

Rate Increase Notice

September 17, 2018

Dear Valued Customer,

Bainbridge Disposal, Inc. is pleased to be your recycling services collection provider. We value your business and welcome your feedback on our services.

Because of uncontrollable market conditions, the cost to process the recyclables that we collect has risen rapidly following an announced ban by China of many recyclable materials and new unachievable quality requirements by the overseas markets. Due to the volatility and unpredictability of these impacts, rather than a permanent increase to recycling collection rates, we believe that a temporary commodity adjustment is an appropriate mechanism for managing increased processing costs.

Accordingly, we have applied for a commodity adjustment to our recycling collection rates, subject to the review and approval of the Washington Utilities and Transportation Commission (UTC). If approved, the commodity adjustment would become effective November 1, 2018. The commodity adjustment being requested will be reviewed every 180 days and depending on the changes in the volatile markets, could be higher or lower than the current commodity adjustment of \$7.02 per month for single family residential customers and \$1.92 per month for multi-family. The adjustment will appear as a separate line on each customer's bill. Subsequent adjustments will be noticed on the first billing statement containing the revised commodity adjustment.

The UTC has the authority to set final rates that may be lower or higher than the proposed rate reflected in this letter, depending on the outcome of its investigation. You can comment by using the "Submit a Comment" feature at the commission's web site, at comments@utc.wa.gov or by using the contact information below. Commission staff will make a recommendation to the commissioners at an open meeting in Olympia. If you choose to do so, you will have an opportunity to comment in person at this meeting. The UTC is committed to providing reasonable accommodation to participants with disabilities. If you need reasonable accommodation, please contact the commission at (360) 664-1132 or human_resources@utc.wa.gov.

If you are unable to attend the open meeting, the commission has a bridge line which enables you to participate by telephone. Call 360-664-1234 the day before the open meeting for instructions and to sign in.

*Washington Utilities and Transportation Commission
1300 S. Evergreen Park Drive SW
Post Office Box 47250, Olympia, WA 98504-7250
Telephone: 1-888-333-WUTC (9882)*

Bainbridge Disposal will continue to work diligently to mitigate the cost implications of these developments but simply put, it is more expensive to meet these stringent demands. As a valued customer, you can do your part to help us mitigate these costs by making certain that you are only recycling clean materials allowed in your recycling program that are free from contamination. "When in doubt, throw it out!"

For questions about your service, or if you have questions or need additional information about the proposal, please call us at 1-206-842-0962.

Thank you for your business.

Bainbridge Disposal, Inc.