

Solid Waste Division

Department of Natural Resources and Parks King Street Center 201 South Jackson Street, Suite 701 Seattle, WA 98104-3855

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September 12, 2012

David W. Danner Executive Director and Secretary Washington Utilities and Transportation Commission 1300 South Evergreen Park Drive SW P.O. Box 47250 Olympia, WA 98504-7250

Re: Waste Management Revenue Sharing Docket Nos. TG-101220/101221/101222 and Docket Nos. TG-111813/111814/111815 (Consolidated)

Dear Secretary Danner:

The purpose of this letter is to convey King County's support of the proposed Settlement Agreement between Waste Management of Washington, Inc. (Waste Management) and the Washington Utilities and Transportation Commission (the Commission). We urge the Commission to adopt the agreement.

The recent issuance of the Interpretive and Policy Statement on RCW 81.77.185 by the Commission has provided welcome guidance regarding how the Commission believes revenue sharing agreements should be designed. Although we are not in complete agreement with all the Commission's interpretations, we believe that it provides a workable framework that will be of great benefit in designing and evaluating future revenue sharing programs.

We are pleased that Waste Management and Commission Staff have resolved the outstanding issues related to past and present revenue sharing agreements. We believe that capping financial rewards at five percent of program expenditures, based on achievement of specific performance benchmarks, can provide a sufficient incentive to companies to participate in these plans. The benchmarks in the settlement agreement are consistent with the approach in our most recent plans. However, in future agreements we may wish to propose different benchmarks consistent with the Interpretive and Policy Statement, or different percentage allocations than those contained in the settlement agreement.

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Thank you for the opportunity for King County to offer our support for this proposed settlement agreement. If you have any questions about our comments, please contact Bill Reed at (206) 296-4402 or Bill.Reed@kingcounty.gov

Sincerely,

Kevin Kiernan Division Director