EXHIBIT F

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June 7, 2013

VIA U.S. MAIL & E-MAIL

Steven V. King
Acting Executive Director and Secretary
Washington Utilities & Transportation Commission
1300 S. Evergreen Park Drive, SW
P.O. Box 47250
Olympia, WA 98504-7250

RE: Docket No. TG-010374 – Commission's Tariff Template, Item 30
Comments of Waste Management of Washington, Inc.
(Certificate No. G-237)

Dear Secretary King:

On behalf of Waste Management of Washington, Inc. (WMW), please accept these comments to the proposed revisions to Item 30 in the Commission's Tariff Template.

Having attended two workshops and now submitting a third round of comments, WMW is even more strongly in support of adding language to the tariffs for solid waste collection companies that allows them to use the same process for collection and billing that is currently used for inclement weather situations and road conditions.

The Company is, however, no longer convinced that the best approach is to amend the Tariff Template. WMW does not oppose the industry-wide approach, but based on comments provided by others, the regulated solid waste collection companies who are not unionized may not need or even want tariff language addressing work stoppage situations. Furthermore, the pursuit of a perfect solution through the stakeholder process has proven to be cumbersome and time-consuming. WMW needs certainty that appropriately balances the interests of the customers for having their solid waste collected with the ability of the companies to meaningfully negotiate collective bargaining agreements without the threat of penalties in uncertain and potentially significant amounts. The Commission may better achieve that balance by considering individual company filings, instead of continuing to pursue a generic revision to the Tariff Template. Indeed, WMW instead urges the Commission to approve the tariff request it filed in June 2012, which is now scheduled for hearing on June 14. The current status of the stakeholder process suggests that approving the Company's initial request is the most efficient administrative solution.

If the Commission pursues the industry-wide solution anyway, either instead of or in addition to taking action on the company-specific filings, WMW offers the following comments on the current proposal, which perpetuates the concept of having an approved Operational Plan incorporated into the tariff provisions. In theory, WMW finds that notion appealing and our comments submitted in March

expressed support for that approach. However, our comments also articulated concerns and suggestions with respect to some of the details, most of which were either rejected or ignored. In particular, without clear standards for determining what is an "acceptable" Operational Plan, the concept is troubling. We reiterate our concern that the process for obtaining approval on a proposed Plan would entail a time-consuming process. In its response to comments, Staff suggested that "the standards would be considered within the review of a company's Operational Plan," and that is exactly the concern WMW has. Even if a company were to file a proposal addressing each of the elements set forth in the proposed definition of "Operational Plan," if it were not approved there would be no meaningful way for a court to review that decision.

WMW's support for the concept was partially based on the idea that a company trying in good faith to respond to a work stoppage situation in accordance with an approved Operational Plan could be at least somewhat protected from exposure to enforcement penalties. However, based on recent experiences, an additional concern that WMW did not express in its March comments but which it now has, is that an Operational Plan could be used as a sword as well as a shield. Instead of affording a "safe harbor" it could be used against the Company. If it is not kept entirely up to date, if the factual situation makes it unreasonable or impossible to literally comply with its terms, then it provides additional bases for the Commission to allege tariff violations. If Staff uses variations from the aspirational performance goals of a "plan" as grounds for imposing sanctions, then a company is better off with no plan at all. In our experience, for the Staff Response to say, "if the company has a plan in place it should not be a chaotic time," is shockingly naïve. Dealing with a work stoppage situation of any sort is in fact highly tumultuous. All company energies and resources are devoted to picking up the garbage, leaving little time or personnel to comb through plans or, despite the Commission's perception, contracts. Having an overly specific or prescriptive Operational Plan would not alleviate chaos, and could instead add to it.

If the Commission chooses to nonetheless offer companies the option of adopting an approved Operational Plan, WMW reiterates and clarifies some of its concerns expressed in March.

Firstly, in its Response to Comments, Staff mischaracterized WMW's remarks: we have never understood the Commission to say that an Operational Plan would be mandatory. It has always been an option. The question is whether it is the only means by which a unionized company can deal with missed collections due to a work stoppage. When a work stoppage occurs, there is a high likelihood of some collections being missed, and it would be unrealistic to expect otherwise. Staff's Response states that, without an approved Operational Plan, then the Commission "will investigate and take the appropriate action." If even the simple option of dealing with missed collections by issuing credits and then assessing extras is not recognized as a permissible means of dealing with missed pickups, then effectively an Operational Plan is a requirement for unionized companies.

WMW is disappointed that Staff failed to respond to our proposed metrics for establishing "prioritized and measurable goals," and that the current proposal simply restates that required element without more. Staff did not respond at all to the obvious need to explain what is intended. If Staff is unwilling to provide further elaboration of the Commission's expectations, it could at least have hinted at its reaction to the approach suggested by WMW. We therefore reiterate our concern that standards need to be articulated more clearly for this element of the Operational Plan. Again, how can a company know whether its Operational Plan would be approved, and how can a reviewing court know whether disapproval should be upheld? Based on comments at the workshop, it seems that the only "prioritized and measurable goals" Staff would recommend to the Commission for approval would be to avoid all missed collections entirely.

The need for an Operational Plan to include a "demonstration" that contract customers will not receive "undue or unreasonable preferential treatment" is unjustifiable. We adamantly oppose this requirement, and continue to believe the Commission is operating under incorrect assumptions. The Commission has no role in dictating the terms of a contract between a hauler and a contract city. Contracts with cities are negotiated, and should not be analogized to the regulatory system. The terms are bargained for, and the risks and costs of potential performance fees can be considered by the company into the rates it proposed for contract services. Indeed, some cities have recognized that unless some allowance is made for labor strikes, the ability of the companies to meaningfully negotiate collective bargaining agreements will be severely undermined. The Commission's implied belief that it can require parity between tariffs and city contracts would effectively mean that the Commission could dictate what city contracts must say – a result that clearly exceeds the Commission's statutory authority.

Furthermore, WMW believes that the Commission – and King County as well – is dismissing the obvious reasons for prioritizing cities: density, location of "critical accounts," proximity to operational bases, and the location of transfer stations all come into play in an effort to maximize volume of solid waste collected. Based on recent experiences, the Commission seems to disregard those factors, and we fear that they would not be recognized as logical and understandable justifications for what is perceived as "undue or unreasonable" preferences.

Even from the standpoint of maintaining compliance with an approved Operational Plan, this requirement is troubling. WMW has dozens of municipal contracts in the Puget Sound area, and the administrative burden of constantly updating this element of the Operational Plan is unrealistic, and failure to keep this element current provides yet another pointless basis for finding noncompliance.

Thank you for the opportunity to submit these comments. If you have any questions or concerns, please feel free to call me at (425) 825-2003.

Sincerely,

Andrew M. Kenefick

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