BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Address Natural Gas Distribution Utility Cost and Revenue Issues Associated with Greenhouse Gas Emissions

Rulemaking 14-03-003 (Filed March 13, 2014)

WASTE MANAGEMENT MOTION FOR PARTY STATUS

Charles White Director of Regulatory Affairs, West Waste Management 915 L Street, Suite 1430 Sacramento, California 95814 Phone: 916.552.5859 Fax: 916.448.2470 E-mail: cwhite1@wm.com

Dated: April 10, 2014

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In accordance with Rules 1.4 and 11.1 of the California Public Utilities Commission (Commission) Rules of Practice and Procedure, Waste Management respectfully submits this motion for party status in the above-captioned proceeding.

I. REQUEST FOR PARTY STATUS

The Commission issued its Order Instituting Rulemaking in R.14-03-003 on March 13, 2014, to address the use of revenues generated from the sale of greenhouse gas (GHG) emissions allowances allocated to the natural gas utilities by the California Air Resources Board (ARB) pursuant to Assembly Bill (AB) 32, and the treatment of potential GHG compliance costs associated with natural gas usage. Waste Management is a generator of biomethane that will be injected into California's common carrier natural gas pipelines. Waste Management requests party status because this rulemaking will have a significant impact on its business as it relates to the natural gas market of which biomethane is a part. Injection of biomethane into the natural gas pipeline has a direct and immediate benefit of lowering greenhouse gases from natural gas that is the subject of this proceeding and the goal of AB 32.

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II. BACKGROUND

Waste Management is the leading provider of comprehensive waste management and environmental services in North America. The company serves approximately 20 million municipal, commercial, industrial and residential customers through a network of 390 collection operations, 294 transfer stations, 266 active municipal solid waste (MSW) landfill disposal sites, 121 recycling facilities, 34 organic processing facilities and 131 beneficial-use landfill gas projects. Many of these facilities operate in California. WM also is involved with 10 biomethane-to-pipeline facilities nationwide that are designed to inject biomethane into the natural gas pipelines for ultimate use by natural gas consumers. The company has an interest in developing biomethane generation projects at all 10 of its gas-producing landfills now operating in California.

Waste Management's subsidiary Wheelabrator Technologies, Inc., is an owner/operator of safe, clean and renewable power across the United States, including 17 waste-to-energy power plants and its Shasta Energy Plant in Anderson, California, that generates electricity from wood waste. Wheelabrator's Norwalk Energy power plant, a Combined Heat and Power facility, produces electricity sold to the local utility and provides steam and chilled water to meet the needs of a co-located state hospital. The Norwalk facility is party to a legacy power purchase agreement with Southern California Edison and generates power by the combustion of natural gas.

III. BASIS FOR REQUESTING PARTY STATUS

In accordance with Rule 1.4(b)(2), Waste Management requests party status in Rulemaking 14-03-003 because the company has interests that are reasonably pertinent to the issues presented in this proceeding. Specifically, Waste Management requests to

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become a party to the rulemaking so that it may file formal comments in response to additional rulings, such as the Prehearing Conference Statement and Scoping Memo issued by the Administrative Law Judge (ALJ) March 13, 2014.

In the Order Instituting Rulemaking, the ALJ set forth several general questions regarding allocation of revenues from sale of allowances delivered to natural gas utilities, and calculation of those allowances as they relate to covered entities and emissions. Waste Management's subsidiary Wheelabrator Technologies, as the owner/operator of the Norwalk Energy Combined Heat and Power facility, has a strong interest in commenting on the issues set forth for consideration in this rulemaking proceeding. In particular, Waste Management has an interest in ensuring that Wheelabrator's Norwalk energy facility is not subject to pass through costs of compliance by the natural gas utility. Waste Management also has an interest in and will submit comments regarding the benefit of biomethane in lowering consumer costs of natural gas compliance with AB32.

Therefore, Waste Management believes that it satisfies the requirements for becoming a party to this rulemaking proceeding.

IV. NOTICE AND COMMUNICATIONS

Please add the following persons to the service list for this proceeding for purposes of notice, orders, and communications:

Charles White Director of Regulatory Affairs, West Waste Management 915 L Street, Suite 1430 Sacramento, California 95814 Phone: 916-552-5859 E-mail: cwhite1@wm.com

V. CONCLUSION

For the reasons stated above, Waste Management requests that the Commission grant this motion for party status and designate Waste Management as a party in this proceeding.

Dated: April 10, 2014

Respectfully submitted,

/s/ Charles White

Charles White Director of Regulatory Affairs, West Waste Management 915 L Street, Suite 1430 Sacramento, California 95814 Phone: 916.552.5859 Fax: 916.448.2470 E-mail: cwhite1@wm.com

VERIFICATION

I am an employee of Waste Management and am authorized to make this verification on its behalf. I have read the foregoing Waste Management Motion for Party Status dated April 2, 2013. The statements in the foregoing documents are true of my own knowledge, except as to matters which are therein stated on information and belief, and as to those matters I believe them to be true.

I declare under penalty of perjury that the foregoing is true and correct.

Executed on this 10th of April, 2014, at Sacramento, California.

<u>/s/ Charles White</u> Charles White Director of Regulatory Affairs, West Waste Management 915 L Street, Suite 1430 Sacramento, California 95814 Phone: 916.552.5859 Fax: 916.448.2470 E-mail: cwhite1@wm.com