



King County

Solid Waste Division

Department of Natural Resources and Parks

King Street Center

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TTY Relay: 711

June 19, 2012

Dave Danner, Secretary and Executive Director
Attention: Gene Eckhardt, Assistant Director
Washington State Utilities and Transportation Commission
PO Box 47250
Olympia, WA 98504-7250

RE: Republic Services – King County Revenue Sharing Agreements

Dear Mr. Danner:

The purpose of this letter is to provide King County's determinations regarding the compliance with RCW 81.77.185 by Republic Services in its three revenue sharing agreements with King County expiring on July 31, 2012. The letter also conveys support for and certification of a new consolidated revenue sharing agreement effective from August 1, 2012 through July 31, 2013.

Agreements expiring July 31, 2012

There are three separate agreements for companies operated by Republic Services that expire on July 31, 2012:

- Docket TG-111498, G-60 Certificate, Tariff No. 27 – Fiorito Enterprises, Inc. & Rabanco Companies, d.b.a. Kent-Meridian Disposal Company (referred to hereafter as Kent-Meridian Disposal)
- Docket TG-111991: G-12 Certificate, Tariff No. 25 – Rabanco Ltd, d.b.a. SeaTac Disposal (referred to hereafter as SeaTac Disposal)
- Docket TG-111992: G-12 Certificate, Tariff No. 11 – Rabanco LTD & Rabanco Recycling, Inc., d.b.a. Eastside Disposal, Container Hauling, Rabanco Companies, Issaquah Division, Rabanco Connections (referred to hereafter as Eastside Disposal)

Docket TG-111498, Kent-Meridian Disposal. In August 2011, King County provided certification of an August 1, 2011 – July 31, 2012 Plan, and recommended that Republic Services retain 50% of the commodity revenues generated during that period. The plan was divided into two parts to accommodate required filing deadlines: Part A was to run August 1, 2011 – April 30, 2012, and Part B from May 1 – July 31, 2012. Not all of the tasks outlined and budgeted for Part A have been completed and not all the projected budget has been expended. Therefore, the County recommends that retained revenues that were not spent on the tasks outlined in part A be returned to rate payers. The company will report revenue retained and money spent during Part B of the plan in its next filing along with Part A of the proposed 2012-2013 Plan.

Docket TG-111991, SeaTac Disposal and Docket TG-111992, Eastside Disposal. In December 2011, King County provided certification of two January 1 – July 31 Plans for these areas. The “Part A” for these plans was for the period from January 1 – April 30, 2012. In both plans, not all of the tasks outlined and budgeted for Part A were completed, and not all the projected budget for both Plans has been expended. Therefore, the County recommends that retained revenues that were not spent on the tasks outlined in part A for these agreements be returned to rate payers. The company will report revenue retained and money spent during Part B of the plan in its next filing along with Part A of the proposed 2012-2013 Plan.

New consolidated agreement for August 1, 2012 – July 31, 2013

Republic Services and King County have come to an agreement on a new Recycling Plan and associated budget for its service areas within King County for the period beginning August 1, 2012, and ending July 31, 2013. A copy of the Plan signed by both parties has been transmitted to you by Republic Services. The Plan is divided into two parts to accommodate filing deadlines. Part A will run August 1, 2012 – April 30, 2013. Part B will run May 1 – July 31, 2013.

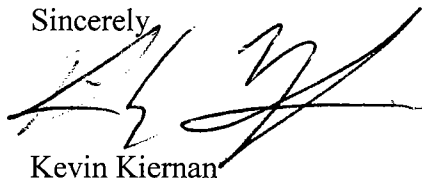
We recommend that the Washington Utilities and Transportation Commission (WUTC) allow Republic Services to retain up to 30% of the revenues from the sale of commodities generated during the 2012-2013 Plan period to implement the program activities described in the Plan. The County will hold quarterly meetings with Republic to ensure that Plan activities are on track and make adjustments to the Plan if projected revenues are lower than projected.

King County certification of new agreement

In my position as Solid Waste Division Director, I have been delegated the authority to make the certification of this plan required in RCW 81.77.185. I hereby certify that the plan submitted to you by Republic Services is consistent with the King County Comprehensive Solid Waste Management Plan.

Thank you for the opportunity to provide these comments and letter of certification for Republic Services’ recycling plan with King County. If you have any questions, please contact Bill Reed, Program Analyst, at 206-296-4402, or bill.reed@kingcounty.gov.

Sincerely,



Kevin Kiernan
Division Director

Enclosure

cc: Jeff Borgida, General Manager, Allied Waste Services of Bellevue
Dennis Manes, General Manager, Allied Waste Services of Kent
Alex Brenner, Senior Market Analyst, Allied Waste Services
Bill Reed, Program Analyst, Recycling and Environmental Services, Solid Waste Division