

Appendix A



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December 28, 2020

Via UPS Overnight

Ms. Katrina Rouse
Chief, Defense, Industrials and Aerospace Section
U.S. Department of Justice, Antitrust Division
450 5th Street NW, Suite 8700
Washington, DC 20530

Re: United States of America, et al. v. Waste Management Inc. et al, No 1:20-cv-3063 (D.D.C.)

Dear Ms. Rouse:

On behalf of my client, the Solid Waste Agency of Lake County, IL (SWALCO), we are submitting comments regarding Waste Management Inc.'s (WMI) proposed divestment to GFL of municipal waste management infrastructure assets located in Illinois pursuant to the consent decree in the above referenced matter. We appreciate the open lines of communication and thorough review conducted by Steve Harris, Jeremy Cline and others on your team during this process.

As first indicated in our June 14, 2019 letter to the Department of Justice our primary concern is to maintain the current level of competition in the northern Illinois waste management market despite losing a key competitor as a result of WMI's acquisition of Advanced Disposal. During our discussions we stressed the need for a viable, vertically integrated fourth competitor in our market, as we stare down a market with only three such competitors due to WMI's acquisition.

In several other markets, including neighboring Wisconsin and several other states, the consent decree requires the divestment of numerous hauling facilities and hauling routes. We do not agree with the position that the Department of Justice took in Illinois by requiring the divestment of assets in the Illinois market to GFL, without including collection assets as part of the required divestment. Having three transfer stations and one landfill in the Illinois market without any collection assets does not result in a strong fourth vertically integrated competitor in our marketplace. The only way it will is if GFL makes a strong commitment to competing in the Illinois market or it sells the assets to an independent hauler in this market.

What has been GFL's commitment so far in growing its presence in the Lake County market since the DOJ's announcement on November 3, 2020? My client, SWALCO, had to make the first introduction to GFL's municipal hauling sales representatives as there are several municipal hauling franchise contract opportunities upcoming in Lake County. GFL was added to the hauler contact list that SWALCO provides its 43 municipal members. GFL was invited to bid on two hauling contracts (residential and commercial franchises) in the Village of Deerfield and attended the mandatory pre-proposal meeting. Proposals were due on December 21, 2020 and GFL did not bid on either opportunity; this is not the type of commitment that will result in a viable fourth vertically integrated competitor in the Lake County market.

Furthermore, with respect, we disagree with the Department's view that, in Illinois, a divestment of a landfill and transfer stations alone is sufficient to preserve competition because of the existing competition in the hauling market. By definition, GFL's failure to bid described above is clear evidence of a lack of competition in that market; had Waste Management and Advanced remained separate, we would have expected to see bids from both; with the divestiture, we received one bid from the surviving entity and none from GFL. Without a serious commitment from GFL to replace the competition lost in the hauling market, we are certain that our member agencies will see less competition for hauling, and seriously concerned about the long term survival of the divested transfer stations and landfill without a committed garbage flow.

On behalf of SWALCO's 43 municipal members and the County of Lake, SWALCO requests that the Department of Justice amend its final judgement or take other appropriate action to require that WMI provide hauling assets to GFL or provide it a guaranteed commitment to dispose of waste at the three transfer stations and landfill divested to GFL at a daily tonnage rate necessary for those facilities to be economically viable. Another alternative satisfactory to SWALCO is to require GFL to sell all the assets to Lakeshore Recycling Systems, Inc. the only independent hauler in the Chicago market with the size and market share necessary to compete with the three publicly traded and vertically integrated companies currently operating in the Lake County and Chicagoland markets.

Please feel free to contact me with any questions or comments you may have.

Sincerely,



John S. Martin, Partner
Hunton Andrews Kurth LLP

JSM/ejr

cc: Mr. Walter S. Willis
Stephen Harris, Esq.
Jeremy Cline, Esq.



Solid Waste Agency of Northern Cook County

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December 29, 2020

Ms. Katrina Rouse
Chief, Defense, Industrials and Aerospace Section
U.S. Department of Justice, Antitrust Division
450 5th Street NW, Suite 8700
Washington, DC 20530

Re: Waste Management, Inc.'s Proposed Divestment to GFL As a Condition of the Acquisition of Advanced Disposal Services

Dear Ms. Rouse:

I am writing to you as the Executive Director for the Solid Waste Agency of Northern Cook County ("SWANCC"). We have previously corresponded and discussed with you the negative impact of the acquisition of Advanced Disposal Services by Waste Management, Inc. ("WMI") upon the competitive market for waste hauling and disposal services in the greater Chicagoland market, including the market for SWANCC's 23 municipalities. We have reviewed the position taken by the Department of Justice concerning the divestiture of certain assets by WMI to GFL Environmental, Inc. and oppose that position due to GFL's complete lack of any share of the hauling market and consequent lack of control over any share of the waste stream that is necessary to flow through the transfer stations and to the landfill in order for those assets to be viable.

As we explained previously, Municipal Solid Waste is hauled from the curbside receptacles to transfer stations. Due to the economic advantages of vertical integration, those companies that own a landfill and have experience operating transfer stations have a competitive pricing advantage for securing hauling contracts. Likewise, those with hauling contracts can control the destination of the waste through their own transfer stations and to their own landfills, thereby making those assets valuable.

In the time since the Department of Justice announced its position concerning the sale of the assets, GFL has taken little action other than to introduce themselves to regulators. Despite opportunities to bid for hauling contracts and despite active outreach to GFL about those opportunities, GFL has not pursued even one hauling contract. The Department's belief that smaller independent haulers will find their way to GFL's assets is not substantiated by any data. There is nothing preventing GFL's competitors from attracting those independents until such time as GFL determines to sell the transfer station and landfill assets it acquired from ADS/WMI to another one of the giants that controls the waste stream—thereby further decreasing competition in the market to the detriment of all.

On behalf of the 23 member municipalities, SWANCC requests that the Department of Justice condition approval upon the transfer of hauling contracts and assets to GFL, or alternatively upon other proof that GFL will have sufficient volume to remain a sustainable competitor in the marketplace.

Should you have any questions or comments, please do not hesitate to contact me.

David Van Vooren
Executive Director

cc via email: Stephen Harris, DOJ
Jeremy Cline, DOJ

George Van Dusen
Chairman,
Board of Directors

Karen Darch
Vice Chairman,
Board of Directors

Raymond Rummel
Secretary/Treasurer,
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David Van Vooren
Executive Director