

**BEFORE THE WASHINGTON STATE
UTILITIES AND TRANSPORTATION COMMISSION**

In the Matter of the Petition of)	DOCKET TG-070396
)	
WASTE CONTROL, INC.,)	ORDER 01
)	
For Authority to Mortgage Certificate)	
of Public Convenience and Necessity)	ORDER GRANTING
No. G-101)	PETITION
.....)	

BACKGROUND

- 1 On December 13, 2006, Waste Control, Inc., (Waste Control or the Company) filed a petition with this Commission under the provisions of RCW 81.77.040 for authority to mortgage Certificate of Public Convenience and Necessity No. G-101 for operation of its solid waste collection company. The matter was assigned Docket No. TG-070396 on February 27, 2007.

- 2 Together with other non-regulated companies under common ownership and control, Waste Control is requesting this authority for the purpose of securing the sum of \$15,000,000 from Wells Fargo Bank and others to refinance certain existing indebtedness, as well as to construct, acquire and equip a solid waste transfer station and purchase other solid waste equipment in Longview, Woodland, and Toutle, Washington. Only a small portion of the proposed debt (less than 20 percent) will be the obligation of the certificate holder, Waste Control.

- 3 The bank obligation will be evidenced by bonds and a letter of credit secured by real property, a stock pledge, and a security interest in Certificate G-101. The bonds will have a 20 year term and a variable interest rate based on the London Inter-bank Offering Rate (LIBOR). Under current conditions, the monthly payment will be approximately \$48,000 and the interest rate will be 5.15%.

- 4 Combined internally generated funds of all the companies as set forth in their petition is more than sufficient to meet their share of the principal and interest obligations. Under this circumstance, the applicant does not appear to be adversely affected by the mortgaging of their rights to do business as a public service company.

FINDINGS AND CONCLUSIONS

5 The Washington Utilities and Transportation Commission is an agency of the State of
Washington vested by statute with the authority to regulate rates, rules, regulations,
practices, accounts, securities, and transfers of public service companies, including solid
waste collection companies. *RCW 80.01.040, RCW 81.01, RCW 81.04 and RCW 81.77.*

6 (1) Waste Control, Inc., is a public service company subject to the jurisdiction of this
Commission under the provisions of RCW 81.77.

7 (2) As to form, the petition filed herein satisfies the provisions of RCW 81.77.04.

8 (3) This matter was brought before the Commission at its regularly scheduled meeting
on April 11, 2007. Staff reviewed the petition in Docket TG-070396 and
recommended it be granted.

9 (4) In the event the proposed indebtedness of the applicants is not repaid, and in a
foreclosure action the bank acquires the assets of the applicant and Certificate of
Public Convenience and Necessity No. G-101, the authority granted by this Order
cannot be construed as waiving the requirements of either RCW 81.77 or the
Commission's rules in WAC 480-30 as related to the transfer of certificates.

10 (5) Any proposed transfer, assignment or sale of Certificate of Public Convenience
and Necessity No. G-101 to any other party is not a matter under consideration in
this Order. It must be the subject of another application filed in accordance with
the rules and regulations of this Commission and the applicable statutes.

11 (6) The proposed mortgage of Certificate of Public Convenience and Necessity No.
G-101 is not contrary to the public interest and should, therefore, be approved
subject to the conditions of this Order.

ORDER

THE COMMISSION ORDERS:

12 (1) Together with other non-regulated entities, after the effective date of this Order
and subject to the provisions hereof, Waste Control, Inc., is hereby authorized to

mortgage Certificate of Public Convenience and Necessity No. G-101 to Wells Fargo Bank as partial security payable to said bank and others in the combined principal amount of \$15,000,000 due 20 years from the date of issue, all in accordance with the terms of the petition and attached exhibits filed in this Docket.

- 13 (2) Within 30 days after discharging the \$15,000,000 payable amount, Waste Control, Inc., shall notify the Commission of this fact and file the original Certificate of Public Convenience and Necessity No. G-101 with the Commission in order to record the release of the mortgage lien.
- 14 (3) The authority granted by this Order shall not be construed as authorizing the transfer, assignment or sale of Certificate of Public Convenience and Necessity No. G-101 for any reason whatsoever.
- 15 (4) This Order shall in no way affect the authority of this Commission over rates, services, accounts, valuations, estimates, or determination of costs, or any matters whatsoever that may come before it. Nothing in this Order estimates or determines costs or any valuation of property.
- 16 The Commissioners, being fully advised and having determined this matter to be consistent with the public interest, directed the Secretary to enter this Order.

DATED at Olympia, Washington, and effective April 11, 2007.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

CAROLE J. WASHBURN, Executive Secretary