June 12, 2009

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

RE: Sanitary Service Co, Inc., G-14 – General rate increase request

Dear Mr. Danner:

With this transmittal letter, in accordance with WAC 480-07-520 we are submitting a general rate increase request for Sanitary Service Company, Inc., D/B/A Sanitary Service Company and Recycling Services, Inc., operating under authority of Certificate of Public Convenience and Necessity number G-14.

We are requesting an Effective Date of August 1, 2009. Enclosed is our hard copy showing the proposed revisions for Solid Waste Tariff Number 6 for Certificate G-14 in legislative format. Please note that our filing to pass-through an increase in disposal fees scheduled for July 1 is being processed under a separate docket number and the new rates shown in the enclosed tariff pages have been calculated to include that increased cost too. If approved by the Commission as filed, residential rates will increase approximately \$131,000 (4.95%) and commercial can and container rates will increase approximately \$342,000 (4.92%). Drop box rates are not proposed to increase because the last cost of service study showed the current rates are cost based. With drop box revenues included in the calculation, this filing would result in a general rate increase of approximately 3.6% based on total revenue.

Besides the disposal fee change, the other reasons for the proposed rate adjustment are increases in general operating costs since the last general rate filing, most significant of which include labor fees, wages, fringe benefits and other costs of doing business. Supporting staff work papers will be hand delivered to the commission on Friday, June, 12 and an electronic copy of all supporting work papers will be filed on that date as well along with an electronic form of the proposed tariff sheets showing deletions and insertions.

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Customer notices have been reviewed by Commission staff and will be mailed to customers prior to June 30 in order to provide at least thirty-days notice as required by WAC 480-70-271. Per the regulation, copies of the customer notice will also be mailed

to the members of the Whatcom County Council, the Mayor of Bellingham, the Mayor of Ferndale and the public affairs office of the Commission. We are also mailing it to the Whatcom County Executive and the Bellingham and Ferndale City Councils. Also a copy of this letter has been mailed to the Whatcom County Council and the Bellingham Herald.

If you have any questions about this letter please call me at (360) 734-3490 or contact me at ed@ssc-inc.com.

Sincerely,

Edward Nikula Vice President

Enclosures: Revised tariff pages

cc: Whatcom County Council

—Bellingham City Council

Ferndale City Council

Penni Lemperes

Frank Abart (Whatcom County Solid Waste Director)

Bellingham Herald

Dan Pike, Mayor, City of Bellingham

Gary Jensen, Mayor, City of Ferndale

Pete Kremen, Whatcom County Executive

bee Pat Dunn

Jeff Williamson

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Lisa Meucci
Polly McNeill

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