



May 31, 2016

Mr. Steve King
Executive Director
Washington Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

by email to sking@wutc.wa.gov

RE: Initial Order in Docket TG-151573 Dear

Mr. King:

Republic Services has recently become aware and has a number of significant concerns with the process of notification and the Initial Order in TG-151573. Republic supports the recommendations of the Washington Utilities and Transportation Commission (WUTC) Staff and does not support the Initial Order in TG-151573. **Republic strongly urges Staff to file a Petition for Administrative Review and urge the Commission to adopt the Staff recommendations.**

As you may know Republic provides solid waste and recycling services in 42 states throughout the country operating under a variety of regulatory frameworks. The regulated system in Washington is among the best but it requires adequate enforcement to function in the best interest of the environment and the citizen rate payers. Over the last few years Republic has spent significant time in Snohomish County to make sure that materials are collected correctly and also delivered to appropriately regulated processing and disposal facilities. Staff's investigation and recommendations in this case demonstrate the necessary level of diligence and enforcement to protect Washington's regulated system, solid waste collection companies, and to ensure the best service, and lowest rates for Washington's consumers. The initial order undermines more than a decade of effort by the WUTC, WRRRA, Republic Services and Snohomish County and contains several points that should be of concern to the solid waste industry as a whole:

- **Background #9 & #10:** The Company claims that Republic lacked the equipment necessary to perform the job, however, as referenced in the later findings (Background #10) Republic providing the necessary service once the Company ceased its operations. Using a certified hauler, even if the service requires a subcontractor, protects rates for the broader community and is critical to obtaining State, County and Regional diversion goals. Republic has never refused services consistent with our obligations as a certificate holder and we have worked extensively with Snohomish County to ensure that service providers are not circumventing the County's system. This justification is symptomatic of a much larger problem and has become a "go to" justification for illegal haulers during enforcement actions.
- **Discussion and Decision #15 & #16:** The Company was assessed a suspended penalty as a result of its continued violation of issues outlined in TG-143802. To assess no additional fines as a result of

its continued transgressions subverts the underling intent of the initial findings. This precedent allows a company to simply budget for anticipated future transgressions and associated penalties. They now will know what the cost to do business will be and they can plan accordingly thereby giving credence to the adage "*crime does pay*".

- **Decision #25:** To clarify, Republic experienced direct, not theatrical, harm from the 170 cited violations perpetrated by the Company but also experiences continued harm from the numerous other violations that occur in this and other areas where we hold certificates. Regrettably, the most detrimental harm that we face is the disincentive that enforcement staff may face as a result of the Administrative Law Judge's decision. We face this issue on a routine basis with violations intensifying as incentives for subverting the system increase. Repeat offenders encourage others to participate, negatively impact the financial health of legal providers, are detrimental to consumers and threaten the environmental health of Washington's citizens. We have significant concerns with the determination that these "violations themselves were neither serious nor harmful to the public". If for no other reason WUTC staff should be significantly concerned about this individual finding to warrant a request for Administrative Review.
- **Decision #28:** Expressing appreciating for a repeat offender's decision to immediately cease operations which they knew were in violation of State regulations, per the ALJ's findings in the decision, gives rise to the notion that it is better to act and to ask for forgiveness later. This sends exactly the wrong message to those individuals who are attempting to subvert the system.

Finally we would be remiss if we did not express our concern that we were unaware of these proceedings and our ability to provide support for Staff recommendations. Typically we rely on our partner WRRRA to inform us of these proceedings and it is our understanding that because of a change in notification process that they were unable to participate. For this and for the aforementioned concerns we ask Commission Staff to file a Petition for Administrative Review of the initial order in TG-151573.

Thank you in advance for your consideration and please feel free to contact me, Jeff Borgida or Jim Hutchinson if you have any questions that might assist Commission Staff with this matter.

Sincerely,



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