

**Exh. BF-1T
Docket TC-240189
Witness: Bridgit Feeser**

**BEFORE THE
WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION**

**WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION,**

Complainant,

v.

**WASTE MANAGEMENT OF
WASHINGTON, INC.,**

Respondent.

DOCKET TG-240189

TESTIMONY OF

BRIDGIT FEESER

**STAFF OF
WASHINGTON UTILITIES AND
TRANSPORTATION COMMISSION**

Complaint Against Waste Management of Washington , Inc.

October 22, 2024

TABLE OF CONTENTS

I. INTRODUCTION1

II. SCOPE AND SUMMARY OF TESTIMONY2

III. BACKGROUND3

 A. Staff’s Investigation of Waste Management’s Compliance
 with its Tariff 14, Item 2403

 B. Waste Management’s Response to the Complaint.....7

IV. WASTE MANAGEMENT’S VIOLATIONS8

 A. Violation of WAC 480-70-2368

V. EVALUATION OF ENFORCEMENT FACTORS11

VI. CONCLUSION.....19

LIST OF EXHIBITS

- BF-2 Waste Management Tariff 14
- BF-3 Staff Investigation Report, dated April 30, 2024

1 **I. INTRODUCTION**

2

3 **Q. Please state your name and business address.**

4 A. My name is Bridgit Feeser. My business address is 621 Woodland Square Loop SE,
5 Lacey, WA 98503. My business mailing address is P.O. Box 47250, Olympia, WA
6 98504-7250. My business email address is bridgit.feeser@utc.wa.gov.

7

8 **Q. By whom are you employed and in what capacity?**

9 A. I am employed by the Washington Utilities and Transportation Commission
10 (Commission) as the Director of the Consumer Protection Division. I have been
11 employed by the Commission since May 2016.

12

13 **Q. Would you please state your educational and professional background?**

14 A. I have a bachelor's degree from Evergreen State College and have taken investigator
15 training through the Washington State Learning Center. I have approximately eight years
16 of experience conducting administrative investigations and over eight years of experience
17 overseeing investigative work performed by consumer protection investigators. As the
18 Consumer Protection Director, I supervise the compliance investigation team, manage
19 investigations related to the business practices of regulated utility or transportation
20 companies, and make decisions on whether to issue staff recommendations to the
21 Commission to file a formal complaint against a company and assess penalties for non-
22 compliance with Washington laws, rules, and company tariffs.

1 **Q. Have you previously testified before the Commission?**

2 A. Yes. I provided testimony on behalf of Commission Staff in adjudicative proceedings in
3 Docket UT-210902 and Docket UT-240078.

4
5 **II. SCOPE AND SUMMARY OF TESTIMONY**

6
7 **Q. What is the purpose of your testimony?**

8 A. My testimony will provide the background for the investigation that lead to the
9 Complaint in this case. I will also present Staff's recommendation on penalties and other
10 relief.

11
12 **Q. Please summarize your recommendations.**

13 A. Staff recommends that the Commission issue a penalty against Waste Management of
14 Washington, Inc. (Waste Management or Company) of \$254,000 for 254 violations of
15 WAC 480-70-236 for failure to comply with commission-approved Waste Management
16 of Greater Wenatchee Tariff 14, Item 240. If the Commission chooses to suspend a
17 portion of a regulatory penalty to encourage future compliance in this case, Staff
18 recommends that no more than 50 percent be suspended for a period of two years and
19 then waived on the condition that no further violations of this nature occurred during the
20 suspension period. Staff also recommends that the Commission require the Company to
21 do the following: (1) audit its compliance with Item 240 service frequency state-wide,
22 including all routes to which Item 240 applies, (2) file its audit report as a compliance
23 filing in this docket, and (3) ensure that appropriate Waste Management employees are

1 properly trained with respect to regulatory compliance. At the end of the two year
2 suspension period, Staff recommends that the Company conduct a follow-up audit
3 regarding its compliance with Item 240, with the audit report being filed in this docket as
4 a compliance filing. Both the initial audit and the follow-up audit should contain the
5 following information, separated by operating entity: the nature of any violations found,
6 the location of any affected customers by address, the duration of the violation back to
7 July 1, 2022, a description of the corrective action needed, and the date corrective action
8 has been taken.

9
10 **Q. Have you prepared exhibits in support of your testimony?**

11 A. Yes. I prepared Exhibits BF-2 and BF-3. My exhibits are as follows:

12 BF-2 Waste Management, Tariff 14

13 BF-3 Staff Investigation Report, dated April 30, 2024

14
15 **III. BACKGROUND**

16
17 **A. Staff's Investigation of Waste Management's Compliance with its Tariff 14,**
18 **Item 240**

19
20 **Q. Please describe Waste Management.**

21 A. Waste Management is a for-profit company that provides solid waste collection services
22 in 16 Washington Counties under a certificate of public convenience and necessity from
23 the Commission, G-237. The Company's services include the collection of residential

1 and commercial garbage, residential recyclable materials, and residential yard waste.
2 Waste Management provides these services under the following registered trade names:
3 Brem-Air Disposal (Tariff 20), Ellensburg (Kittitas Operations) (Tariff 2), Greater
4 Wenatchee (Tariff 14), Kennewick (Tariff 16), WM of Washington d/b/a WM North
5 Sound and WM of Marysville (Tariff 19), WM of South Sound and WM of Seattle
6 (Tariff 24), Waste Management of Skagit (Tariff 19), and Waste Management of
7 Spokane and Valley Service Garbage Co. (Tariff 18). Each of the tariffs governing the
8 operating companies contain Item 240 – Container Service – Dumped in Company's
9 Vehicle, and each define permanent service as “no less than scheduled, every other week
10 pickup, unless local government requires more frequent service or unless putrescibles are
11 involved.”¹

12 Waste Management reported a gross annual revenue of \$173,526,250.95 in 2023.

13 As of December 31, 2023, the Company reported 273,920 regulated customers.
14

15 **Q. What does Waste Management’s Tariff 14, Item 240 require?**

16 A. A copy of Waste Management’s Tariff 14 is contained in my Exhibit BF-2. Waste
17 Management’s Tariff 14, Item 240 applies to container service, which is dumped in the
18 Company’s vehicle, in unincorporated Douglas County.² Item 240 defines permanent
19 service as “no less than scheduled, every other week pickup, unless local government
20 requires more frequent service or putrescibles are involved.”³ Customers subscribed to

¹ See, Feeser, Exh. BF-2 at 37.

² Feeser, Exh. BF-2 at 37 (Item 240) and 46-47 (Appendix A).

³ Feeser, Exh. BF-2 at 37.

1 permanent container service under Tariff 14, Item 240 are to receive pick-up service from
2 Waste Management every other week.

3
4 **Q. How did Staff become aware of potential compliance issues with Item 240?**

5 A. The Consumer Complaint Investigations Section within the Commission's Consumer
6 Protection Division received an informal consumer complaint in April 2022 from a Waste
7 Management customer residing in Douglas County (CAS-36523).⁴ The complainant
8 stated they requested and were being charged for every-other-week permanent container
9 pick-up service of a 4-yard dumpster, but the Company was only picking up the container
10 on a monthly basis. During Staff's investigation, the Company communicated to Staff
11 that the customer lives a very long way from their yard and the district can only provide
12 service once per month. Staff's investigation found Waste Management failed to provide
13 every-other-week pick-up service in accordance with its Commission-approved tariff. As
14 a result, Staff recorded 14 informal violations of WAC 480-70-236(2) against the
15 Company. The matter was referred to the Compliance Investigation Section.

16
17 **Q. Please describe the investigation conducted by the Compliance Investigation
18 Section.**

19 A. Staff's compliance investigation focused on Waste Management's business practices
20 related to Douglas County customers who have permanent container service, which
21 requires every-other-week container pick-up under Waste Management of Greater
22 Wenatchee Tariff 14, Item 240. The investigation was to determine if the Company had

⁴ Feeser, Exh. BF-3 at 11-36. The informal consumer complaint is attached to Staff's Investigation Report as Attachment A.

1 corrected its business practices after the consumer complaint that resulted in 14 informal
2 violations of WAC 480-70-236(2).

3 I assigned this investigation to former Compliance Investigator Jaquandria
4 Ewanika, who began the investigation in February 2023. In April 2023, Jaquandria
5 Ewanika sent a data request signed by former Executive Director and Secretary Amanda
6 Maxwell to the Company asking for data pertaining to Douglas and Grant County
7 customers. Due to the volume of data provided, Staff narrowed the data request in June
8 2023 to focus on customers receiving services under the Company's Waste Management
9 of Greater Wenatchee Tariff Item No.14, Item 240 for the timeframe of September 1,
10 2021, through April 30, 2023, and the frequency of service to those customers. The
11 Company provided requested data to Staff in June 2023.

12 Throughout the investigation, Jaquandria Ewanika and I had regular meetings to
13 discuss the direction and status of the investigation, facts of the case, and appropriate next
14 steps. Under my leadership, I provided direction, reviewed and gave feedback to
15 Jaquandria Ewanika in the preparation of Staff's investigative report, and approved the
16 recommendation to request the Commission file a complaint against the Company with
17 penalties. As a result of my oversight, I am familiar with the facts of this case.

18
19 **Q. What was the result of Staff's investigation?**

20 A. Staff found 254 violations of WAC 480-70-236 for failing to follow the Company's
21 commission-approved Waste Management of Greater Wenatchee Tariff 14, Item 240,
22 when providing permanent container pick-up services to 25 Douglas County customers.
23 Waste Management provided monthly pick-up service to these customers rather than

1 every-other-week service. As a result of the investigation, Staff recommended that the
2 Commission issue a complaint and penalties against Waste Management. The Complaint
3 was issued on May 20, 2024, and Staff’s Investigation Report was filed in the docket on
4 May 23, 2024. A copy of the Staff Investigation Report is contained in my Exhibit BF-3.
5

6 **B. Waste Management’s Response to the Complaint**
7

8 **Q. Has Waste Management responded to the Complaint?**

9 A. Yes. Waste Management filed its answer to the Complaint. In the answer, Waste
10 Management stated, “WMW admits to violations of state law and administrative rule for
11 providing solid waste service inconsistent with its Tariff No. 14 in Douglas County
12 generally as described in the Complaint.”⁵ At the prehearing conference, the Company
13 confirmed that there would be no “substantial, you know, material factual dispute as to
14 the nature or number of the violations.”⁶ The Company also stated, “It seems to us that
15 penalty is probably the main issue.”⁷
16

17 **Q. Does Staff agree with Waste Management that the primary issue in this case is the**
18 **level of penalty?**

19 A. Yes. Because Waste Management admits that there were violations, the question of
20 whether the Company’s actions constitute a violation is not at issue. The issue the

⁵ *Wash. Utils. & Transp. Comm’n v. Waste Management of Washington, Inc.*, Docket TG-240189, Waste Management of Washington, Inc.’s Answer to Complaint, ¶ 2 (June 10, 2024) (hereinafter “Answer”).

⁶ TR. at 8:20-23.

⁷ TR. at 9:6-7. Commission Staff and Public Counsel agreed that the scope of this proceeding is the level of penalty. TR. at 9:10-22.

1 Commission must decide is what level of penalty is appropriate and what other relief
2 should be ordered. However, because Waste Management also says that it “lacks specific
3 information about the number and timing of the violations,” it is important to establish
4 those facts and circumstances, even though the Company “admits that there is probably
5 cause of violations by WMW generally consistent with the Complaint.”⁸
6

7 IV. WASTE MANAGEMENT’S VIOLATIONS

8 A. Violation of WAC 480-70-236

9 Q. What does WAC 480-70-236 require?

10
11 A. WAC 480-70-236 requires solid waste companies to provide service pursuant to a
12 Commission-approved tariff, assess rates as approved in the tariff, and may not collect
13 payment that is different than what is approved in the tariff.
14

15 Q. How did Waste Management violate WAC 480-70-236?

16 A. Waste Management failed to provide service as defined in the Company’s commission-
17 approved Waste Management of Greater Wenatchee Tariff 14, Item 240, as required by
18 WAC 480-70-236, when providing permanent container pick-up services to Douglas
19 County customers.
20
21
22

⁸ Answer, ¶ 31; *see also*, Answer ¶¶ 2, 9-15, and 26-30.

1 **Q. Please describe how Waste Management failed to provide service pursuant to its**
2 **Tariff.**

3 A. Waste Management's Tariff 14, Item 240 – Container Service – Dumped in Company's
4 Vehicle, specifies that permanent service is defined as “no less than scheduled, every
5 other week pickup, unless local government requires more frequent service or
6 putrescibles are involved.” The Company failed to provide every-other-week container
7 pick-up service to 25 customers in Douglas County. Instead, Waste Management only
8 provided monthly pick-up service to these customers between June 1, 2022, through June
9 1, 2023.⁹

10
11 **Q. How many violations did Waste Management's actions cause?**

12 A. Staff found a total of 254 violations.¹⁰

13 One customer with permanent every-other-week container pick-up service only
14 received monthly pick-up service for the period of June 1, 2022, through April 6, 2023.
15 Staff identifies one violation for each of the 10 months where a pick-up service was
16 missed, for a total of 10 violations.

17 Two customers with permanent every-other-week container pick-up service only
18 received monthly pick-up service for the period of June 1, 2022, through May 31, 2023.
19 Staff identifies one violation for each of the 11 months where a pick-up service was
20 missed for each of the two customers, for a total of 22 violations.

21 One customer with permanent every-other-week container pick-up service only
22 received monthly pick-up service for the period of June 1, 2022, through June 1, 2023,

⁹ Feeser, Exh. BF-3 at 6-7.

¹⁰ Feeser, Exh. BF-3 at 6.

1 Staff identifies a total of one violation for each of the 12 months where a pick-up service
2 was missed, for a total of 12 violations.

3 Twenty-one customers with permanent every-other-week container pick-up
4 service only received monthly pick-up service for June 1, 2022, through April 30, 2023.
5 Staff identifies one violation for each of the 10 months where a pick-up service was
6 missed for each of the 21 customers, for a total of 210 violations.

7
8 **Q. What is Staff's recommendation regarding penalties?**

9 A. Staff recommends \$1,000 for each of the 254 violations, for a total penalty of \$254,000.

10
11 **Q. Does Staff have additional recommendations regarding the Commission's
12 regulatory responses to Waste Management's violations?**

13 A. Yes. The Commission has discretion to require a company to pay the full amount of a
14 regulatory imposed or to suspend a portion of the regulatory penalty to encourage further
15 compliance. If the Commission chooses to suspend a portion of the regulatory penalty in
16 this case, Staff recommends that no more than 50 percent of the penalty be suspended for
17 a period of two years and then waived on the condition that no further violations of this
18 nature occurred during the suspension period. Staff also recommends the Commission
19 require the Company to do the following: (1) audit its compliance with Item 240 service
20 frequency state-wide, including all routes to which Item 240 applies, (2) file its audit
21 report as a compliance filing in this docket, and (3) ensure that appropriate Waste
22 Management employees are properly trained with respect to regulatory compliance. At
23 the end of the two year suspension period, Staff recommends that the Company conduct a

1 follow-up audit regarding its compliance with Item 240, with the audit report being filed
2 in this docket as a compliance filing. Both the initial audit and the follow-up audit should
3 contain the following information, separated by operating entity: the nature of any
4 violations found, the location of any affected customers by address, the duration of the
5 violation back to July 1, 2022, a description of the corrective action needed, and the date
6 corrective action has been take. Staff believes this action would confirm current
7 compliance and ensure, or at least encourage, continued compliance with the
8 Commission's rule.

10 V. EVALUATION OF ENFORCEMENT FACTORS

11
12 **Q. Please describe the factors the Commission considers when contemplating whether**
13 **to impose a penalty on a regulated company.**

14 A. In Docket A-120061, the Commission identified 11 non-exclusive factors it would
15 consider when determining an appropriate penalty for violations. Those factors are:

- 16 (1) How serious or harmful the violation is to the public.
- 17 (2) Whether the violation is intentional.
- 18 (3) Whether the company self-reported the violation.
- 19 (4) Whether the company was cooperative and responsive.
- 20 (5) Whether the company promptly corrected the violations and remedied the
21 impacts.
- 22 (6) The number of violations.
- 23 (7) The number of customers affected.

- 1 (8) The likelihood of recurrence.
- 2 (9) The company's past performance regarding compliance, violations, and
- 3 penalties.
- 4 (10) The company's existing compliance program.
- 5 (11) The size of the company.¹¹

6 These factors are non-exclusive, and no one factor is controlling.

7

8 **Q. What is a suspended penalty?**

9 A. A suspended penalty is a penalty that the Commission imposes, but allows the company
10 to not pay, contingent on the company meeting certain requirements during a suspension
11 period. If the company fails to meet the suspension requirements, the suspended amount
12 becomes due and payable.

13

14 **Q. Why might the Commission suspend a portion of a penalty?**

15 A. A suspended penalty is useful to encourage and ensure compliance with regulatory
16 requirements. The Commission has identified factors it looks at in determining whether
17 to suspend a penalty. Those factors are:

- 18 (1) Whether the violation is a first-time violation.
- 19 (2) Whether the company has taken specific actions to remedy the violations and
- 20 avoid similar violations in the future.
- 21 (3) whether the company agrees to a specific compliance plan that will guarantee
- 22 future compliance in exchange for suspended penalties.

¹¹ *In re Matter of the Enforcement Policy of the Wash. Utils. & Transp. Comm'n*, Docket A-120061, Enforcement Policy, ¶ 15 (Jan. 7, 2023).

1 (4) Whether Staff and the company have agreed that Staff will conduct a follow-
2 up investigation at the end of the suspension period, and if a repeat violation is
3 found, that the suspended penalty is re-imposed.

4 (5) Whether the company can demonstrate other circumstances that support
5 suspension.¹²
6

7 **Q. Please address the 11 enforcement factors from the Commission’s policy statement**
8 **as they relate to Staff’s recommended penalty of \$254,000.**

9 A. Evaluating the 11 enforcement factors demonstrates that Staff’s overall penalty
10 recommendation is reasonable and appropriate in this case.

11 (1) How serious or harmful the violation is to the public. This factor considers the impact
12 to the public. “The more serious or harmful the violation, the more appropriate
13 penalties or other sanctions may be.”¹³

14 The violations are both serious and harmful to the public. Customers rely on and
15 expect Waste Management to provide the service they sign up for, as required in the
16 Company’s commission-approved tariff. The Company failed to provide every-other-
17 week pick-up service to customers with permanent container service in Douglas
18 County, leaving containers sitting for an entire month before being serviced. Not
19 providing every-other-week service to customers could result in additional charges
20 for a container that was overfilled due to the container sitting for a month.

¹² Enforcement Policy, ¶ 20.

¹³ Enforcement Policy, ¶ 15 (subsection (1)).

1 This is what occurred to the customer in informal Consumer Complaint CAS
2 36523.¹⁴ This customer ultimately canceled service with Waste Management because
3 of the ongoing problems of inaccurate permanent container service pickups and
4 additional charges. Waste Management decided that some customers live too far from
5 the yard to provide every-other-week service, but this is not an approved reason for
6 limiting its service to customers as outlined in its tariff.

7 (2) Whether the violation is intentional. This factor considers whether a company
8 willingly and intentionally violates a Commission requirement. A company that
9 knowingly commits a violation may be dealt with more severely.¹⁵

10 Staff believes the violations were intentional. The Company understands its
11 obligation to follow its commission-approved tariff. The Company made a decision to
12 not provide every-other-week service to Douglas County customers with permanent
13 container service, under Tariff 14, Item 240, because they live too far from the yard.

14 During the April 2022 informal consumer complaint investigation in CAS 36523,
15 the Company stated, “This customer lives a very long way from our yard and the
16 district can only get out there to service one time per month.” In May 2022, Staff
17 provided technical assistance to the Company. Staff informed them of their obligation
18 under Tariff 14, Item 240, to provide every-other-week pick-up service to customers
19 with permanent container service and that they were recording 14 violations for
20 failing to comply with WAC 480-70-236. The Company ignored the technical
21 assistance provided by Commission Staff, failed to correct business practices, and
22 continued to withhold every-other-week pick-up service for 25 Douglas County

¹⁴ Feeser, Exh. BF-3 at 11-36.

¹⁵ Enforcement Policy, ¶ 15 (subsection (2)).

1 customers with permanent container service. Waste Management also has not
2 requested to change its tariff, so it is still obligated to provide every-other-week
3 service under Item 240.

- 4 (3) Whether the company self-reported the violation. This factor considers whether a
5 company identified and self-reported to the Commission that a violation occurred.¹⁶

6 The Company did not self-report the violations discussed in this report.

- 7 (4) Whether the company was cooperative and responsive. This factor considers whether
8 a company is cooperative and responsive during an investigation.¹⁷

9 Staff found the Company to be cooperative and responsive to requests for data
10 and information.

- 11 (5) Whether the company promptly corrected the violations and remedied the impacts.

12 This factor considers whether a company corrects violations and any underlying
13 system problems.¹⁸

14 Staff is unaware if the Company has remedied pick-up service for customers that
15 fall under Item 240 of their tariffs.

- 16 (6) The number of violations. This factor considers how many violations have occurred.¹⁹

17 In this case, there are a total of 254 violations.

- 18 (7) The number of customers affected. This factor considers how widespread the impact
19 on customers is.²⁰

¹⁶ Enforcement Policy, ¶ 15 (subsection (3)).

¹⁷ Enforcement Policy, ¶ 15 (subsection (4)).

¹⁸ Enforcement Policy, ¶ 15 (subsection (5)).

¹⁹ Enforcement Policy, ¶ 15 (subsection (6)).

²⁰ Enforcement Policy, ¶ 15 (subsection (7)).

1 Staff's investigation focused on Douglas County customers with permanent
2 container service under Waste Management's Greater Wenatchee Tariff 14, Item 240,
3 for a limited time period. Twenty-five customers were affected by the Company's
4 failure to provide every-other-week pick-up service for containers.

5 Staff believes it is important to note that Item 240 in each of the Company's seven
6 tariffs defines permanent service as no less than every-other-week pickup for
7 containers. The Company failed to provide every-other-week service to 25 Douglas
8 County customers with permanent container service because the Company decided
9 those customers lived too far from the yard. Staff believes it is likely that Waste
10 Management is also withholding every-other-week pick-up service to customers with
11 permanent containers covered by Item 240 in other Company tariffs, resulting in
12 more than 25 customers being affected.

13 (8) The likelihood of recurrence. This factor considers whether a company has changed
14 its practices or if the violations are repeat violations.²¹

15 Staff believe recurrence is possible. The Company has already created a practice
16 of not providing the level of service required by their tariff if they deem the distance
17 is too far to drive. In addition, the Company failed to correct their business practices
18 after receiving technical assistance and informal violations during the April 2022
19 informal consumer complaint. All of the violations subject to the complaint in this
20 case occurred after the April 2022 informal consumer complaint was resolved. While
21 this investigation focuses on Tariff 14, Item 240, Douglas County, Staff believes the

²¹ Enforcement Policy, ¶ 15 (subsection (8)).

1 non-compliance could be spread across the Company's entire service area and
2 without Commission intervention, the Company's practices could continue.

3 (9) The company's past performance regarding compliance, violations, and penalties.

4 This factor considers whether a company has a history of noncompliance, repeated
5 violations, or previous penalties.²²

6 In March 2022, pursuant to a settlement approved by the Commission in Docket
7 TG-210689, Waste Management was assessed a \$83,150 penalty and they paid
8 approximately \$40,000 in customer credits for missed yard waste and recycling
9 pickups in Kitsap County.

10 In September 2013, pursuant to a settlement approved by the Commission in
11 Docket TG-121265, Waste Management was assessed a \$20,000 penalty and they
12 paid approximately \$620,000 in customer credits for failure to collect solid waste in
13 King County and Snohomish County during and immediately following a labor
14 disruption.

15 In addition, there have been multiple dockets where Waste Management has been
16 issued penalty assessments for driver and safety violations.

17 (10) The company's existing compliance program. This factor considers whether a
18 company has an active and adequate compliance program in place.²³

19 Staff is unaware of a compliance program to ensure the Company provides
20 services to its customers as outlined in their tariff.

²² Enforcement Policy, ¶ 15 (subsection (9)).

²³ Enforcement Policy, ¶ 15 (subsection (10)).

1 (11) The size of the company. This factor considers the size of the company in order to
2 take proportionate action in response to violations.²⁴

3 Waste Management reported a gross annual revenue of \$173,526,250.95 in 2023.
4

5 **Q. Staff recommends that the Commission consider suspending a portion of the penalty**
6 **in this case. Please explain why.**

7 The Company failed to correct their business practices after receiving technical assistance
8 and informal violations during the April 2022 informal consumer complaint. In addition,
9 Staff believes the non-compliance could be spread across the Company's entire service
10 area and without Commission intervention, the Company's practices could continue.

11 Suspending a portion of the penalty, which would become due if Waste Management
12 fails to achieve compliance, would provide an incentive to the Company to comply. If the
13 Commission chooses to suspend a portion of the penalty, Staff recommends that no more
14 than 50 percent be suspended for a period of two years on the conditions outline in my
15 testimony.
16

17 **Q. Does Staff believe that its overall penalty recommendation is appropriate in this**
18 **case?**

19 A. Yes, when taking the account the enforcement factors and the facts of this case, Staff
20 believes that the maximum penalty is appropriate, and that the overall penalty
21 corresponds with the violations committed and impact on customers.
22

²⁴ Enforcement Policy, ¶ 15 (subsection (11)).

1 **VI. CONCLUSION**

2

3 **Q. Please summarize your recommendation.**

4 A. Staff recommends that the Commission issue a penalty against Waste Management of
5 Washington, Inc. (Waste Management or Company) of \$254,000 for 254 violations of
6 WAC 480-70-236 for failure to comply with their commission approved tariff Waste
7 Management of Greater Wenatchee Tariff 14, Item 240. If the Commission chooses to
8 suspend a portion of a regulatory penalty to encourage future compliance in this case,
9 Staff recommends that no more than 50 percent be suspended for a period of two years
10 and then waived on the condition that no further violations of this nature occurred during
11 the suspension period. Staff also recommends that the Commission require the Company
12 to do the following: (1) audit its compliance with Item 240 service frequency state-wide,
13 including all routes to which Item 240 applies, (2) file its audit report as a compliance
14 filing in this docket, and (3) ensure that appropriate Waste Management employees are
15 properly trained with respect to regulatory compliance. At the end of the two year
16 suspension period, Staff recommends that the Company conduct a follow-up audit
17 regarding its compliance with Item 240, with the audit report being filed in this docket as
18 a compliance filing. Both the initial audit and the follow-up audit should contain the
19 following information, separated by operating entity: the nature of any violations found,
20 the location of any affected customers by address, the duration of the violation back to
21 July 1, 2022, a description of the corrective action needed, and the date corrective action
22 has been taken.

23

1 **Q. Does this conclude your testimony?**

2 A. Yes.