

BEFORE THE WASHINGTON STATE UTILITIES AND
TRANSPORTATION COMMISSION

In re the Matter of:

The Penalty Assessment Against Rabanco,
Ltd. d/b/a Allied Waste Services of Klickitat
County

Case No. TG-091292

SETTLEMENT AGREEMENT

1 This Settlement Agreement (“Agreement”) is entered into by the undersigned parties
for the purpose of resolving all issues raised in the above docket. This settlement is
submitted to the Washington Utilities and Transportation Commission (“Commission”) for
consideration and approval prior to a current brief adjudicative proceeding hearing set for
July 9, 2010, in this matter, which the parties now request be stricken or otherwise continued
pending action on this proposed Agreement by the Commission.

I. PARTIES

2 The parties to this Agreement are Rabanco, Ltd. d/b/a Allied Waste Services of
Klickitat County (“Klickitat Allied Waste” or “KAW”), and the Staff of the Washington
Utilities and Transportation Commission (“Commission Staff”), collectively “the Settling
Parties.”

II. BACKGROUND

3 On May 12, 2010, after investigation, the Commission issued a penalty assessment
against Klickitat Allied Waste in the amount of \$44,400, alleging 444 separate violations of
WAC 480-70-236(2), which prohibits a company from assessing rates and charges for solid
waste collection services that are higher, lower, or different from those contained in its tariff.

4 On May 19 and May 26, 2010, KAW responded to the penalty assessment. KAW
admitted the violations but sought mitigation of the penalty, pursuant to RCW 81.04.405.

5 As noted, the Commission entered a notice setting a brief adjudication and time for
oral statements for July 9, 2010 at 1:30 p.m. before Administrative Law Judge Dennis Moss.

III. AGREEMENT

6 The Settling Parties have reached agreement on the issues raised in the above docket
and present their Agreement for the Commission’s consideration and approval. The Settling
Parties therefore adopt the following Agreement which they enter into voluntarily and which
seeks to resolve the matter in dispute between them and to expedite the orderly and efficient
disposition of the proceeding.

7 If approved, the Settlement Agreement proposes that the Respondent company,
Allied Waste Services of Klickitat County, pay a penalty in the amount of \$4,440, which
represents a fine of \$10 per violation for a total of 444 violations of WAC 480-70-236(ii) to
resolve this matter. KAW and Commission Staff believe the proposed settlement fully
resolves the dispute, as the attached Settlement Narrative explains. In summary, once
Commission Staff brought the tariff application issue to KAW’s attention in February, 2009,
through a single customer complaint and inquiry from Commission Staff, KAW promptly
notified its customers in the affected portion of the county of the provisions of its tariff,
which requires the offering of weekly, as opposed to every other week, service and promptly
repositioned its equipment, routes, and personnel to offer the weekly service required by the
company’s tariff. The company has implemented the new service and currently is providing
weekly service to all affected customers within Klickitat County.

IV. GENERAL PROVISIONS

8 The Settling Parties agree that this Agreement reflects the settlement of all remaining
contested issues between them in this proceeding. The Settling Parties understand that this
Agreement—including the admissions contained herein—is not binding unless and until

9 The Settling Parties agree to cooperate in submitting this Agreement promptly to the Commission for acceptance. The Settling Parties agree to support adoption of this Agreement in proceedings before the Commission. No party to this Agreement or its agents, employees, consultants, or attorneys will engage in advocacy contrary to the Commission's adoption of this Agreement.

10 The Settling Parties agree: (1) to provide each other the right to review in advance of publication any and all announcements or news releases that the other party intends to make about the Agreement (with the right of review to include a reasonable opportunity to request changes to the text of such announcements) and (2) to include in any news release or announcement a statement that the Staff's recommendation to approve the settlement is not binding on the Commission itself.

11 The Settling Parties have entered into this Agreement to avoid further expense, inconvenience, uncertainty, and delay. The Settling Parties recognize that this Agreement represents a compromise of the Settling Parties' positions. As such, conduct, statements, and documents disclosed during negotiations of this Agreement shall not be admissible as evidence in this or any other proceeding, except in any proceeding to enforce the terms of this Agreement or any Commission order fully adopting those terms. This Agreement shall not be construed against either party because it was a drafter of this Agreement.

12 The Settling Parties have negotiated this Agreement as an integrated document to be effective upon execution, subject to Commission approval. This Agreement supersedes all prior oral and written agreements on issues addressed herein. Accordingly, the Settling Parties recommend that the Commission adopt this Agreement in its entirety.

13 The Settling Parties may execute this Agreement in counterparts and as executed shall constitute one agreement. Copies sent by facsimile are as effective as original documents.

14 The Settling Parties shall take all actions necessary as appropriate to carry out this Agreement.

15 In the event that the Commission rejects all or any portion of this Agreement, each party reserves the right to withdraw from this Agreement by written notice to the other party and the Commission. Written notice must be served within 10 business days of the Order rejecting part or all of this Agreement. In such event, neither party will be bound or prejudiced by the terms of this Agreement, and neither party shall be entitled to seek reconsideration of the Order.

WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION

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County

Dated: July __, 2010

Dated: July __, 2010