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August 19, 2013

VIA E-MAIL ONLY

Steven V. King records@utc.wa.gov
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-131255
Methods for Setting Rates for Solid Waste Collection Companies**

Dear Mr. King:

Waste Management of Washington, Inc. (WMW) is very interested in participating in the Commission's review of the current method for setting rates for solid waste collection companies under the above-referenced docket number. While WMW welcomes the opportunity to work with the Commission on this important topic, it is difficult and premature to be able to provide much in the way of substantive comments or suggestions.

First, Washington's regulated solid waste collection companies have been working with the Lurito-Gallagher Model (LGM) for several decades and have not been actively considering alternative approaches. *Second*, it is difficult to assess which methods are "better" without first having a better understanding of which alternative methods are being actively considered. *Third*, whether a particular model is appropriate or "better" depends not only the specific model selected, but also on its underlying assumptions and data and on Commission policy decisions that may significantly impact whether any particular model will have a positive or a negative effect on the regulated hauler and the ratepayer.

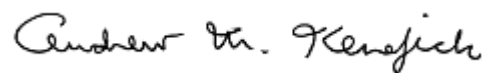
WMW is however concerned with the Commission's predicate assumption that "It is in the public interest for [the Commission] to undertake a review of the current method it uses for setting rates and charges for solid waste companies under its jurisdiction, the Lurito Gallagher Methodology." The Notice goes on to identify elements that would be included in the Commission's review. The Notice fails to articulate why the Commission feels compelled to reevaluate the LGM now. Without having the benefit of knowing the Commission's rationale for undertaking this rulemaking, WMW is unable to provide meaningful comments.

In the absence of guidance, we can only infer the Commission has some reason to believe that the current rate setting method allows for rates that are not "just, fair, reasonable and sufficient." If so, Waste Management supports efforts to ensure that rates are indeed sufficient. Waste Management will

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certainly participate in the proceedings, and looks forward to gaining a better understanding of why the Commission has initiated this rulemaking. Thank you for the opportunity to submit these comments. We look forward to working with you and the Commission on this matter.

Sincerely,

A handwritten signature in cursive script that reads "Andrew M. Kenefick".

Andrew M. Kenefick