've heard at
19 this point. I think probably the sales group that's
20 tried them out in there may have different answers. I
21 don't know all of them.

22 Q So has Stericycle made a determination to
23 terminate the test and terminate the availability of
24 the Rehrig tubs because they are not working in
25 Washington?

1 A Not at this time. It's fairly difficult to
2 remove a container from the tariff once you have it
3 on. If one customer likes it, you typically would
4 leave it on the tariff.

5 Q And do you have customers who like the Rehrig
6 tubs?

7 A I believe there are some using them, so I
8 would assume that they -- there's something that they
9 care about for that container.

10 Q Do you have an understanding of how many
11 customers, Stericycle customers, in Washington are
12 using these Rehrig tubs right now?

13 A I don't.

14 Q Do you have an understanding of how many of
15 the customers who are using the Rehrig tubs have
16 concerns about the attached lid?

17 A I know there was numerous, because these were
18 handed out to many customers in I think King and
19 Pierce County. A lot of them that were using them
20 have subsequently given them back to us. I don't have
21 the exact data on that. Somebody like Ron Adams or
22 James Ryan would that have information.

23 Q And how is it that you are aware of this
24 issue?

25 A Because I see them in our warehouse. And I

1 Q -- or do you know?

2 A It's used in the United States. It could be
3 used internationally, I don't know.

4 Q Okay.

5 A Like I said, it's not my area.

6 Q So why is the TB01 proprietary container not
7 being used by Stericycle in the state of Washington?

8 A We made a decision not to use that particular
9 container because of the color, it's gray. In the
10 state of Washington, we use 28-gallon Rubbermaid
11 reusables as an incinerate-only container. It would
12 be confusing to introduce another gray container when
13 we have had the customers somewhat trained on, you
14 know, red is regulated medical waste and gray is
15 incinerate only.

16 Q Have you had any conversations with Jeff
17 Norton regarding customer complaints about Steri-Tubs
18 ever?

19 A Well, you are referring to them as complaints.
20 The people that have concerns over the tubs, yeah,
21 I've spoken to them about the issues, you know, that
22 you previously asked me about, yes.

23 Q So you are taking issue with my use of the
24 word "complaint." We will use yours, "concerns."
25 That's one that you feel more comfortable with?

1 A Sure.

2 Q And you have previously identified what you
3 understand to be customer concerns with Steri-Tubs; is
4 that correct?

5 A Correct.

6 Q That they don't like the color, the lids crack
7 and the lids are difficult to snap on, correct?

8 A Correct.

9 Q And those are the concerns that you are
10 talking about, right?

11 A Correct.

12 Q Any other concerns that you have discussed
13 with Mr. Norton regarding customers' use of
14 Steri-Tubs?

15 A Not that I can think of off the top of my
16 head. There may have been other concerns, but I just
17 don't recall right now.

18 Q So tell me what you recall about your
19 conversations with Mr. Norton regarding these customer
20 concerns about the Steri-Tubs.

21 A I believe you just read them off. The color,
22 the lids not going on perfectly, as easily as they may
23 on some other containers at times. I think the other
24 one was at times the lids may crack due to the
25 brittleness of the plastic.

1 Q Are these concerns that Mr. Norton reported to
2 you that he was hearing from customers with whom he
3 was interfacing?

4 A I would imagine, yes.

5 Q And what was your response to his bringing
6 these concerns to your attention?

7 A I couldn't tell you what my response was at
8 that point in time. On those particular containers,
9 either customers like them or they don't, just like
10 other containers that are out there. If it was a
11 concern with those particular containers, a customer
12 can change to something else.

13 A lot of customers preferred using those due
14 to the footprint that they take up in their utility
15 room, where they store it. Some of the other
16 containers that are out there, the Rubbermaids have
17 exterior handles on them that protrude, which will end
18 up taking up some more space, depending on how they
19 are placed in a room. People feel due to the shape of
20 the Steri-Tubs, you can get more waste inside of them.
21 The Rubbermaids have a slight taper to them, so
22 Steri-Tubs may at times hold sharps containers better,
23 when they are disposing of them.

24 It's a personal preference. That's why we
25 offer an array of containers for people's use.

1 Q Were you done?

2 A I am.

3 Q So what was your response to Mr. Norton when
4 he brought these concerns to your attention? Was it
5 what you just said, that customers are free to use
6 others?

7 A That would have probably been the response.
8 This isn't like something that came up every day. I'm
9 not sure what exact conversation you are trying to
10 pinpoint. I've had numerous conversations with Jeff
11 about a lot of different things. If he would have
12 brought that up, I would have said if the customer
13 isn't comfortable with that container, they can change
14 to a different container.

15 Q Do you recall what you said to Mr. Norton
16 about this subject?

17 A I don't recall any specific conversations, no.

18 Q But you do recall that he brought the issue to
19 your attention, correct?

20 A I recall speaking to him about it previously,
21 yes.

22 Q When did Stericycle begin offering the Rehrig
23 containers in Washington?

24 A I don't know the exact date. I believe the
25 first customers received them for use in June of 2011.

1 When the discussions came up, when to start using
2 them, I don't know the exact date.

3 Q Why did Stericycle begin offering Rehrigs in
4 June of 2011?

5 A Because at that point in time -- earlier than
6 June, so it would have been the start of the year. At
7 some point in time, customers started asking, perhaps
8 they would like to try a hinged lid.

9 Q And so none of Stericycle's prior tubs had a
10 hinged lid; is that correct, prior to Rehrig?

11 A Not offered in the state of Washington, no.

12 Q So at some point earlier in 2011, customers
13 were asking for a hinged lid. Who were the customers
14 asking for a hinged lid?

15 A I have no idea.

16 Q How did you learn of this?

17 A I would imagine through the sales team.

18 Q And who from the sales team talked to you
19 about this issue?

20 A I'm not sure who specifically spoke to me, but
21 I'm sure it would have either been James Ryan or Ron
22 Adams or Bill Avery, one of those three.

23 Q And do you recall actually having
24 conversations with them about this subject?

25 A I recall conversations talking about

1 containers.

2 Q About customers wanting a hinged lid
3 container?

4 A Correct.

5 Q And was there any other reason that you were
6 led to understand was driving Stericycle's testing or
7 piloting of this Rehrig tub?

8 A Well, obviously at that point in time Waste
9 Management was -- I believe the reason the question
10 was coming up is they were going around speaking to
11 existing customers about a hinged lid container. I'm
12 sure that had something to do with it as well.

13 Q So Waste Management was speaking to existing
14 Stericycle customers about a hinged lid; is that
15 right?

16 A Correct.

17 Q And so how did that play into the decision of
18 Stericycle to try the Rehrigs out?

19 A I'm not really sure. I'm not the one that
20 makes the final call on which containers to secure or
21 to not secure.

22 Q And who makes that decision?

23 A At that time it would have been Dan Ginetti,
24 who was the --

25 Q I'm sorry, who?

1 A Dan Ginetti.

2 Q How do you spell his name?

3 A G-I -- G-I-N-E-T-T-I.

4 And at that time he was the area VP, not Jim
5 Hortenstine. Dan would have been the area VP at that
6 time.

7 Q And so now Mr. Hortenstine is the area VP who
8 replaced Mr. Ginetti?

9 A Correct.

10 Q And is Mr. Ginetti still with Stericycle?

11 A He is.

12 Q What is his position now?

13 A I believe he is senior vice president of
14 operations. I don't know the exact title.

15 Q Somewhere further up the food chain?

16 A Correct.

17 Q And who participated in making the decision to
18 offer the Steri-Tubs besides Mr. Ginetti?

19 A It would have been Dan, Bill Avery, and
20 someone in our corporate office that deals with -- in
21 the purchasing department.

22 Q So three individuals made the decision about
23 offering the Rehrig tubs in Washington; is that
24 accurate?

25 A More or less. There could have been more

1 department and sales and Dan.

2 Q And what I'm trying to understand here is what
3 you know. If you know, you know; and if you don't,
4 you don't.

5 You have described the, quote, final call, end
6 quote, having been made by Mr. Ginetti. What I'm
7 trying to understand is have you told me now
8 everything you know about the process that Mr. Ginetti
9 and anybody else at Stericycle undertook to make -- to
10 reach that decision on that final call about offering
11 Rehrigs?

12 A I'm sure there was more that took place there.
13 I was involved in some conversations discussing them.
14 I'm sure that Rehrig -- you know, I'm not sure if they
15 offer those in other locations or not and what the
16 sizes are. I'm sure there's other discussions I
17 wasn't involved in. To the best of my knowledge,
18 that's an accurate overview.

19 Q And so you were involved with some
20 conversations discussing the pros and cons of
21 introducing Rehrigs; is that correct?

22 A Yeah, I was involved. I mean there could have
23 been -- I mean I deal with a lot more than just buying
24 two containers. There could be more. I would have to
25 go back and look at some information around that time.

1 A I don't know how it was communicated. I know
2 for sure that all of the large-quantity generators
3 that would typically use containers of that size were
4 contacted by the sales group. I'm not sure how they
5 contacted the small-quantity generators or any others.

6 Q So you testified that Stericycle learned that
7 Waste Management was speaking to some of the
8 Stericycle's existing customers about Rehrig tubs in
9 early 2011; is that right?

10 A Approximately. I believe that's around the
11 day.

12 Q And what do you know about that?

13 A I just have secondhand knowledge from -- the
14 people in the sales group I believe brought up that
15 they were getting contacted, I don't know if it was by
16 one person or a multitude of them, in regards to a
17 container being offered.

18 Q And who was in the sales -- who in the sales
19 group told you this?

20 A It would be one of those -- the same three I
21 keep bringing up, either James Ryan, Ron Adams or Bill
22 Avery.

23 Q And what do you recall the sales group
24 representative or representatives saying to you about
25 the fact that Waste Management was speaking to

1 Stericycle customers about Rehrig tubs?

2 A From what I recall, just that they were
3 offering a different container that we didn't have at
4 that time available, which was a hinged lid container
5 with an attached lid. Other than that, I'm not sure
6 what else they would have brought up.

7 Q Did any members of the sales group suggest
8 that Stericycle should also offer a hinged lid
9 container?

10 A It's possible. I don't really recall.

11 Q Are you aware of any other reason why
12 Stericycle customers began inquiring about a hinged
13 lid in 2011, other than what you have already
14 testified to?

15 A No.

16 Q Are you aware by name of any Stericycle
17 customers who have tried the Rehrig tubs and then
18 decided that they no longer wished to use them?

19 A No.

20 Q Are you aware of how many Stericycle customers
21 have tried the Rehrig tubs and then decided they don't
22 want to use them?

23 MR. VAN KIRK: Objection. Asked and
24 answered.

25 A No.

1 discussions with regarding Biosystems prior to the
2 offering of those services?

3 A I believe Jeff Norton was there at that time.
4 Honestly, I don't remember who else was in the sales
5 group at that time.

6 Q And what did you and Mr. Norton discuss
7 regarding Biosystems prior to that service being
8 offered?

9 A I recall -- I think we were discussing how we
10 were going to price it for the market.

11 Q And what was your concern?

12 A The concern was that the way that the program
13 was offered in other states would be different in
14 Washington, since it's a regulated state, when it
15 comes to the tariff and the pricing for that waste
16 that's on -- the Biosystems waste.

17 Q And why would the tariffing of the pricing
18 make a difference for purposes of setting the price?

19 A Because that service is offered at a flat
20 monthly fee because there's a service tech that's
21 inside the hospital changing out the reusable
22 containers.

23 Q And so what was the concern there?

24 A If it would be applicable to offer in this
25 state because the tariff service had to be contained

1 in that pricing.

2 Q And what did you conclude regarding the flat
3 fee?

4 A That it would work based off of how it was
5 placed in the tariff. I believe it was -- I don't
6 know exactly, but I believe it's priced at a per-cart
7 rate, which reflects kind of a per-gallon rate off of
8 our tariff of our existing containers.

9 Q And so does that tariff rate include these
10 additional services that come with Biosystems?

11 A No.

12 Q And so how does that work? The flat monthly
13 fee includes a tariff rate, plus other additional
14 components?

15 A Yes, it's a full-service program. I don't
16 know the exact specifics of everything that's offered.
17 A full-service program has service tech time included
18 to change out the sharps containers within the
19 healthcare facility under a services contract.

20 Q So if I'm understanding correctly, the flat
21 fee is higher than the tariff rate because it includes
22 additional services, right?

23 A That's correct.

24 Q So it would be the tariff rate, plus some
25 additional cost for additional nontariffed services

1 that gets rolled up into a flat fee; is that right?

2 A Correct.

3 Q We've been discussing your conversations prior
4 to the rollout of Biosystems. Is it also correct that
5 what you have just described is indeed the way the
6 Biosystems is charged today?

7 A Yes.

8 Q Okay.

9 So do you recall any other conversations you
10 had with Mr. Norton regarding how to price the
11 Biosystems or anything else regarding Biosystems prior
12 to it being offered?

13 A I recall that Jeff felt very strongly that it
14 should not be tariffed.

15 Q And why is that? Did he tell you why?

16 A He felt that since reprocessed medical devices
17 were already being picked up from healthcare
18 facilities and weren't on the tariff, that this could
19 be considered the same item.

20 Q Anything else that you recall about your
21 communications with Mr. Norton regarding Biosystems
22 prior to it being offered?

23 A Not that I recall at this time.

24 Q Who prepared the tariff amendments regarding
25 Biosystems?

1 A Steve Johnson.

2 Q Did you play any role in that process? And
3 I'm not asking you for any direct communications you
4 had with Mr. Johnson, simply what your role was in
5 that process.

6 A I would have, I'm sure, looked at them once
7 they were prepared, but what was the specific role at
8 that time, you know, that's a while ago, I don't
9 really recall.

10 Q When was that?

11 A I honestly don't know when it was first
12 offered. I don't know.

13 Q More than two years ago?

14 A Yes.

15 Q More than five years ago?

16 A I don't know.

17 Q Now, you said you would have looked at the
18 tariff once it was prepared. What was the purpose of
19 you looking at that tariff? And I'm assuming you are
20 talking about before it is filed; is that right?

21 A Correct.

22 Q What would the purpose of you looking at the
23 tariff regarding these Biosystems services?

24 MR. VAN KIRK: Again, your response
25 should not include any communications you may have

1 received from Steve Johnson.

2 A I would imagine I would have looked at it to
3 make sure that the pricing per cart that they gave
4 would actually work, you know, in our tariff. The
5 specific things I looked at at that time, I -- you
6 know, I couldn't tell you.

7 Q What do you mean by, To make sure that the
8 pricing per cart would actually work in the tariff? I
9 don't understand what you mean by that.

10 A Well, if the price per cart was \$3,000 a cart,
11 obviously that's not something that would work. I
12 would imagine I would look at it to make sure that it
13 was comparable to existing rates we were already
14 charging on a per-gallon basis.

15 Q I understand, okay.

16 So you would have been looking to compare the
17 new proposed Biosystems rates with the preexisting
18 rates that you are charging for other services, to see
19 if they are relatively equivalent in their rating
20 scheme; is that fair?

21 A It could have been something I looked at, yes.

22 Q Well, is there any other reason you would have
23 looked at it besides what I just said?

24 A The language contained how the service was
25 provided. Since I was in charge of the

1 transportation, I would want to know what we are
2 promising that we are going to provide out in the
3 market.

4 Q So you would have looked at how the rates
5 compare to existing rates, correct?

6 A That could have been one thing, yeah.

7 Q And you would have looked at the actual
8 description of what the service is going to be,
9 correct?

10 A Yes.

11 Q Anything else that you would have been looking
12 at in the proposed tariff for Biosystems before it was
13 filed?

14 A That's all I can think of at this time.

15 Q Do you know who set the rates for the
16 Biosystems in that tariff?

17 A No.

18 Q But it wasn't you, right?

19 A No.

20 Q I'm right or I'm wrong?

21 A I did not personally come up with the rate
22 scheme, correct.

23 Q It showed up for you to review, somebody else
24 had already come up with the proposal; is that fair?

25 A Yes.

1 services that were added; is that right?

2 A No.

3 Q So the other one you mentioned was changes to
4 the incineration boxes or containers; is that right?

5 A Correct.

6 Q So you did participate in the change or the
7 addition of that service as a tariffed service; is
8 that right?

9 A No.

10 Q What was your involvement with the change to
11 the incineration containers?

12 A Just purely the container.

13 Q What do you mean "purely the container"?
14 Deciding what the container would be?

15 A No.

16 Q What?

17 A Well, the service was already offered, it's
18 not a new service.

19 Q It was a preexisting tariffed service?

20 A Correct.

21 Q So what was the change?

22 A Changing the specific container that was used
23 for the incineration.

24 Q And so you participated in the decision to
25 change the container?

1 A No.

2 Q Tell me what you did in regards to the change
3 in the container.

4 A The decision is made somewhere else, the
5 particular container to use, and we need to fit it in
6 the tariff.

7 Q Okay.

8 A So I would have looked at it to see if the
9 transfer over of it would have made sense on a price
10 per-gallon basis. It's not my ultimate decision. It
11 would have been bounced off me if it looked accurate.

12 Q So when you would be looking at this new type
13 of incineration container, your purpose would be to
14 compare the pricing that was being considered with the
15 existing price per gallon that's being offered already
16 in the tariff?

17 A More or less, yes.

18 Q If you can make it more accurate, please let
19 me know.

20 A The containers that we use are -- we have a
21 multitude of containers throughout the country. At
22 times I believe they were changing manufacturers used
23 for boxes and they don't necessarily make the exact
24 same box. They would have given us a different option
25 to use because that's what's being purchased

1 nationally.

2 Q Who is "they"?

3 A Um...

4 Q The manufacturer of the container?

5 A Yeah, they may have changed a manufacturer of
6 the container that --

7 Q Who is it "they"?

8 A The corporate office.

9 Q Stericycle?

10 A Stericycle.

11 Q Okay.

12 A And therefore this is the new box. It may be
13 off one gallon or two gallons due to the previous size
14 that was offered. I would just be involved in looking
15 at what's on the tariff if the box was actually a 14
16 by 14 by 34, to make sure that it didn't say 10 by 10
17 by 20, and it was the wrong box size or dimension on
18 there.

19 Q So you would be confirming that the tariff
20 accurately reflected the precise dimensions of the new
21 container?

22 A The gallons, dimensions. I would be one of
23 the individuals that would have looked at it.

24 Q What else would you be looking at?

25 A And I may have looked at, at that time as

1 well, what the existing per-gallon rate would have
2 been on the existing container, or if it was a flat
3 fee, you know, where to put it.

4 Q I assume the reason you would be doing that is
5 because you were trying to make this a scheme that was
6 rational and so the pricing for one container is
7 relative to equivalent pricing for another; is that
8 right?

9 A Correct. My understanding is that you can
10 offer a different container, as long as the price is
11 not more than the previous one that exchanged it with.
12 Perhaps that may not be the best description, but
13 that's how I understand it.

14 Q So in other words, you can offer -- it's your
15 understanding that you can offer a new container with
16 pricing per gallon, as long as that pricing per gallon
17 is not higher than what you are already offering on
18 your tariff?

19 A Yes.

20 Q So when Stericycle was considering in 2011
21 adding the Rehrig containers to the tariff, did you
22 undertake a similar analysis that you did with both
23 the Biosystems and the change in the type of
24 incineration containers?

25 A I recall I was involved in some of the

1 discussions with it, yes.

2 Q Were any of the discussions regarding adding
3 the Rehrig containers similar to the ones you have
4 just described you participating in, when it came to
5 adding the Biosystems or the -- or the change in the
6 incineration container?

7 MR. VAN KIRK: Objection to the form of
8 the question.

9 A Could you ask that question again?

10 Q Sure, that that was really long.

11 You have just described, for example, when
12 Stericycle made the decision to change the
13 incineration container, the analysis that you went
14 through. You looked at the description of the
15 services, because you wanted to make sure it was
16 accurate, and you looked at the pricing to make sure
17 that it compared appropriately to the existing tariff.
18 Did you do either of those two things in preparing --
19 in Stericycle's preparing for the filing of its tariff
20 for Rehrig, the addition of the Rehrig containers?

21 A I was involved in placing it on the tariff,
22 the discussions. I would be the person that would be
23 interfacing with Steve Johnson in regards to this,
24 because he prepares the tariff filings that go to the
25 UTC. Who did the rates or the comparable price per

1 gallon breakdown on that, I'm not exactly positive.

2 Q But it wasn't you, correct?

3 A Correct.

4 Q And who were the options of who could have
5 done that rates per gallon comparison to the existing
6 tariff?

7 A I have no -- I couldn't answer that. I don't
8 know.

9 Q You don't even have a guess as to who at
10 Stericycle would be responsible for that task if it
11 weren't you in 2011?

12 A I don't know who did it, no.

13 Q Do you know if anyone did it?

14 MR. VAN KIRK: Objection. Asked and
15 answered.

16 A I don't know.

17 Q Did you ever participate in any communications
18 of any sort where the issue was comparing the proposed
19 rates for the new Rehrig containers with the existing
20 Stericycle tariff rates?

21 A I was, to the best of my knowledge, involved
22 in some conference calls in regards to pricing the new
23 container. Who priced it, I don't know.

24 Q How many conference calls were you involved in
25 regarding pricing the Rehrig containers?

1 A I don't recall.

2 Q More than one?

3 A Sure.

4 Q More than two?

5 A Sure.

6 Q More than three?

7 A I don't know.

8 Q So --

9 A I mean there were multiple discussions in
10 regards to the Rehrig container. Which ones involved
11 pricing, I couldn't recall.

12 Q But at least two conference calls in which you
13 participated concerned the pricing of the new Rehrig
14 tubs by Stericycle; is that right?

15 A That may have come up in the discussion on the
16 calls, correct.

17 Q Did it come up or it may have come up?

18 A It may have.

19 Q Do you remember it coming up?

20 A I don't recall.

21 Q Do you have a recollection as you sit here of
22 having any communications with anybody about how to
23 price the new Rehrig tubs?

24 A At this time I don't recall, no.

25 Q Who participated in these conference calls

1 regarding pricing besides yourself?

2 MR. VAN KIRK: Objection to the form of
3 the question. Misstates testimony.

4 A I don't know exactly who was on the calls.
5 There would have been representatives from the sales
6 group, myself, you know, representing operations, and
7 I'm sure that Dan Ginetti would have been on the call
8 at that time. There could be other people from the
9 group purchasing at the corporate office. I just
10 don't recall who was on the phone call. I'm sure that
11 some of those people, or all could have been involved.

12 Q Just to be really clear here, it's your
13 testimony today that you have no recollection of
14 having participated in any communication with anybody
15 in Stericycle regarding how to price the Rehrig tubs;
16 is that accurate?

17 A No.

18 Q What communications do you recall
19 participating in?

20 A I would have been on the calls when it was
21 discussed.

22 Q So it's your testimony that you have no
23 recollection of what was discussed in conversations in
24 which you participated regarding how to price the
25 Rehrig tubs; is that accurate?

1 A At this point in time, I don't recall the
2 specifics that were discussed in regards to how to
3 price it, that would be correct.

4 Q Do you recall anything about those
5 conversations?

6 A I recall they were discussing the pricing of
7 the containers. I recall we were discussing on how
8 many to purchase. I recall we were discussing whether
9 to purchase the containers with antimicrobial built
10 into the plastics, and the color of the container.
11 You know, other than that I don't know the exact
12 specifics. There could have been more things
13 discussed, and all of those things may not have been
14 discussed on one call.

15 Q Do you know who from the sales group
16 participated in the conference calls to which you have
17 just testified about?

18 A Not specifically.

19 Q And who would the choices have been for
20 participating in that call at that point?

21 A Most likely Bill Avery or Ron Adams.

22 Q Do you know what Stericycle's profit margin is
23 in Washington for its Washington, Inc. services?

24 A No.

25 Q Who would know that?

1 A I would imagine somebody in the corporate
2 accounting.

3 Q And what you say "corporate accounting," does
4 that mean Stericycle, Inc. corporate accounting?

5 A Correct.

6 MR. VAN KIRK: Can we go off the record
7 for one second?

8 MS. GOLDMAN: Yes.

9 (A brief recess.)

10 MS. GOLDMAN: Back on the record.

11 (Exhibit No. 12 marked.)

12 Q I am handing you what has been marked as
13 Exhibit 12 to your deposition. Do you recognize this
14 document?

15 A Yes, it appears to be our tariff.

16 Q And it's got your name on the front page; is
17 that right?

18 A It does.

19 Q So I want to draw your attention to the fifth
20 page of Exhibit 12. Can you describe what Page 5 is
21 of Exhibit 12?

22 A The fifth page or the page that's numbered?
23 This one?

24 Q The fifth page, counting one, two, three,
25 four, five from the beginning.

1 A Okay. Well, it says Page No. 4, the next one
2 is Page 5, on the top.

3 Q So the fifth page of Exhibit 12, actually
4 numerically fifth --

5 A Okay.

6 Q -- what is that?

7 A On the top right it says, Third revised Page
8 No. 4 cancels second revised page No. 4.

9 Q And what is this?

10 A This looks like a -- one of the pages of our
11 tariff.

12 Q Did you prepare this page?

13 A I did not.

14 Q Was this submitted under your name?

15 A It appears so.

16 Q Do you understand why it says that it was
17 issued by Michael S. Philpott if you didn't have
18 anything to do with preparing it?

19 A Could you ask that again?

20 Q Sure.

21 MS. GOLDMAN: Could you read it back for
22 me, please?

23 (The requested portion of the
24 transcript was read by the reporter.)

25 MR. VAN KIRK: Objection to the form of

1 the question. Misstates testimony.

2 A I would imagine the reason that it has my name
3 on it is because I'm the regional operations director
4 for Stericycle of Washington.

5 Q Why does that matter?

6 A No idea.

7 Q Why would you expect that the regional
8 operations director of Stericycle of Washington would
9 have an involvement in filing Page 5 of Exhibit 12?

10 A I have no idea.

11 Q Did you look at Page 5 of Exhibit 12 prior to
12 its being filed?

13 A It's possible. I don't really recall.

14 Q And if you looked at it, why would you be
15 looking at it prior to it being filed?

16 A What I would look at it to see if some of the
17 notes contained within it matched perhaps what it said
18 in our other pages for filing.

19 Q Any other reason?

20 A Not that I recall.

21 Q So beginning with Page 5 there is -- one, two,
22 three, four, five, six -- six pages, correct, that
23 were filed by Stericycle under your name on June 6,
24 2011; is that correct?

25 A It appears to be.

1 Q And so what was the purpose of these changes
2 that were made on June 6th, 2011, to Stericycle's
3 tariff?

4 A Honestly, I don't know exactly. This likely,
5 since we're talking about it, could be the addition of
6 the two Rehrig containers. It also could have been
7 the elimination of a container. I see medium, large,
8 32-gal. I believe that was the other Steri-Tub size.
9 It could have been removed at that time. I'm not sure
10 if any of the notes below are different than what was
11 previously contained.

12 Q So the 32-gallon Steri-Tub container is the
13 one that's referenced with the (C) and three
14 asterisks; is that --

15 A I believe that's it. I'm not positive.

16 Q And is it your belief that that was the
17 Steri-Tub that was no longer used because there was
18 not sufficient demand for it, the one you testified
19 about earlier?

20 A Yeah, I -- I think that might be it. I'm not
21 sure.

22 Q And do you have an understanding of which of
23 these containers that are referenced in the June 6th,
24 2011 filing were the Rehrigs?

25 A I believe they are going to be the 31 and the

1 43.

2 Q And so the Steri-Tubs that remained offered
3 through the tariff would be the 21-gallon and the
4 48-gallon; is that correct?

5 A Yeah, those do look like the gallons of the
6 Steri-Tubs.

7 Q So the notes that appear on this June 6th,
8 2011 tariff amendment, which was issued in your name,
9 can you explain to me how Note 3 was determined?

10 A I can't.

11 Q Did you have anything to do with making the
12 determination as to which counties would be part of
13 the offerings for these 31 and 43-gallon containers?

14 A No.

15 Q Who did?

16 A I don't know.

17 Q Did you participate in any communications
18 regarding which counties would be included in Note 3?

19 A I don't specifically recall any conversations
20 about it, no.

21 Q So this tariff amendment is issued in your
22 name. If you don't review this information prior to
23 filing, who does?

24 MR. VAN KIRK: Objection to the form of
25 the question. Misstates testimony. Assumes facts not

1 in evidence.

2 A The items contained in the tariff were all
3 prepared by, like I said, Steve Johnson. He may have
4 conversations with other individuals in our company as
5 well. I don't know everyone that's involved in it.

6 Q Are you aware of anybody at Stericycle who
7 reviewed the June 6, 2011 tariff amendment prior to
8 filing?

9 A Other than myself, having it sent to me, I
10 don't know who else would have been receiving this.

11 Q So I would like you to explain to me a couple
12 of the additional notes. Note 2, can you explain to
13 me -- and that, for the benefit of Fronda and Jim,
14 says, A minimum of \$20 will be charged per scheduled
15 pickup.

16 Can you explain how that works and under what
17 circumstances?

18 A Well, if one of our route trucks makes a trip
19 to a facility, the minimum charge would be \$20.

20 Q So that -- I'm sorry, go ahead.

21 A And that's basically it.

22 Q So under what circumstances would a facility
23 be providing you for collection less than \$20 worth of
24 waste?

25 A Well, basically at this point in time it would

1 cover if customers we have provide us posted operating
2 hours, and if a truck went there and they were closed
3 without notifying us that they wouldn't be open on
4 their pickup day, they would be charged \$20 for that
5 stop, when nothing was picked up. There's occasions
6 where people are on a regularly scheduled service, and
7 if they don't want a pickup, they need to call us to
8 cancel that stop. If we go to the facility and go in
9 to take their container and they go, We don't want it
10 taken at this time, it's not full, that would be a \$20
11 minimum stop fee.

12 Q So have you just described for me all of the
13 circumstances in which that note to a \$20 minimum
14 pickup charge would be incurred?

15 A I believe so.

16 Q And then can you describe for me the
17 circumstances under which the Note 4 charge would be
18 incurred? And that is, quote, a minimum of \$10 per
19 month will be charged for on call or less than monthly
20 service per Item 80, end quote?

21 A The \$10 minimum monthly is for customers that
22 are either on call, which means they don't have a
23 regularly scheduled service, or somebody would
24 be other than, you know, every four weeks, they would
25 be a six-week, an eight-week or anywhere out from

1 there customer. The way it would work is for the
2 month that they are getting no actual waste picked up,
3 they would be charged \$10, and in a month that they
4 were picked up they would be charged only the pickup
5 fee.

6 Q Are there circumstances in which a customer
7 would be charged both the \$20 Note 2 charge and the
8 \$10 Note 4 charge?

9 A No.

10 Q So as I understand your testimony today, you
11 have no idea how the rates were set that are found in
12 the June 6th, 2011 amendment to Stericycle's tariff;
13 is that correct?

14 MR. VAN KIRK: Objection to the form of
15 the question.

16 A As I stated earlier, I did not set the rates,
17 so I don't know how -- the pricing they came up with.
18 Obviously some of the pricing that's there was
19 preexisting for some of the other containers. For the
20 new additions, I don't know how the ultimate price was
21 set on those.

22 Q In your capacity as regional operations
23 director for Stericycle, Inc. and Stericycle of
24 Washington, Inc., do you have any responsibilities
25 regarding analyzing the Washington business's profits

1 and losses?

2 A No.

3 Q Do you have responsibilities for any of the
4 accounting documents that are generated reflecting
5 profits and losses?

6 A No.

7 Q Who does that?

8 A It would be our accounting team, the corporate
9 office.

10 Q And again, that's Stericycle, Inc.? When you
11 say "corporate office," you mean the parent company?

12 A Correct.

13 Q And do you ever review profit and loss
14 information regarding Stericycle?

15 A I review --

16 MR. VAN KIRK: Sorry, which company?

17 MS. GOLDMAN: Any of the Stericycle
18 companies.

19 A I review for my region, which are what I have
20 incomplete financials because not all aspects report
21 directly into what I am responsible for.

22 Q I'm sorry, I didn't understand the answer to
23 that question. Do you review profit and loss
24 information for any of the Stericycle entities?

25 A No.

1 Q So as you sit here today, you have no idea
2 regarding what Stericycle of Washington, Inc.'s
3 profits and losses are; is that accurate?

4 A That is accurate.

5 Q Do you get paid a bonus?

6 A Yes.

7 Q On what grounds is your bonus determined?

8 A Multiple criteria.

9 Q Let me hear them, please.

10 A It's based off of how well the overall
11 Stericycle, Inc. has done. It's also based off of how
12 my region has done. Also, it takes into account some
13 turnover numbers, based on how many individuals in my
14 region have turned over for employment.

15 Q So how is it determined how your region has
16 done for purposes of determining your bonus?

17 A It's based off of the numbers that I'm
18 provided at the start of the year, my budget.

19 Q So at the beginning of the year, you are
20 provided a budget. You don't generate a budget but
21 somebody provides it to you?

22 A That's correct.

23 Q Who provides you your budget at the beginning
24 of the year?

25 A I'm provided the budget through my area VP.

1 is the direct testimony of Julie Sell filed by Waste
2 Management on October 1 of 2012. You have now had an
3 opportunity to review that, correct?

4 A Correct.

5 Q Do you have any knowledge about any of the
6 statements she makes in her testimony?

7 A No.

8 Q Do you have any knowledge regarding any
9 response by Stericycle, if any, to the issues she
10 raises?

11 A No.

12 MS. GOLDMAN: So why don't we take a
13 lunch break now. It's 12:08.

14 MR. VAN KIRK: Okay.

15 (Lunch recess.)

16 (Mr. Sells and Ms. Woods absent.)

17 Q Have you spoken with any waste generators
18 about this case?

19 A No.

20 Q Are you aware of any generators who disapprove
21 of competition in the biomedical waste market in
22 Washington?

23 A I haven't spoken to any generators, so I
24 don't -- I don't know of any who disapprove or support
25 or anything other than that.

1 something I would do. I would look at it afterwards
2 and see if it made sense, if I agree with them or not,
3 but I wouldn't perform the actual analysis portion of
4 it.

5 Q Who participated in developing or testing the
6 revenue loss model that Mr. Dunn relied on in his
7 testimony?

8 A I don't know.

9 Q So you have no idea who participated in
10 developing that model other than Mr. Dunn?

11 A No idea.

12 Q Okay.

13 (Exhibit No. 16 marked.)

14 Q Do you recognize Exhibit 16 to be the prefilled
15 testimony that was filed by you?

16 A Yes.

17 Q Did you draft this testimony?

18 A No.

19 Q Who drafted it?

20 A It was drafted in conjunction with Jared and
21 Steve.

22 Q So I am going to ask you some questions about
23 your testimony. I want to start with your
24 Paragraph 8.

25 A Okay.

1 transcript was read by the reporter.)

2 A Sure.

3 Q Okay, let me know. And if you could just
4 reference the page and line number.

5 A Well, we can start at Page 3, and the question
6 starting on 9, where it basically states, Since he has
7 worked at Stericycle he knew that black Steri-Tubs
8 were disliked by most of the customers that use them
9 because they stick together when nest, and customers
10 in some cases couldn't get them apart and the lids
11 rarely fit properly.

12 Q Do you mind slowing down for our
13 court reporter?

14 Okay. So --

15 A That whole paragraph I think is purely an
16 opinion. I don't think it's a fact.

17 Q Okay. Let's start, then, with that paragraph.

18 Are you aware of any Stericycle customers who
19 did not like Steri-Tubs because they stick together
20 when they nest?

21 A It may have been an issue that came up,
22 but I -- doesn't say that considers -- if one person
23 states that, that doesn't mean that the majority of
24 your customers feel that way.

25 Q And to your knowledge, was it only one

1 customer who stated that?

2 A I couldn't tell you the exact number of who it
3 was. It's an issue that came up from time to time.

4 Q And did you deal with customers directly?

5 A At times I did, yes.

6 Q Oh, okay. So tell me when it is that you have
7 dealt with customers directly.

8 A I speak to customers every now and then on the
9 phone regarding issues, but I don't recall having any
10 discussions directly about Steri-Tubs with them, no.

11 Q When you say "every now and then," how often
12 do you think you speak to customers on the phone?

13 A Currently, a couple times a month.

14 Q And how about in 2010?

15 A Probably the same.

16 Q Okay. All right.

17 And it says here that customers in some cases
18 could not get them apart. Are you aware of Stericycle
19 customers having that problem with the Steri-Tubs?

20 A It can happen at times, yes.

21 Q And the lids rarely fit properly. You have
22 already testified to that issue, because of the
23 exposure to the temperature, high temperature and low
24 temperature of these reusable containers, correct?

25 MR. VAN KIRK: Object to the form of the

1 A That would be basically it.

2 Q Did you ever have any conversations with
3 Stericycle customers regarding that issue, about lids
4 not fitting properly?

5 A I don't recall.

6 Q Did you ever have any conversations with
7 Mr. Norton in which he relayed to you the concerns
8 that Stericycle customers had about Steri-Tubs?

9 A I don't recall any specific conversations with
10 him in regards to those.

11 Q Do you deny that they happened?

12 A No.

13 Q Okay.

14 And in this same paragraph, Mr. Norton
15 testifies about Virginia Mason and Northwest Hospital.
16 I take it you have no knowledge about Virginia Mason
17 because that's what you testified to when I asked you,
18 correct? So you don't know one way or the other if
19 this is right?

20 A I am not aware of anything at Virginia Mason.

21 Q What about Northwest Hospital, do you have any
22 knowledge about Northwest Hospital, in any of the
23 statements that Mr. Norton makes at the bottom of
24 Page 3, regarding Northwest Hospital?

25 A Well, no. I mean obviously we have an e-mail

1 from Jeff Norton that was to Northwest Hospital. I
2 don't have any other knowledge of the conversations he
3 has had with them, no.

4 Q What else, besides what we have just
5 discussed, do you believe is incorrect in Mr. Norton's
6 testimony? And if you could just run me through line
7 by line what you are looking at.

8 A I think that -- it's at the bottom of the
9 paragraph. I think Jeff Norton is making assumptions.

10 Q Can you tell me actually what you are looking
11 at?

12 A At the end where he states -- the very end.
13 We reduced our tariff rates to match Waste
14 Management's for those containers.

15 Q So that's the bottom of Page 3 --

16 A 3.

17 Q -- and carry over to Page 4?

18 A Right.

19 Q And that's wrong?

20 A I think that's an assumption he is making.

21 Q Is it an erroneous assumption?

22 A I think that -- our rates, I don't believe --
23 I'm not sure, I don't know if they are identical, so I
24 couldn't tell you. I don't think in most cases that
25 our rates are identical to Waste Management's.

1 because we haven't had them before, so...

2 Q What is the basis of your conclusion that
3 Stericycle -- that Mr. Norton is wrong when he says
4 Stericycle also reduced its tariff rates to much Waste
5 Management's for those containers only? What is the
6 basis of your statement that that's wrong?

7 A The basis is that he would have some knowledge
8 of what transpired when these containers were filed.

9 Q What about that statement is wrong?

10 MR. VAN KIRK: Objection.

11 A That we reduced our tariff rates.

12 Q So there was no reduction in tariff rates is
13 what you are saying?

14 A My statement would be if I haven't offered
15 those containers before, it would be difficult for me
16 to reduce rates on something that I haven't had in
17 place before, correct?

18 Q So what about the setting of the tariff rates
19 for the Rehrig? Is he incorrect that those rates were
20 set in consultation with Waste Management's rates for
21 the same containers?

22 A I don't know.

23 Q So continuing on. Now we are at the top of
24 Page 4. Anything else in Mr. Norton's testimony that
25 you disagree with?

1 A The same thing, probably starting in 4, where
2 he's stating that when we added our new container that
3 Stericycle converted their price exactly the
4 per-container price used for the new containers with
5 Waste Management.

6 Q That's wrong?

7 A It could be. I think that's an assumption.

8 Q Do you know if it's wrong or it's right?

9 A Not without looking at the rate right now, no.

10 Q And your testimony earlier is you had nothing
11 to do with setting those rates, correct?

12 A That still is correct.

13 Q So what else?

14 A It states, starting on No. 10, kind of halfway
15 between 9 and 10, that, It's obvious to me that
16 Stericycle changed its container and its pricing only
17 as a result of direct competition for Waste Management
18 and still does not offer either in the territory where
19 Stericycle alone is authorized to provide RMW service.

20 Q Okay. So --

21 A That is not true. We offer it in all of
22 King County and all of Pierce County, which I believe
23 Waste Management doesn't have complete authority in
24 the entire counties of those areas. Plus, there may
25 be some other counties in there that it is offered,

1 A I am.

2 Q So 50 percent of the waste. And -- okay. So
3 what else do you take issue with in Mr. Norton's
4 testimony?

5 A I would basically state that the answer that
6 starts on Page 5, Line 10 is completely inaccurate.

7 Q So let's start with that. The first sentence,
8 Stericycle charges a minimum monthly fee for small
9 quantity generators which do not use their services in
10 a particular month. Is that wrong?

11 A That's correct.

12 Q And tell me how I compare that testimony to
13 the testimony you gave earlier about the tariff and
14 the monthly fee to generators who don't have services
15 collected that month.

16 A I'm not following your question there.

17 Q Can you pull out Exhibit 12, which is the
18 tariff, please.

19 A (Complies.)

20 Q And does Note 4 not say that Stericycle will
21 charge a minimum \$10 charge per month for on-call or
22 less than monthly service?

23 A It does.

24 Q And is that distinct than what Mr. Norton
25 wrote?

1 A That is what he wrote. Part of this paragraph
2 that I'm talking about starts down on 15.

3 Q Okay, I'm sorry, so look at 15. What about 15
4 do you take issue with?

5 A Waste Management's treatment facility in
6 Seattle is closer to most facilities generating RMW in
7 Washington than its Stericycle treatment facility in
8 Lewis County, which is used by Stericycle. And
9 basically stating that less travel time for untreated
10 waste from generator to treatment facility reduces
11 risk of liability. I think that's purely an opinion.

12 Q Let's take these one by one, okay?

13 A Okay.

14 Q So the first one you just mentioned is the
15 geographic proximity. So you disagree that Waste
16 Management's treatment facility in Seattle is closer
17 than the Lewis County facility to most of the
18 facilities generating biomedical waste in Washington?

19 A I wouldn't agree or disagree on that, because
20 I don't think anybody has ever pulled out where the
21 most waste is coming from. It's an opinion, from my
22 standpoint right now.

23 Q So you can't say one way or the other that
24 this is true or not true?

25 A Where the majority of the waste comes from in

1 the state of Washington? I can tell you that waste
2 generated in other parts of the state are closer to
3 the Morton facility than they would be in Seattle.

4 Q It's my understanding of what you just
5 testified is that you have never conducted an
6 analysis, so you don't know whether the majority of
7 the waste is closer to Seattle or to the Lewis County
8 facility; is that correct?

9 A That's correct.

10 Q So the next issue that you mentioned was, you
11 took issue with in Mr. Norton's testimony is his
12 statement that, Less travel time for untreated waste
13 from the generator to the treatment facility reduces
14 the risk of liability and the environmental impact of
15 the transportation. What is wrong about that
16 statement?

17 A I think it's completely inaccurate.

18 Q Why is that inaccurate?

19 A I don't think there has ever been any studies
20 done that showed that as a true statement.

21 Q And are you aware of any studies that have
22 shown the contrary?

23 A I know there are studies that are done that
24 show that the majority of accidents happen next to
25 your home. That would lead you to believe that

1 Q By percentage?

2 MR. VAN KIRK: Objection. Asked and
3 answered.

4 A I have not performed a study.

5 Q I'm sorry, is there anything else in
6 Mr. Norton's testimony with which you take issue? At
7 this point the only line left is his statement that he
8 has concluded his testimony. I am assuming that
9 that's it, but please let me know if I am wrong.

10 (Pause in the proceedings.)

11 A That's all I can come up with at this time.

12 Q So before you put the tariff aside, I wanted
13 to ask you one additional question. On Page 5 of
14 Exhibit 12, which is the beginning of the June 6th,
15 2011 amendment that you filed --

16 A The fifth page, but Page 4 of the tariff,
17 correct.

18 Q Right.

19 And the Note 4 there, the minimum of \$10 per
20 month fee. How did Stericycle determine what that
21 number should be, what that dollar charge should be?

22 A I don't recall all the specifics. I know that
23 at that point in time, when that number, they came up
24 with it, that there was some internal research done
25 based on the cost of having a customer active in your

1 database. They would have taken into account what all
2 is involved in setting up a new customer when coming
3 up with that number.

4 Q And you said at that point in time. When was
5 that?

6 A Early 2000, somewhere in there, I think. That
7 would be my best guess.

8 Q This would have been a fee that was submitted
9 under your name because you have already been at
10 Stericycle, correct?

11 A Correct.

12 Q Who is the "they" that you referenced when you
13 said "they came up with it"?

14 A It would have been -- the numbers and the
15 detail on that would have been pulled up by
16 Stericycle, Inc. corporate in Chicago, in the
17 financial group. It was a long time ago. I wouldn't
18 be able to give you specifics on who was involved in
19 the conversations.

20 Q And so the only thing you can recall is that
21 the basis for this fee was an assessment of a
22 per-customer cost for setting up that customer in
23 Stericycle's database; is that correct?

24 A No, it was also carrying cost for keeping the
25 person active in the database. It would have probably

1 included some number associated with -- they have one
2 of our assets in their possession, you know, a
3 container. When you set up a customer, quite a bit of
4 labor is involved, you know, making sure the contract
5 is signed, getting it entered in the system.

6 Containers have to be delivered to customers. We
7 deliver welcome packets with packaging posters and
8 that sort of thing. All of that probably would have
9 gone into the decision-making process.

10 Q So what does it cost to keep a customer in
11 your database?

12 A I don't know.

13 Q How would you figure that out?

14 A That's a question for somebody other than
15 myself. You need to talk to the people in accounting.

16 Q And who would I talk to?

17 A I'm not sure who you would talk to there.
18 Whoever is in charge of accounting department.

19 Q And you don't know who that is?

20 A Our person we talk to, his name is John
21 Suchla.

22 Q And is John Suchla in Illinois?

23 A Correct.

24 Q So he is in the Stericycle, Inc. corporate
25 accounting department?

1 Management? Is that incorrect?

2 MR. VAN KIRK: Objection. Misstates
3 Mr. Norton's testimony.

4 Q That's a question, so you can tell me yes or
5 no if I got it wrong.

6 THE WITNESS: Could you please read the
7 question again.

8 (The requested portion of the
9 transcript was read by the reporter.)

10 A Yes.

11 Q Did the fact that Waste Management was
12 offering a Rehrig container have anything to do with
13 Stericycle's offering that container?

14 A Possibly.

15 Q What else?

16 A Page 4, Line 17 to 18. Basically here he
17 states, I was responsible for working with this
18 customer to set up and monitor this pilot project.

19 I bring that up because obviously I was at the
20 deposition of Jeff where he said that he does not
21 monitor the pilot project. He said nobody does. I
22 would say that's not accurate.

23 Q Any other reason for concluding this is not
24 accurate besides the testimony that you believe you
25 heard from Mr. Norton?

1 A No, purely what I heard.

2 Q Anything else?

3 A I think that covers it.

4 Q Thank you.

5 (Exhibit 17 marked.)

6 Q You have been handed, Mr. Philpott, what has
7 been marked as Exhibit 17 to your deposition. Do you
8 recognize this document?

9 A No.

10 MS. GOLDMAN: I will represent for the
11 record that this is Exhibit DR #1, which was attached
12 to Stericycle's June 2012 responses to Waste
13 Management's first data requests.

14 Have you ever seen this information before?

15 A No.

16 Q None of it?

17 A No.

18 Q Do you have any idea who prepared Exhibit
19 DR #1?

20 A My assumption is that this is information
21 provided at the request of Jared and Steve by
22 accounting, John Suchla, I believe.

23 Q Again, Mr. Suchla is a Stericycle, Inc.
24 employee in Illinois?

25 A Correct.

1 Q Have you had any conversations with anybody
2 regarding the information that is set forth in
3 Exhibit 17 to your deposition?

4 MR. VAN KIRK: Other than Steve or I.

5 A No.

6 Q Do you have an understanding of what the term
7 "operating profit" means?

8 A Sure.

9 Q What does it mean?

10 A Well, it would be basically what we are left
11 over with after all of the costs of revenue are put
12 into account with the financials.

13 Q So does that mean you take your revenues and
14 you subtract your costs and you end up with operating
15 profit?

16 A Right, you would have G & A expenses, your
17 operating costs. That's correct.

18 Q Has Stericycle ever sent untreated medical
19 waste from Morton to a landfill?

20 A Not that I'm aware of.

21 Q You have never heard anyone say that before?

22 A No.

23 Q When did Stericycle start providing service to
24 San Juan Island?

25 A I don't know. I think -- I don't know of any

1 Q Are you aware of anybody making any cold calls
2 to any customers in San Juan Island?

3 A Not specifically, no.

4 Q Did Stericycle ever refuse service to any
5 generator on San Juan Island?

6 A No.

7 Q What is the highest level of formal education
8 you have attained?

9 A I graduated from Washington State University
10 in 1986.

11 Q And what was your degree?

12 A A Bachelor degree in social sciences.

13 Q What is your understanding of the definition
14 of a commercial recyclable?

15 A I have no understanding of the definition of a
16 commercial recyclable.

17 MS. GOLDMAN: Okay. I believe I'm done,
18 but I want to consult with my client, just to make
19 sure I haven't missed anything. We will take a
20 three-minute break.

21 THE WITNESS: Okay.

22 (A brief recess.)

23 Q Does Stericycle have a customer advisory
24 board?

25 A I believe they do, yes.

C E R T I F I C A T E

STATE OF WASHINGTON

COUNTY OF KING

I, Sherrilyn Smith, a Certified Shorthand Reporter in and for the State of Washington, do hereby certify that the foregoing transcript of the deposition of MIKE PHILPOTT, having been duly sworn on OCTOBER 22, 2012 is true and accurate to the best of my knowledge, skill and ability.

Sherrilyn Smith 

SHERRILYN SMITH

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Before the
Washington Utilities and Transportation Commission

In the Matter of the Application of Waste Management of Washington, Inc.
D/B/A WM Healthcare Solutions of Washington
Docket No. TG-120033

EXHIBIT N TO
RESPONSE TESTIMONY OF MIKE PHILPOTT
On behalf of Waste Management of Washington, Inc.

November 16, 2012

W.U.T.C. NO. 1

SECOND REVISED TITLE PAGE
CANCELS
FIRST REVISED TITLE PAGE

TARIFF NO. 1
OF
STERICYCLE OF WASHINGTON, INC.
d/b/a
STERICYCLE
CERTIFICATE NO. G-244

(C) Naming Rates for the Collection, Transportation and Disposal of Solid Waste
Consisting of Biohazardous or Biomedical Wastes in the State of Washington

ISSUED BY:

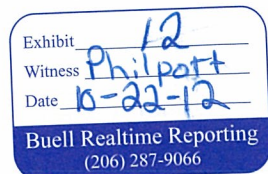
Michael S. Philpott, District Manager
STERICYCLE OF WASHINGTON, INC.
20320 80th Avneue S.
Kent, WA 98032
Telephone: (425) 291-9322
Fax: (425) 291-9329

Issue Date: October 8, 2001

Effective Date: December 1, 2001

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Effective: 12-1-01 Docket No. TG-011370 By: NSP



Tariff No. 1

11th Revised Page No. 1

Company Name: Stericycle of Washington, Inc. (G-244)

Cancels

10th Revised Page No. 1

CHECK SHEET

All of the pages contained in this tariff are listed consecutively by number. The pages to the tariff and/or any supplements to the tariff listed on this page have issue dates which are the same as, or are prior to, the issue date of this page. "0" in the revision column indicates an original page.

<u>Page Number</u>	<u>Current Revision</u>	<u>Page Number</u>	<u>Current Revision</u>
Title Page	2		
1	11		
2	7		
3	3		
4	3		
5	3		
5A	2		
5B	2		
5C	1		
6	4		
7	0		
8	4		
9	1		

SUPPLEMENTS IN EFFECT, including tax supplements:

- Supplement No. 6
- Supplement No. 7
- Supplement No. 8
- Supplement No. 9
- Supplement No. 10
- Supplement No. 11

Issued By: Michael S. Philpott, Regional Operations Director

Issue Date: March 28, 2012

Effective Date: May 14, 2012

(This box for official use only)

Effective: _____ Docket No. _____ By: _____

FOR OFFICIAL USE ONLY
Docket No. TG-121421
Agenda Date: May 10, 2012
Effective Date: May 14, 2012

Tariff No. 1	7 th Revised Page No. 2 Cancels 6 th Revised Page No. 2																												
Company Name: Stericycle of Washington, Inc.																													
Item 10	<p><u>Application of rates:</u></p> <p>The rates contained in this tariff cover the utilization by a medical waste generator of Stericycle of Washington's transportation service and medical waste management program.</p> <p>Unless otherwise specified, the rates include the following:</p> <ol style="list-style-type: none"> 1. Use of Stericycle's unique containers 2. Medical waste tracking and documentation 3. Transportation; and 4. Treatment and disposal <p>Unless otherwise provided herein, rates contained in this tariff apply to the transportation of biohazardous or biomedical waste, as defined in WAC 480-70-041, in Steritubs or other containers provided by Stericycle of Washington.</p>																												
Item 14	<p>Customers will be charged for lost containers. The charge per container will be: \$30.00 for a small tub; \$5.00 for a cardboard box (any size); \$30.00 for a small/medium container; \$30.00 for a medium tub; (***) \$30.00 for a med/large tub; \$30.00 for a 31 gal. Medium/large container; \$30.00 for a large tub; and \$30.00 for a large container.</p>																												
Item 15	<p><u>Maximum weights:</u> The maximum weight allowed per container is:</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;"><u>Container Size</u></th> <th style="text-align: left; border-bottom: 1px solid black;"><u>Maximum Weight</u></th> </tr> </thead> <tbody> <tr><td>Small Tub (10 gal.)</td><td>35 pounds</td></tr> <tr><td>Small Box (15 gal.)</td><td>40 pounds</td></tr> <tr><td>Small/Medium (21 gal.)</td><td>50 pounds</td></tr> <tr><td>Medium Tub (20 gal.)</td><td>50 pounds</td></tr> <tr><td>Medium/Large Tub (28 gal.)</td><td>60 pounds</td></tr> <tr><td>Medium/Large (31 gal.)</td><td>60 pounds</td></tr> <tr><td>Med/Large Box (33 gal.)</td><td>40 pounds</td></tr> <tr><td>Large Tub (40 gal.)</td><td>60 pounds</td></tr> <tr><td>Large (43 gal.)</td><td>60 pounds</td></tr> <tr><td>Large (48 gal.)</td><td>60 pounds</td></tr> <tr><td>Medium/Large Pharmaceutical Waste Box (30 gal.)</td><td>55 pounds</td></tr> <tr><td>(C)</td><td></td></tr> <tr><td>Box for reusable sharps containers (approx. 30 gal.)</td><td>55 pounds</td></tr> </tbody> </table>	<u>Container Size</u>	<u>Maximum Weight</u>	Small Tub (10 gal.)	35 pounds	Small Box (15 gal.)	40 pounds	Small/Medium (21 gal.)	50 pounds	Medium Tub (20 gal.)	50 pounds	Medium/Large Tub (28 gal.)	60 pounds	Medium/Large (31 gal.)	60 pounds	Med/Large Box (33 gal.)	40 pounds	Large Tub (40 gal.)	60 pounds	Large (43 gal.)	60 pounds	Large (48 gal.)	60 pounds	Medium/Large Pharmaceutical Waste Box (30 gal.)	55 pounds	(C)		Box for reusable sharps containers (approx. 30 gal.)	55 pounds
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<p>Issued By: Michael S. Philpott, Regional Operations Director</p> <p>Issue Date: March 28, 2012 Effective Date: May 14, 2012</p>																													
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<p>Effective: _____ Docket No. _____</p> <p>LSN: _____ Hearing _____ By _____</p>																													

FOR OFFICIAL USE ONLY
Docket No. TG-121421
Agenda Date: May 10, 2012
Effective Date: May 14, 2012

Tariff No. 1	3rd Revised Page No. 3
Company Name: Stericycle of Washington, Inc.	Cancels 2nd Revised Page No. 3

Item 20	<p><u>Limitations of Service:</u></p> <ol style="list-style-type: none"> 1. Stericycle will not (C)accept shipments including containers which are not properly packaged or identified. 2. Stericycle may refuse to accept shipments not immediately available for pickup at designated pickup areas adjacent to a loading dock or otherwise immediately accessible to Stericycle vehicles. 3. All manifesting paperwork must be properly completed by the generator, verified, appropriately signed and available at the time of pickup. 4. Stericycle may refuse to pick up materials from points where the designated pickup area is obstructed at the time of pickup. 5. Rates include normal wear and tear on reusable containers. Reusable containers provided to the generator for the storage of biomedical waste shall remain the property of Stericycle of Washington. Charges for replacement of reusable containers lost by the generator are shown in Item 14. 6. Stericycle reserves the right to modify its container sizes in the future provided the rate per gallon equivalent remains the same and unless and until rate changes per gallon are approved by the Washington Utilities and Transportation Commission. 7. Stericycle will not (C)accept containers for shipment unless they have sealed bag liners. 8. The generator shall not tender and Stericycle shall not (C)accept for transportation any container which: <ol style="list-style-type: none"> a. is not (C)properly sealed, packaged and labeled; b. is punctured or materially damaged; c. is overfilled or overweight; d. contains anything other than biomedical waste; or e. contains radioactive material as defined (C)in WAC 246-220-010(111). <p style="margin-left: 20px;">In the event Stericycle inadvertently accepts a container described in this paragraph 8, Item 70 shall apply.</p> 9. Stericycle shall not (C)accept for transportation any shipment which does not meet packing, labeling and handling requirements imposed or required by law.
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Issued By: Michael S. Philpott, District Manager	
Issue Date: November 5, 2010	Effective Date: November 15, 2010

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Effective: _____	Docket No. _____
LSN: _____	Hearing _____
<p>FOR OFFICIAL USE ONLY Docket No. TG-101803 Agenda Date: November 24, 2010 Effective Date: November 15, 2010</p>	

RECEIVED JUN. 6, 2011 WA. UT. & TRANS. COMM. ORIGINAL TG-111023

Tariff No. 1	3 rd Revised Page No. 4
Company Name: Stericycle of Washington, Inc.	Cancels
	2 nd Revised Page No. 4

Item 30 Rate Schedule (Biomedical Waste except Pathological, Chemotherapy and Pharmaceutical Wastes) – Price per Container

Container Quantity	Small/Medium (21 gallon) Container	(N) Medium/Large (31 gallon) Container	Medium/Large (32 gallon) Container	(N) Large (43 gallon) Container	Large (48 gallon) Container
1	35.16	50.22	(C) ***	67.94	75.67
2	33.66	46.19		52.46	58.32
3	28.94	38.13		43.00	48.20
4	26.16	33.48		36.98	41.45
5	22.73	30.07		25.80	38.08
6	20.80	27.28		25.80	35.19
7	19.30	18.60		25.80	32.78
8	18.44	18.60		25.80	31.33
9	17.37	18.60		25.80	29.88
10	16.51	18.60		20.64	28.44
11	16.08	18.60		20.64	26.99
12	15.44	18.60		20.64	25.55
13	15.01	14.88		20.64	24.58
14	14.36	14.88		15.48	23.14
15	14.15	14.88		15.48	22.17
16	13.72	14.88		15.48	18.32
17	13.29	14.88		15.48	17.83
18	13.08	14.88		15.48	17.35
19	12.86	14.88		12.90	16.39
20	12.44	11.16		12.90	15.91
21	12.01	11.16		12.90	15.91
22	11.79	11.16		12.90	15.91
23	11.58	11.16		12.90	15.91
24	11.36	11.16		12.04	15.91
25	10.93	11.16		12.04	15.91
26	10.72	9.30		12.04	15.91
27	10.51	9.30		12.04	15.91
28	10.08	9.30		12.04	15.91
29	9.86	9.30		12.04	15.91
30	9.86	9.30		12.04	15.91

Note 1: Rates to be charged shall be based upon the total number of containers per pickup, including containers rated under Item 90. Rates stated in this Item are in addition to charges specified in Items 60, 70 and 80.
 Note 2: A minimum of \$20.00 will be charged per scheduled pickup.
 Note 3: (C)The Medium/Large (31 gal.) and Large (43 gal.) containers are only available to generators located in the following counties: Benton, Chelan, Douglas, Grant, Island, King, Kitsap, Kittitas, Lincoln, Mason, Okanogan, Pierce, Skagit, Snohomish, Spokane, and Whatcom.
 Note 4: A minimum of \$10.00 per month will be charged for on-call or less-than-monthly service per Item 80.
 Note 5: A Reinstatement Charge will be assessed in accordance with Item 85, when applicable.
 (***) indicates container size no longer available)

Issued By: Michael S. Philpott, Regional Operations Director

Issue Date: June 6, 2011

Effective Date: June 13, 2011

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Effective: _____ Docket No. _____

LSN: _____ Hearing _____ By _____

FOR OFFICIAL USE ONLY
 Docket No. TG-111023
 Agenda Date: June 30, 2011
 Effective Date: June 13, 2011

Tariff No. 1	3 rd Revised Page No. 5
Company Name: Stericycle of Washington, Inc.	Cancels 2 nd Revised Page No. 5

Item 30 Rate Schedule (Biomedical Waste except Pathological, Chemotherapy and Pharmaceutical Wastes) – Price per Container

Container Quantity		Small/Medium (21 gallon) Container	(N) Medium/Large (31 gallon) Container	Medium/Large (32 gallon) Container	(N) Large (43 gallon) Container	Large (48 gallon) Container
31		9.86	9.30	(C)***	12.04	15.91
32		9.86	9.30		12.04	13.75
33		9.86	8.68		12.04	13.75
34		9.86	8.68		12.04	13.75
35		9.86	8.68		12.04	13.75
36		9.86	8.68		12.04	13.75
37		9.86	8.68		12.04	13.75
38		9.86	8.68		12.04	13.75
39		9.00	8.68		12.04	13.75
40		9.00	8.68		12.04	13.75
41		9.00	8.68		12.04	13.75
42		9.00	8.68		12.04	13.75
43		9.00	8.68		12.04	13.75
44		9.00	8.68		12.04	13.75
45		9.00	8.68		12.04	13.75
46		9.00	8.68		12.04	13.75
47		9.00	8.68		10.75	13.75
48		9.00	8.68		10.75	13.75
49		9.00	8.68		10.75	13.75
50		9.00	8.68		10.75	13.75
51		9.00	8.68		10.75	13.75
52		9.00	8.68		10.75	13.75
53		9.00	8.68		10.75	13.75
54		9.00	8.68		10.75	13.75
55		9.00	8.68		10.75	13.75
56		9.00	8.68		10.75	13.75
57		9.00	8.68		10.75	13.75
58		9.00	8.68		10.75	13.75
59		8.58	8.68		10.75	13.75
60+		8.58	7.75		10.75	13.75

Note 1: Rates to be charged shall be based upon the total number of containers per pickup, including containers rated under Item 90. Rates stated in this Item are in addition to charges specified in Items 60, 70 and 80.

Note 2: A minimum of \$20.00 will be charged per scheduled pickup.

Note 3: (C)The Medium/Large (31 gal.) and Large (43 gal.) containers are only available to generators located in the following counties: Benton, Chelan, Douglas, Grant, Island, King, Kitsap, Kittitas, Lincoln, Mason, Okanogan, Pierce, Skagit, Snohomish, Spokane, and Whatcom.

Note 4: A minimum of \$10.00 per month will be charged for on-call or less-than-monthly service per Item 80.

Note 5: A Reinstatement Charge will be assessed in accordance with Item 85, when applicable.

(*** indicates container size no longer available)

Issued By: Michael S. Philpott, Regional Operations Director

Issue Date: June 6, 2011

Effective Date: June 13, 2011

(This box for official use only)

Effective: _____ Docket No. _____

LSN: _____ Hearing _____ By _____

Tariff No. 1 2nd Revised Page No. 5A
 Company Name: Stericycle of Washington, Inc. Cancels
1st Revised Page No. 5A

Item 30 Rate Schedule (C)(Biomedical Waste except Pathological, Chemotherapy and Pharmaceutical Wastes) – Price per Container

Container Quantity	Small Tub (10 gallon)	Small Box 12"x12"x24" (Approx. 15 gallon)	Medium Tub (20 gallon)	Medium/Large Tub (28 gallon)	Medium/Large Box 18"x18"x24" (Approx. 33 gallon)	Large Tub (40 gallon)
1	22.20	31.20	33.40	45.34	51.52	64.24
2	16.38	23.03	31.98	41.68	47.36	59.05
3	15.88	22.32	27.49	34.36	39.04	48.68
4	15.68	22.04	24.85	30.13	34.24	42.69
5	14.79	20.78	21.59	27.03	30.72	38.30
6	13.49	18.95	19.76	24.50	27.84	34.71
7	12.79	17.97	18.34	23.37	26.56	33.12
8	12.19	17.13	17.52	22.25	25.28	31.52
9	11.19	15.72	16.50	20.56	23.36	29.13
10	10.59	14.88	15.68	19.99	22.72	28.33
11	10.39	14.60	15.28	19.15	21.76	27.13
12	9.69	13.62	14.67	18.59	21.12	26.33
13	9.49	13.34	14.26	18.02	20.48	25.54
14	8.99	12.64	13.64	17.46	19.84	24.74
15	8.79	12.36	13.44	16.90	19.20	23.94
16	8.59	12.07	13.03	16.61	18.88	23.54
17	8.29	11.65	12.63	15.77	17.92	22.34
18	7.99	11.23	12.43	15.49	17.60	21.95
19	7.69	10.81	12.22	14.92	16.96	21.15
20	7.59	10.67	11.82	14.64	16.64	20.75
21	7.49	10.53	11.41	14.08	16.00	19.95
22	7.39	10.39	11.20	13.80	15.68	19.55
23	7.29	10.25	11.00	13.21	15.01	18.72
24	7.19	10.11	10.79	12.11	13.76	17.16
25	7.09	9.97	10.38	11.69	13.28	16.56
26	6.99	9.83	10.18	11.55	13.12	16.36
27	6.89	9.69	9.98	11.26	12.80	15.96
28	6.79	9.55	9.58	10.84	12.32	15.37
29	6.69	9.41	9.37	10.56	12.00	14.97
30	6.59	9.27	9.37	9.57	10.88	13.57

Note 1: Rates to be charged shall be based upon the total number of containers per pickup, (C)including containers rated under Item 90. Rates stated in this Item are in addition to charges specified in Items 60, 70 and 80.
 Note 2: A minimum of \$20.00 will be charged per scheduled pickup.
 Note 3: (C)The Medium/Large (31 gal.) and Large (43 gal.) containers are only available to generators located in the following counties: Benton, Chelan, Douglas, Grant, Island, King, Kitsap, Kittitas, Lincoln, Mason, Okanogan, Pierce, Skagit, Snohomish, Spokane, and Whatcom.
 Note 4: A minimum of \$10.00 per month will be charged for on-call or less-than-monthly service per Item 80.
 Note 5: A Reinstatement Charge will be assessed in accordance with Item 85, when applicable.
 (***) indicates container size no longer available)

Issued By: Michael S. Philpott, Regional Operations Director
 Issue Date: June 6, 2011 Effective Date: June 13, 2011

(FOR OFFICIAL USE ONLY)

Effective: _____ Docket TG- _____ Other _____
 LSN _____ 1AA _____ Hearing _____ By _____

FOR OFFICIAL USE ONLY
Docket No. TG-111023
Agenda Date: June 30, 2011
Effective Date: June 13, 2011

Tariff No. 1 2nd Revised Page No. 5B
Cancels
1st Revised Page No. 5B
 Company Name: Stericycle of Washington, Inc.

Item 30 Rate Schedule (Biomedical Waste except Pathological, Chemotherapy and Pharmaceutical Wastes) – Price per Container

Container Quantity	Small Tub (10 gallon)	Small Box 12"x12"x24" (Approx. 15 gallon)	Medium Tub (20 gallon)	Medium/Large Tub (28 gallon)	Medium/Large Box 18"x18"x24" (Approx. 33 gallon)	Large Tub (40 gallon)
31	6.16	8.66	9.37	9.29	10.56	13.17
32	6.39	8.99	9.37	9.29	10.56	13.17
33	6.29	8.85	9.37	9.29	10.56	13.17
34	6.19	8.70	9.37	9.29	10.56	13.17
35	6.09	8.56	9.37	9.29	10.56	13.17
36	5.99	8.42	9.37	9.29	10.56	13.17
37	5.89	8.28	9.37	9.29	10.56	13.17
38	5.89	8.28	9.37	9.29	10.56	13.17
39	5.87	8.25	8.55	9.29	10.56	13.17
40	5.85	8.22	8.55	9.29	10.56	13.17
41	5.79	8.14	8.55	9.29	10.56	13.17
42	5.69	8.00	8.55	9.29	10.56	13.17
43	5.65	7.94	8.55	9.29	10.56	13.17
44	5.59	7.86	8.55	9.29	10.56	13.17
45	5.49	7.72	8.55	9.29	10.56	13.17
46	5.45	7.66	8.55	9.29	10.56	13.17
47	5.39	7.58	8.55	9.29	10.56	13.17
48	5.35	7.52	8.55	9.29	10.56	13.17
49	5.29	7.44	8.55	9.29	10.56	13.17
50	5.19	7.30	8.55	9.29	10.56	13.17
51	5.09	7.16	8.55	8.03	9.12	11.38
52	5.00	7.02	8.55	8.03	9.12	11.38
53	4.95	6.96	8.55	8.03	9.12	11.38
54	4.90	6.88	8.55	8.03	9.12	11.38
55	4.80	6.74	8.55	8.03	9.12	11.38
56	4.75	6.68	8.55	8.03	9.12	11.38
57	4.70	6.60	8.55	8.03	9.12	11.38
58	4.60	6.46	8.55	8.03	9.12	11.38
59	4.10	5.76	8.15	8.03	9.12	11.38
60	4.10	5.76	8.15	8.03	9.12	11.38

Note 1: Rates to be charged shall be based upon the total number of containers per pickup, (C)including containers rated under Item 90. Rates stated in this Item are in addition to charges specified in Items 60, 70 and 80.
 Note 2: A minimum of \$20.00 will be charged per scheduled pickup.
 Note 3: (C)The Medium/Large (31 gal.) and Large (43 gal.) containers are only available to generators located in the following counties: Benton, Chelan, Douglas, Grant, Island, King, Kitsap, Kittitas, Lincoln, Mason, Okanogan, Pierce, Skagit, Snohomish, Spokane, and Whatcom.
 Note 4: A minimum of \$10.00 per month will be charged for on-call or less-than-monthly service per Item 80.
 Note 5: A Reinstatement Charge will be assessed in accordance with Item 85, when applicable.
 (***) indicates container size no longer available)

Issued By: Michael S. Philpott, Regional Operations Director
 Issue Date: June 6, 2011 Effective Date: June 13, 2011

(FOR OFFICIAL USE ONLY)

Effective: _____ Docket TG- _____ Other _____
 LSN _____ 1AA _____ Hearing _____ By _____

Tariff No. 1						1 st Revised Page 5C Cancels Original Page 5C
Company Name: Stericycle of Washington, Inc.						
Item 30 Rate Schedule (Biomedical Waste except Pathological, Chemotherapy and Pharmaceutical Wastes) (C)– Price Per Container						
Container Quantity	Small Tub (10 gallon)	Small Box 15"x15"x14" (Approx. 15 gallon)	Medium Tub (20 gallon)	Medium/Large Tub (28 gallon)	Medium/Large Box 18"x18"x24" (Approx. 33 gallon)	Large Tub (40 gallon)
61	4.10	5.76	8.15	8.03	9.12	11.38
62	4.00	5.62	8.15	8.03	9.12	11.38
63	3.80	5.34	8.15	8.03	9.12	11.38
64	3.80	5.34	8.15	8.03	9.12	11.38
65	3.80	5.34	8.15	8.03	9.12	11.38
66	3.80	5.34	8.15	8.03	9.12	11.38
67	3.70	5.19	8.15	8.03	9.12	11.38
68	3.60	5.05	8.15	8.03	9.12	11.38
69	3.60	5.05	8.15	8.03	9.12	11.38
70	3.60	5.05	8.15	8.03	9.12	11.38
71	3.60	5.05	8.15	8.03	9.12	11.38
72	3.60	5.05	8.15	8.03	9.12	11.38
73	3.50	4.91	8.15	8.03	9.12	11.38
74	3.30	4.63	8.15	8.03	9.12	11.38
75+	2.85	4.01	8.15	8.03	9.12	11.38
<i>[This space intentionally left blank]</i>						
<p>Note 1: Rates to be charged shall be based upon the total number of containers per pickup, (C)including containers rated under Item 90. Rates stated in this Item are in addition to charges specified in Items 60, 70 and 80.</p> <p>Note 2: A minimum of \$20.00 will be charged per scheduled pickup.</p> <p>Note 3: (C)The Medium/Large (31 gal.) and Large (43 gal.) containers are only available to generators located in the following counties: Benton, Chelan, Douglas, Grant, Island, King, Kitsap, Kittitas, Lincoln, Mason, Okanogan, Pierce, Skagit, Snohomish, Spokane, and Whatcom.</p> <p>Note 4: A minimum of \$10.00 per month will be charged for on-call or less-than-monthly service per Item 80.</p> <p>Note 5: A Reinstatement Charge will be assessed in accordance with Item 85, when applicable. (*** indicates container size no longer available)</p>						
Issued By: Michael S. Philpott, Regional Operations Director						
Issue Date: June 6, 2011			Effective Date: June 13, 2011			
(FOR OFFICIAL USE ONLY)						
Effective: _____		Docket TG- _____			Other _____	
LSN _____	1AA _____		Hearing _____		By _____	

Tariff No. 1		4 th Revised Page No. 6
Company Name: Stericycle of Washington, Inc.		Cancels 3 rd Revised Page No. 6
Item 40	Tariff matter previously published in this item has been deleted.	
Item 50	Tariff matter previously published in this item has been deleted.	
Item 60	<p><u>Delinquent Fees:</u></p> <p>In addition to the rates and charges shown herein, a late charge in the amount of one percent (1%) will be added to any account which remains unpaid at the time of the next regular billing.</p>	
Item 70	<p><u>Special Handling or Packaging Charges:</u></p> <p>The following charges will be assessed (C) in addition to all other rates and charges shown herein when the carrier is required to provide special handling or packaging because of the improper packaging of the material shipped by the generator, the shipment of improper waste materials, overweight containers or the generator's special loading requirements:</p> <p>(N) Overweight 31 gal. or 43 gal. containers: \$12.00 per container (C) Other overweight or special handling or packaging: \$2.00 per gallon for each container requiring special handling</p>	
Item 80	<p><u>On-Call or Less-Than-Monthly Service:</u> Stericycle offers on-call or less-than-monthly service for a minimum charge of \$10.00 per month. This minimum charge applies in any calendar month in which no pickup is scheduled. Stericycle provides a container or containers for the generator's use. Where on-call service is provided, Stericycle will schedule a pickup within a reasonable time after a request for pickup is received from the generator.</p>	
Issued By: Michael S. Philpott, Regional Operations Director		
Issue Date: June 6, 2011		Effective Date: June 13, 2011
(This box for official use only)		
Effective: _____ Docket No. _____		
LSN: _____ Hearing _____ By _____		

Company Name: Stericycle of Washington, Inc.

(A)Item
85

Reinstatement Charge:

In addition to the other rates and charges shown herein, a Reinstatement Charge of \$120.00 will be charged to any generator that has cancelled service within the preceding 12 months and wishes to reinstate service. The Reinstatement Charge includes re-delivery of a container or containers to the generator.

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Issued By: Michael S. Philpott, District Manager

Issue Date: October 8, 2001

Effective Date: December 1, 2001

(This box for official use only)

Effective: 12-1-01 Docket No. TG-011370

LSN: _____ Hearing _____ By WJ

Tariff No. 1	4th Revised Page No. 8 Cancels 3rd Revised Page No. 8
Company Name: Stericycle of Washington, Inc.	
Item 90	<p><u>Rates for Pathological Waste, Chemotherapy Waste and Pharmaceutical Waste</u></p> <p>Medium/Large Tub (28 gal.): \$30/container Small Box (12x12x24 – 15 gallon): \$20/box Medium/Large Box (18x18x26 – 33 gallon): \$30/box Medium/Large Pharmaceutical Waste Box (25x14.25x21.25 – approx. 30 gal.): \$59/box Small Pharmaceutical Waste Box (19.625x14.375x26.625 – approx. 24 gal.): (C)(***)</p> <p>The rates stated in this Item 90 are flat rates per container and do not vary with the number of containers tendered for pickup. Stericycle will require all Pathological Waste and Chemotherapy Waste to be packaged by the generator in reusable plastic Medium/Large Tubs (28 gal.) provided by Stericycle to the extent available. The other containers indicated (except the Medium/Large (C) Pharmaceutical Waste Boxes) may be used for Pathological Waste or Chemotherapy Waste only to the extent that Medium/Large Tubs are not available from Stericycle or these alternative containers are required to be used, at Stericycle’s direction. Pharmaceutical Waste must be packaged by the generator in the Medium/Large (C) Pharmaceutical Waste Boxes provided by Stericycle. Charges will also be assessed under Items 60, 70, 80 and 85, when applicable. Rates under this Item 90 include disposal by incineration.</p> <p>For purposes of this Item 90:</p> <p>“Pathological Waste” means “Pathological waste,” as defined in the definition of “Biomedical waste” found at WAC 480-70-041.</p> <p>“Chemotherapy Waste” means sharps, syringes, IV tubing/bags/bottles, vials, and other discarded contaminated items generated in the preparation and administration of cytotoxic/antineoplastic drugs. Only <i>empty</i> containers/bags are acceptable with residue not to exceed 3% of total volume.</p> <p>“Pharmaceutical Waste” means pharmaceutical waste which has been properly characterized as not hazardous under the Resource Conservation and Recovery Act (RCRA) regulations and criteria (or more stringent state regulations, where applicable) and which has been packaged and labeled by the generator and approved and accepted by Stericycle of Washington in accordance with a Pharmaceutical Waste Compliance Services Agreement executed by Stericycle and the generator. Only properly packaged and labeled Pharmaceutical Waste covered by a Pharmaceutical Waste Compliance Services Agreement may be tendered to Stericycle by the generator.</p> <p>(*** indicates container size no longer available)</p>
Issued By: Michael S. Philpott, Regional Operations Director	
Issue Date: March 28, 2012	Effective Date: May 14, 2012
(This box for official use only)	
Effective: _____	Docket No. _____
LSN: _____	Hearing _____
By _____	

FOR OFFICIAL USE ONLY
Docket No. TG-121421
Agenda Date: May 10, 2012
Effective Date: May 14, 2012

Tariff No. 1

1st Revised Page 9

Company Name: Stericycle of Washington, Inc. (G-244)

Cancels

Original Page 9

Item 95

Rates for Collection and Transportation of Biomedical Waste in, and Processing of, Re-Usable Sharps Containers – Prices per rack (240 gallon maximum) (N) or approx. 30 gal. box

Quantity (C)(Racks)	Collection and Disposal	Container Processing	Total Charge Per Rack
1	\$190.40	\$90.00	\$280.40
2	142.20	90.00	232.20
3	110.85	90.00	200.85
4 or more	79.55	90.00	169.55

(N) Rates per Box (approx. 30 gal.):

(N) Collection and Disposal: \$23.83

(N) Container Processing: \$11.27

(N) Total Charge Per Box: \$35.10

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Note 1: Stericycle will provide wheeled racks, with a maximum capacity of 240 gallons per rack, (N) or boxes (approx. 30 gal.) for the collection, transportation and disposal of sharps waste in Stericycle's standard re-usable sharps containers. The rates specified in this Item 95 apply only to a combined service including the collection, transportation and disposal of sharps waste using Stericycle racks (N) or boxes and sharps containers and the processing of (C) the sharps containers for re-use by the customer.

Note 2: Sharps containers are classified by the United States Food and Drug Administration ("FDA") as Class II medical devices. The "container processing" charge specified in this Item 95 includes processing of Stericycle's re-usable sharps containers for re-use in accordance with FDA requirements.

(N) Note 3: Use of boxes under this Item 95 is limited to customers that tender at least one rack per month for pickup by Stericycle.

Issued By: Michael S. Philpott, District Manager

Issue Date: November 5, 2010

Effective Date: November 15, 2010

(This box for official use only)

Effective: _____ Docket No. _____

LSN: _____ Hearing _____

FOR OFFICIAL USE ONLY
 By _____ **Docket No. TG-101803**
Agenda Date: November 24, 2010
Effective Date: November 15, 2010

Supplements Nos. 6, 7, 8, 9, 10, and 11 are the only Supplements in effect at this time.

Supplement No. 6
Cancels Supplement No. 1

Of

STERICYCLE OF WASHINGTON
(Name of Collection Company)

Certificate Number G-244

On and after the effective date hereof, the following provisions shall apply:

(R) In addition to the rates and charges otherwise provided, a charge of 10.0% to implement Ordinance No. 116460 will be added to bills for generators located within the city limits of the City of Seattle.

Issue Date: October 13, 2000

Effective Date: December 1, 2000

(FOR OFFICIAL USE ONLY)

Effective: 12/01/00 Docket TG- 001559

Other _____

LSN _____ 1AA _____ Hearing _____

By Ch

Supplements Nos. 6, 7, 8, 9, 10, and 11 are the only Supplements in effect at this time.

Supplement No. 7
Cancels Supplement No. 2

Of

STERICYCLE OF WASHINGTON
(Name of Collection Company)

Certificate Number G-244

On and after the effective date hereof, the following provisions shall apply:

(R) In addition to the rates and charges otherwise provided, a charge of 6.2% to implement Ordinance No. 2422 will be added to bills for generators located within the city limits of the City of Bellevue.

Issue Date: October 13, 2000

Effective Date: December 1, 2000

(FOR OFFICIAL USE ONLY)

Effective: 12/01/00 Docket TG- 001559
Other _____

LSN _____ 1AA _____ Hearing _____
By aka _____

Supplements Nos. 6, 7, 8, 9, 10, and 11 are the only Supplements in effect at this time.

Supplement No. 8
Cancels Supplement No. 3

Of

STERICYCLE OF WASHINGTON
(Name of Collection Company)

Certificate Number G-244

On and after the effective date hereof, the following provisions shall apply:

(R) In addition to the rates and charges otherwise provided, a charge of 14.0% to implement Ordinance No. 4375 will be added to bills for generators located within the city limits of the City of Bremerton.

Issue Date: October 13, 2000

Effective Date: December 1, 2000

(FOR OFFICIAL USE ONLY)

Effective: 12/01/00 Docket TG- 001559
Other _____

LSN _____ 1AA _____ Hearing _____
By cha

Supplements Nos. 6, 7, 8, 9, 10, and 11 are the only Supplements in effect at this time.

Supplement No. 9
Cancels Supplement No. 4

Of

STERICYCLE OF WASHINGTON
(Name of Collection Company)

Certificate Number G-244

On and after the effective date hereof, the following provisions shall apply:

(R) In addition to the rates and charges otherwise provided, a charge of 17.0% to implement Ordinance No. C-30113 will be added to bills for generators located within the city limits of the City of Spokane.

Issue Date: October 13, 2000

Effective Date: December 1, 2000

(FOR OFFICIAL USE ONLY)

Effective: 12/01/00 Docket TG- 001559
Other _____

LSN _____ 1AA _____ Hearing _____
By cha

Supplements Nos. 6, 7, 8, 9, 10, and 11 are the only Supplements in effect at this time.

Supplement No. 11

Of

STERICYCLE OF WASHINGTON
(Name of Collection Company)

Certificate Number G-244

On and after the effective date hereof, the following provisions shall apply:

(A) In addition to the rates and charges otherwise provided, a charge of 5.0% to implement Ordinance No. 96-276 will be added to bills for generators located within the city limits of the City of Federal Way.

Issue Date: October 13, 2000

Effective Date: December 1, 2000

(FOR OFFICIAL USE ONLY)

Effective: 12/01/00 Docket TG- 001559
Other _____

LSN _____ 1AA _____ Hearing _____
By cha

Supplements Nos. 6, 7, 8, 9, 10, and 11 are the only Supplements in effect at this time.

Supplement No. 10
Cancels Supplement No. 5

Of

STERICYCLE OF WASHINGTON
(Name of Collection Company)

Certificate Number G-244

On and after the effective date hereof, the following provisions shall apply:

(A) In addition to the rates and charges otherwise provided, a charge of 6.0% to implement Ordinance No. 1577 will be added to bills for generators located within the city limits of the City of Port Orchard.

Issue Date: October 13, 2000

Effective Date: December 1, 2000

(FOR OFFICIAL USE ONLY)

Effective: 12/01/00 Docket TG- 001559
Other _____

LSN _____ 1AA _____ Hearing _____
By Ala