



December 1, 2012

Dear Valued Customer,

Waste Management is pleased to be your recycling and solid waste services provider. We are writing to notify you of an upcoming rate adjustment.

Like all of us, the garbage and recycling industry is faced with many challenges today. Since the last rate adjustment, in November of 2007 - nearly five years ago - the costs of fuel, equipment, labor, operating expenses and the costs for processing recyclables have increased, while the market value of recyclables has been quite volatile. Accordingly, we have applied for an increase in your recycling and yard waste rates, subject to the review and approval of the Washington Utilities and Transportation Commission (UTC). In addition, to mitigate this increase we are also proposing that the commodity rebate recently approved by the UTC be increased as well to more accurately reflect the true value of your recyclables. And fortunately, our solid waste rates do not need to be changed. The UTC, upon completing its investigation, has the authority to set final rates that may be either lower or higher from the proposed rates shown on the back of this letter. If approved, the new rates would become effective January 1, 2013.

To comment on this filing, be added to the UTC's mailing list, or ask questions about the ratemaking process; please use the "Public Comment" feature at the UTC's web site at <http://www.utc.wa.gov/comments>.

*Washington Utilities and Transportation Commission
Post Office Box 47250, Olympia, WA 98504-7250
E-mail: comments@utc.wa.gov
Telephone: 1-888-333-9882
Fax: 1-360-586-1150*

Waste Management is committed to finding new and innovative ways to provide high quality solid waste services at cost effective rates. We appreciate your business and look forward to continuing to provide you efficient collection services. As always, we welcome your feedback on our performance and your expectations.

For questions about your service, or if you have questions or need additional information about the proposal, please call us at 1-800-592-9995. Thank you for your continued business.

A handwritten signature in black ink, appearing to read 'Alan York', is written in a cursive style.

Alan York
District Manager, Waste Management - Brem-Air

Waste Management - Brem-Air

This increase applies only to recycling and yard waste rates. While our recycling rates will increase, it is offset by the rise in the commodity rebate. You will not see an increase in your Garbage rates.

Recycling	Current Rate	Proposed Rate*
Monthly service rate	\$4.05	\$7.15
Less: Commodity Rebate	<u>\$(1.01)</u>	<u>\$(2.72)</u>
Total	<u>\$3.04</u>	<u>\$4.43</u>

**These rates are subject to UTC approval*

Yard waste	Current Rate	Proposed Rate *
Monthly service rate	<u>\$8.15</u>	<u>\$8.45</u>

**These rates are subject to UTC approval*