

WASTE MANAGEMENT INC
 Form 4
 November 21, 2006

FORM 4

**UNITED STATES SECURITIES AND EXCHANGE COMMISSION
 Washington, D.C. 20549**

OMB APPROVAL

OMB Number: 3235-0287
 Expires: January 31, 2005
 Estimated average burden hours per response... 0.5

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

STATEMENT OF CHANGES IN BENEFICIAL OWNERSHIP OF SECURITIES

Filed pursuant to Section 16(a) of the Securities Exchange Act of 1934, Section 17(a) of the Public Utility Holding Company Act of 1935 or Section 30(h) of the Investment Company Act of 1940

(Print or Type Responses)

1. Name and Address of Reporting Person *
 STEINER DAVID P

2. Issuer Name and Ticker or Trading Symbol
 WASTE MANAGEMENT INC
 [WMI]

5. Relationship of Reporting Person(s) to Issuer

(Check all applicable)

(Last) (First) (Middle)
 1001 FANNIN, SUITE 4000
 (Street)

3. Date of Earliest Transaction (Month/Day/Year)
 11/17/2006

Director 10% Owner
 Officer (give title below) Other (specify below)
 Chief Executive Officer

HOUSTON, TX 77002

4. If Amendment, Date Original Filed(Month/Day/Year)

6. Individual or Joint/Group Filing(Check Applicable Line)
 Form filed by One Reporting Person
 Form filed by More than One Reporting Person

(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 Ownership (Instr. 4)
			Code	V	Amount	(A) or (D)	Price
Common Stock	11/17/2006		M		48,407	A	\$ 19.61
Common Stock	11/17/2006		F		33,482	D	\$ 38.09
Common Stock							
					3,087.3713	I	By 401(k) Plan

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

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SEC 1474 (9-02)

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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 Underlying Security (Instr. 3 and 4)	Amount or Number of Shares
Stock Option (right to buy) ⁽¹⁾	\$ 19.61	11/17/2006		M	48,407	03/06/2004 03/06/2013	Common Stock	48,407
Stock Option (right to buy) ⁽²⁾	\$ 38.205	11/17/2006		A	24,922	05/17/2007 03/06/2013	Common Stock	24,922

Reporting Owners

Reporting Owner Name / Address	Relationships			
	Director	10% Owner	Officer	Other
STEINER DAVID P 1001 FANNIN SUITE 4000 HOUSTON, TX 77002	X		Chief Executive Officer	

Signatures

David P. Steiner 11/21/2006
 __Signature of Date
 Reporting Person

Explanation of Responses:

* 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).

Stock option granted pursuant to Waste Management, Inc. 2000 Stock Incentive Plan. The stock option originally vested in 25% annual

(1) 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.

(2) Stock option granted pursuant to Waste Management, Inc. 2004 Stock Incentive Plan.

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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