

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLUMBIA

_____)	
UNITED STATES OF AMERICA,)		
STATE OF CALIFORNIA,)		
COMMONWEALTH OF KENTUCKY,)		
STATE OF MICHIGAN,)		
STATE OF NORTH CAROLINA,)	Civil Action No: 1:08-cv-2076-RWR	
STATE OF OHIO,)		
COMMONWEALTH OF PENNSYLVANIA, and)	Judge: Richard W. Roberts	
STATE OF TEXAS,)		
)	Description: Antitrust	
)		
<i>Plaintiffs,</i>)		
)		
v.)		
)		
REPUBLIC SERVICES, INC., and)		
ALLIED WASTE INDUSTRIES, INC.,)		
)		
<i>Defendants.</i>)		
)		
_____)	

**JOINT STATUS REPORT ON STEPS TAKEN FOLLOWING
FILING OF UNITED STATES RESPONSE TO PUBLIC COMMENTS (REDACTED)**

Pursuant to the Court’s order of July 14, 2009, Plaintiffs, the United States and the State of California, Commonwealth of Kentucky, State of Michigan, State of North Carolina, State of Ohio, Commonwealth of Pennsylvania, and the State of Texas (the “States”), and the Defendants Republic Services, Inc. (“Republic”) and Allied Waste Industries, Inc. (“Allied”), hereby file their Joint Status Report identifying the steps taken since the United States filed its Response to Public Comments on May 14, 2009.

On May 4, 2009, the parties filed a Joint Status Report (“Initial Status Report”)¹ identifying steps taken following the Court’s entry of the Hold Separate Stipulation and Order

¹ Joint Status Report on Steps Taken Following Entry of the Hold Separate Stipulation and Order, docket number 10, entered May 4, 2009, attached as Exhibit A (without exhibits).

("HSSO"). This Joint Status Report identifies the steps taken since the filing of the Initial Status Report and since the United States filed its Response to Public Comments on May 14, 2009. The United States, the States, and Defendants hereby adopt the definitions of terms used herein as set forth in the Proposed Final Judgment ("PFJ") in this action filed on December 3, 2008.

I. INTRODUCTION

Since the filing of the Initial Status Report, and since the United States filed its Response to Public Comments, Republic has continued to make substantial progress in selling the Divestiture Assets as defined in the PFJ. As of the date of this Joint Status Report, Republic has signed Asset Purchase Agreements with and tendered to the United States and the States Acquirers for the Divestiture Assets in each of the 15 areas in which it is required to divest assets as a condition of the approval of the acquisition of Allied by Republic. To date, the United States and the States have reviewed and formally approved the sale of the Divestiture Assets in 14 of the 15 geographic markets to the proffered Acquirers. Republic and Acquirers have closed on the sale of the Divestiture Assets in thirteen relevant areas. Republic is continuing to work to close on the sale of the Divestiture Assets in the remaining areas. A chart summarizing the status of Republic's divestiture efforts in each of the relevant areas is located below in Part III of this Joint Status Report.

Republic has also continued to take steps in accordance with its obligations under the HSSO (1) to ensure that the Divestiture Assets have remained independent, economically viable and ongoing business concerns uninfluenced by Republic; and (2) to maintain competition in accordance with the terms of the HSSO.

II. BACKGROUND

The relevant background has been summarized and reported in the Initial Status Report (*see* § II).

III. STEPS TAKEN TO SELL THE DIVESTITURE ASSETS

As of the filing of the Initial Status Report, Republic had signed contracts with Acquirers of the Divestiture Assets located in 12 of the 15 areas and had closed on the sale of those assets in 10 of those areas. Since the filing of the Initial Status Report and the filing of the United States's Response to Public Comments, Republic has continued to work expeditiously to market and sell the Divestiture Assets. The table below summarizes the status of the sale of the Divestiture Assets in each of the relevant areas:

STATUS OF DIVESTITURE ASSETS				
Relevant Area	Purchaser	Price	DOJ Approval Date	Status/Closing Date
Bundled Seven (7) Divestiture Assets				
Denver, Colorado	Waste Connections, Inc.	\$311.16 million (as part of Bundled Assets)	March 31, 2009	Closed as of April 1, 2009
Flint, Michigan	Waste Connections, Inc.	\$311.16 million (as part of Bundled Assets)	March 31, 2009	Closed as of April 1, 2009
Greenville-Spartanburg, South Carolina	Waste Connections, Inc.	\$311.16 million (as part of Bundled Assets)	March 31, 2009	Closed as of April 1, 2009
Houston, Texas	Waste Connections, Inc.	\$311.16 million (as part of Bundled Assets)	March 31, 2009	Closed as of April 1, 2009
Los Angeles, California	Waste Connections, Inc.	\$311.16 million (as part of Bundled Assets)	March 31, 2009	Closed as of April 1, 2009

Charlotte, North Carolina	Waste Connections, Inc.	\$311.16 million (as part of Bundled Assets)	March 31, 2009	May 15, 2009
Lubbock, Texas	Waste Connections, Inc.	\$311.16 million (as part of Bundled Assets)	March 31, 2009	May 31, 2009
Eight (8) Separate Divestiture Assets				
Atlanta, Georgia	Advanced Disposal, Inc.	\$12.09 million	March 31, 2009	Closed as of April 1, 2009
Cape Girardeau, Missouri	IESI Corp.	\$14.92 million (with Fort Worth Assets)	April 14, 2009	Closed as of May 1, 2009
Forth Worth, Texas	IESI Corp.	\$14.92 million (with Cape Girardeau Assets)	April 14, 2009	Closed as of May 1, 2009
Philadelphia, Pennsylvania	Covanta Energy Corp.	\$16 million	March 31, 2009	Closed as of May 1, 2009
San Francisco, California	Waste Connections, Inc.	\$57.5 million	April 14, 2009	Closed as of April 21, 2009
Cleveland, Ohio			July 23, 2009	
Lexington, Kentucky			July 23, 2009	
Northwest Indiana			TBD	

Below is a summary of the status of Republic's divestiture efforts since the May 4, 2009 filing of the Initial Status Report with respect to the Divestiture Assets located in the five areas as to which a closing had not yet occurred as of that date.

Charlotte, North Carolina

The acquisition of the Charlotte, North Carolina Divestiture Assets by Waste Connections, Inc. closed on May 15, 2009.

Lubbock, Texas

The acquisition of the Lubbock, Texas Divestiture Assets by Waste Connections, Inc. closed on May 31, 2009.

Cleveland, Ohio

Following discussions with potential Acquirers, Republic selected [REDACTED] as the Acquirer of the Cleveland assets and signed a contract for the sale of the Divestiture Assets with [REDACTED] on May 13, 2009. Closing of this transaction was delayed pending approval of the Ohio Environmental Protection Agency ("Ohio EPA"). The Ohio EPA approved the transaction on July 22, 2009, and the United States confirmed its approval of the sale of the Cleveland assets to [REDACTED] by letter dated July 23, 2009. [REDACTED]

Lexington, Kentucky

Following submission of second-round bids for the Divestiture Assets in Lexington, Kentucky, Republic narrowed the prospective Acquirers to two companies and ultimately signed an Asset Purchaser Agreement with [REDACTED] on June 30, 2009. The United States confirmed its approval of the sale of the Lexington assets to [REDACTED] by letter dated July 23, 2009. [REDACTED]

Northwest Indiana

[REDACTED]
[REDACTED] Republic

contacted several other prospective Acquirers and received written proposals to purchase the Divestiture Assets. Following receipt of the proposals, Republic selected [REDACTED] and signed an Asset Purchase Agreement with [REDACTED] on July 21, 2009. [REDACTED]

C. Affidavits

In compliance with Section X(A) of the PFJ, Republic has continued to deliver periodic affidavits to the United States and the States describing in detail the status and contacts that Republic has had with any party regarding the sale and purchase of any of the Divestiture Assets. These affidavits are attached hereto as Exhibit B.

IV. STEPS TAKEN TO MAINTAIN DIVESTITURE ASSETS AS A SEPARATE ECONOMIC ENTITIES AND MAINTAIN COMPETITION

The Initial Status Report summarized the steps taken by Republic to maintain the Divestiture Assets as separate economic entities as required by the HSSO (*see* § IV). Since the filing of the Initial Status Report and the filing of the United States's Response to Public Comments, Republic has continued to take all steps necessary to comply with its obligations under the HSSO.

V. REQUIREMENTS OF THE ANTITRUST PROCEDURES AND PENALTIES ACT

On December 3, 2008, the United States and the States filed the Complaint in this matter. At the same time, the United States filed a PFJ and HSSO signed by the United States, the States, and the defendants consenting to the entry of the PFJ after compliance with the requirements of the Antitrust Procedures and Penalties Act ("APPA"). Pursuant to those requirements, a Competitive Impact Statement ("CIS") also was filed with this Court on December 3, 2008. The PFJ and CIS were published in the Federal Register on December 16, 2008, and a summary of

the terms of the PFJ and CIS, together with directions for the submission of written comments relating to the PFJ, was published for seven days in *The Washington Post* on December 31, 2008 through January 6, 2009.

The 60-day public comment period began on January 7, 2009 and concluded on March 9, 2009. The United States filed the five comments it received and its Response to Public Comments with the Court on May 14, 2009. The public comments and Response were published in the *Federal Register* on June 16, 2009. With this publication, the United States met all the requirements under the APPA.

The United States and the States then filed the pending Motion for Entry of the Proposed Final Judgment on July 16, 2009. As set forth in that motion, entry of the Final Judgment is in the public interest.

Under the PFJ, Republic is required within 90 days after the filing of the Complaint, or five (5) days after notice of entry of the Final Judgment by the Court, whichever is later, to divest all Divestiture Assets in a manner consistent with the Final Judgment to an Acquirer(s) acceptable to the United States in its sole discretion, after consultation with the States. The 90-day period ended on March 4, 2009. Thus, the remaining divestitures must be effectuated no later than five days after entry of the PFJ. Pursuant to Section IV(A) of the PFJ, the United States, in its sole discretion, after consultation with the States, may agree to one or more extensions of this time period not to exceed sixty (60) calendar days in total to effectuate the remaining Divestiture Assets in the remaining geographic markets, and shall notify the Court in such circumstances.

Dated: August 3, 2009

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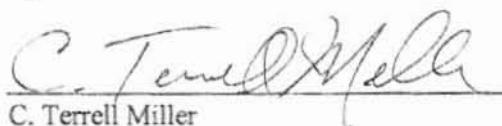
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Dated: July 30, 2009

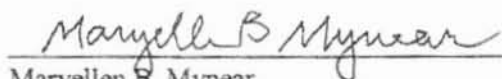
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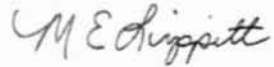
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A handwritten signature in black ink, appearing to read 'K. D. Sturgis', is written over a horizontal line. The signature is stylized and somewhat circular.

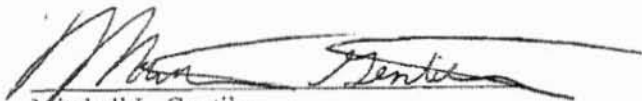
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