BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

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| In the Matter of the Application ofWASTE MANAGEMENT OF WASHINGTON, INC. D/B/A WM HEALTHCARE SOLUTIONS OF WASHINGTONFor an extension of Certificate G‑237 for a Certificate of Public Convenience and Necessity to Operate Motor Vehicles in Furnishing Solid Waste Collection Service | DOCKET TG-120033COMMISSION STAFF REPLY BRIEF  |

1. The Staff of the Washington Utilities and Transportation Commission (“Staff”) submits this reply brief in response to the post-hearing briefs of the other parties.
2. Staff’s Post-Hearing Brief primarily addresses the issue of Waste Management’s fitness to provide the service proposed in its application. Staff concluded that Waste Management had established its fitness. The other parties appear to agree with the Staff’s position on fitness.
3. Stericycle’s briefing, in any event, does not challenge Waste Management’s fitness. In its brief, Washington Refuse and Recycling Association (WRRA) concedes that the “fitness test” can be met by Waste Management.[[1]](#footnote-1) WRRA, however, contends that the Commission should be concerned with the “eventual profitability of the proposed service, and the subsidization of same by the parent company for a period of time.” In particular, WRRA asserts that there was no testimony as to how long the corporate parent is willing to subsidize Waste Management until its medical waste service becomes profitable. [[2]](#footnote-2) Waste Management witness Michael Weinstein, however, did testify that WMI will continue to absorb the costs of Waste Management’s medical waste operation until Waste Management achieves profitability.[[3]](#footnote-3)
4. As noted in Staff’s Post Hearing Brief, evidence of support from a parent company is evidence of financial fitness. Moreover, an applicant meets the test of financial fitness if it provides credible evidence that it has sufficient financing to begin and continue its operations for a reasonable time while its business grows.[[4]](#footnote-4) Mr. Weinstein’s representation that the well-capitalized parent WMI will provide financial support until Waste Management’s biomedical waste service becomes profitable satisfies this test.
5. For these reasons, and the reasons set forth in Staff’s Opening Brief, Staff is satisfied that Waste Management has established its fitness to provide the proposed service.

DATED this 25th day of January 2013.

Respectfully submitted,

ROBERT W. FERGUSON

Attorney General of Washington

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1. WRRA Post Hearing Brief at 2. [↑](#footnote-ref-1)
2. WRRA Post Hearing Brief at 4. [↑](#footnote-ref-2)
3. Weinstein, Exh. No. MAW-16T, ¶12. [↑](#footnote-ref-3)
4. Staff Post Hearing Brief, ¶¶16-17. [↑](#footnote-ref-4)