

**STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP**

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

OMB APPROVAL	
OMB Number:	3235-0287
Estimated average burden hours per response:	0.5

1. Name and Address of Reporting Person* <u>CALDWELL BARRY H</u>			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) <b>Senior Vice President</b>		
(Last)	(First)	(Middle)	3. Date of Earliest Transaction (Month/Day/Year) <u>05/30/2006</u>			6. Individual or Joint/Group Filing (Check Applicable Line) <input checked="" type="checkbox"/> Form filed by One Reporting Person Form filed by More than One Reporting Person		
1001 FANNIN, SUITE 40001001 FANNIN, SUIT			4. If Amendment, Date of Original Filed (Month/Day/Year)					
(Street) <u>HOUSTON TX 77001</u>								
(City) (State) (Zip)								

**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	05/30/2006		M		50,000	A	\$21.05	70,337.7135	D	
Common Stock	05/30/2006		M		6,000	A	\$19.61	76,337.7135	D	
Common Stock	05/30/2006		F		4,022	D	\$35.53	72,315.7135	D	
Common Stock	05/30/2006		S		600	D	\$35.77	71,715.7135	D	
Common Stock	05/30/2006		S		1,900	D	\$35.76	69,815.7135	D	
Common Stock	05/30/2006		S		11,800	D	\$35.75	58,015.7135	D	
Common Stock	05/30/2006		S		7,300	D	\$35.74	50,715.7135	D	
Common Stock	05/30/2006		S		6,100	D	\$35.73	44,615.7135	D	
Common Stock	05/30/2006		S		2,137	D	\$35.72	42,478.7135	D	
Common Stock	05/30/2006		S		2,000	D	\$35.71	40,478.7135	D	
Common Stock	05/30/2006		S		5,700	D	\$35.7	34,778.7135	D	
Common Stock	05/30/2006		S		500	D	\$35.69	34,278.7135	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	Amount or Number of Shares				
Stock Option (right to buy) <sup>(1)</sup>	\$21.05	05/30/2006		M		50,000		10/08/2003	10/08/2012	Common Stock	50,000	\$21.05	0.0000	D	
Stock Option (right to buy) <sup>(2)</sup>	\$19.61	05/30/2006		M		6,000		03/06/2004	03/06/2013	Common Stock	6,000	\$19.61	19,000	D	
Stock Option (right to buy) <sup>(3)</sup>	\$35.92	05/30/2006		A		3,311		11/30/2006	03/06/2013	Common Stock	3,311	\$35.92	3,311	D	

**Explanation of Responses:**

- Stock option granted pursuant to Waste Management, Inc. 1993 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.
- 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.
- Stock option granted pursuant to Waste Management, Inc. 2004 Stock Incentive Plan.

**Remarks:**

Linda J. Smith, attorney-in-fact 05/31/2006

\*\* 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.

**Persons who respond to the collection of information contained in this form are not required to respond unless the form displays a currently valid OMB Number.**

POWER OF ATTORNEY

Know all by these presents, that the undersigned hereby constitutes and appoints each of David P. Steiner, John Tsai, Amanda Maki and Linda J. Smith as the undersigned's true and lawful attorneys-in-fact, with full power of substitution, to:

(1) execute for and on behalf of the undersigned, in the undersigned's capacity as a reporting person of Waste Management, Inc. (the "Company") pursuant to Section 16 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and the rules and regulations thereunder, Forms 3, 4 and 5 in accordance with Section 16(a) of the Exchange Act and any Form 144, Form 8-K or other form required to be filed relating to the transaction covered by such report (collectively, the "Required Forms");

(2) do and perform any and all acts for and on behalf of the undersigned which may be necessary or desirable to complete and execute any such Required Forms and timely file such Required Forms with the United States Securities and Exchange Commission, any stock exchange, or other authority or body; and

(3) take any other action of any type whatsoever in connection with the foregoing which, in the opinion of any of such attorneys-in-fact or their substitutes, may be of benefit to, in the best interest of, or legally required by, the undersigned, it being understood that the documents executed by any of such attorneys-in-fact or their substitutes on behalf of the undersigned pursuant to this Power of Attorney shall be in such form and shall contain such terms and conditions as any of such attorneys-in-fact or their substitutes may approve in the discretion of any such person.

The undersigned hereby grants to each such attorney-in-fact or their substitutes full power and authority to do and perform any and every act and thing whatsoever requisite, necessary, or proper to be done in the exercise of any of the rights and powers herein granted, as fully to all intents and purposes as the undersigned might or could do if personally present, with full power of substitution or revocation, hereby ratifying and confirming all that any of such attorneys-in-fact, or the substitute or substitutes of any of such attorneys-in-fact, shall lawfully do or cause to be done by virtue of this Power of Attorney and the rights and powers herein granted. The undersigned acknowledges that the foregoing attorneys-in-fact or their substitutes, in serving in such capacity at the request of the undersigned, are not assuming, nor is the Company assuming, any of the undersigned's responsibilities to comply with Section 16 of the Exchange Act or any other law, rule or regulation.

This Power of Attorney shall remain in full force and effect until the undersigned is no longer required to file Required Forms with respect to the undersigned's holdings of and transactions in securities issued by the Company, unless earlier revoked by the undersigned in a signed writing delivered to the foregoing attorneys-in-fact.

IN WITNESS WHEREOF, the undersigned has caused this Power of Attorney to be executed as of this 27th day of September, 2002.

Signature:       /s/ Barry Caldwell  
Name:           Barry H. Caldwell