

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP

OMB APPROVAL	
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Check this box if no longer subject to Section 16. Form 4 or Form 5 obligations may continue. See Instruction 1(b).

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934 or Section 30(h) of the Investment Company Act of 1940

1. Name and Address of Reporting Person* <u>SIMPSON ROBERT G</u> (Last) (First) (Middle) 1001 FANNIN SUITE 4000 (Street) HOUSTON TX 77002 (City) (State) (Zip)	2. Issuer Name and Ticker or Trading Symbol <u>WASTE MANAGEMENT INC [WMI]</u>	5. Relationship of Reporting Person(s) to Issuer (Check all applicable) Director 10% Owner <input checked="" type="checkbox"/> Officer (give title below) Other (specify below) SVP, Chief Financial Officer
	3. Date of Earliest Transaction (Month/Day/Year) 11/29/2006	
	4. If Amendment, Date of Original Filed (Month/Day/Year)	6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person <input type="checkbox"/> Form filed by More than One Reporting Person

Table I - Non-Derivative Securities Acquired, Disposed of, or Beneficially Owned

1. Title of Security (Instr. 3)	2. Transaction Date (Month/Day/Year)	2A. Deemed Execution Date, if any (Month/Day/Year)	3. Transaction Code (Instr. 8)		4. Securities Acquired (A) or Disposed Of (D) (Instr. 3, 4 and 5)			5. Amount of Securities Beneficially Owned Following Reported Transaction(s) (Instr. 3 and 4)	6. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	7. Nature of Indirect Beneficial Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price			
Common Stock	11/29/2006		M		36,500	A	\$14.8125	86,213.4072	D	
Common Stock	11/29/2006		S		800	D	\$37.28	85,413.4072	D	
Common Stock	11/29/2006		S		3,200	D	\$37.27	82,213.4072	D	
Common Stock	11/29/2006		S		600	D	\$37.26	81,613.4072	D	
Common Stock	11/29/2006		S		1,900	D	\$37.25	79,713.4072	D	
Common Stock	11/29/2006		S		5,400	D	\$37.24	74,313.4072	D	
Common Stock	11/29/2006		S		2,400	D	\$37.23	71,913.4072	D	
Common Stock	11/29/2006		S		1,801	D	\$37.22	70,112.4072	D	
Common Stock	11/29/2006		S		200	D	\$37.21	69,912.4072	D	
Common Stock	11/29/2006		S		1,300	D	\$37.2	68,612.4072	D	
Common Stock	11/29/2006		S		1,100	D	\$37.19	67,512.4072	D	
Common Stock	11/29/2006		S		2,800	D	\$37.18	64,712.4072	D	
Common Stock	11/29/2006		S		1,100	D	\$37.17	63,612.4072	D	
Common Stock	11/29/2006		M		24,232	A	\$19.61	87,844.4072	D	
Common Stock	11/29/2006		F		17,025	D	\$36.86	70,819.4072	D	

Table II - Derivative Securities Acquired, Disposed of, or Beneficially Owned (e.g., puts, calls, warrants, options, convertible securities)

1. Title of Derivative Security (Instr. 3)	2. Conversion or Exercise Price of Derivative Security	3. Transaction Date (Month/Day/Year)	3A. Deemed Execution Date, if any (Month/Day/Year)	4. Transaction Code (Instr. 8)		5. Number of Derivative Securities Acquired (A) or Disposed of (D) (Instr. 3, 4 and 5)		6. Date Exercisable and Expiration Date (Month/Day/Year)		7. Title and Amount of Securities Underlying Derivative Security (Instr. 3 and 4)	8. Price of Derivative Security (Instr. 5)	9. Number of derivative Securities Beneficially Owned Following Reported Transaction(s) (Instr. 4)	10. Ownership Form: Direct (D) or Indirect (I) (Instr. 4)	11. Nature of Indirect Beneficial Ownership (Instr. 4)	
				Code	V	(A)	(D)	Date Exercisable	Expiration Date						Title
Stock Option (Right to Buy) ⁽¹⁾	\$14.8125	11/29/2006		M			36,500	02/28/2001	02/28/2010	Common Stock	36,500	\$14.8125	0.0000	D	
Stock Option (right to buy) ⁽²⁾	\$19.61	11/29/2006		M			24,232	03/06/2004	03/06/2013	Common Stock	24,232	\$19.61	13,768	D	
Stock Option (right to buy) ⁽³⁾	\$37.095	11/29/2006		A			12,892	05/29/2007	03/06/2013	Common Stock	12,892	\$37.095	12,892	D	

Explanation of Responses:

- Stock option granted pursuant to Waste Management, Inc. 1993 Stock Incentive Plan. Stock option vests in 25% annual increments, commencing on the first anniversary of the date of grant.
- Stock option granted pursuant to Waste Management, Inc. 2000 Stock Incentive Plan. The stock option originally vested in 25% annual increments commencing on the first anniversary of the date of grant. The Compensation Committee of the Board of Directors accelerated the vesting of the Company's outstanding options effective December 28, 2005.

Remarks:

Robert G. Simpson

12/01/2006

** Signature of Reporting Person

Date

Reminder: Report on a separate line for each class of securities beneficially owned directly or indirectly.

* If the form is filed by more than one reporting person, see Instruction 4 (b)(v).

** Intentional misstatements or omissions of facts constitute Federal Criminal Violations See 18 U.S.C. 1001 and 15 U.S.C. 78ff(a).

Note: File three copies of this Form, one of which must be manually signed. If space is insufficient, see Instruction 6 for procedure.

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