

**Recology San Francisco**  
Rate Application, Schedule B  
Rate Calculations - Processing and Disposal

	<b>RY 2024</b>	<b>RY 2025</b>
Operating Ratio Expenses	\$ 121,597,187	\$ 123,979,492
<b>Calculated Operating Ratio Expenses</b>	<b>121,597,187</b>	<b>123,979,492</b>
<i>Allowed Operating Ratio</i>	<i>91.00%</i>	<i>91.00%</i>
<b>Operating Expense with Operating Ratio</b>	<b>\$ 133,623,283</b>	<b>\$ 136,241,200</b>
<b><u>Non Operating Ratio Expense</u></b>		
Intercompany Processing and Disposal	28,092,680	29,511,394
Licenses & Permits	4,685,676	4,820,307
<b><u>Revenue</u></b>		
Other Commercial Revenues	(3,639,266)	(3,649,443)
Recycling Revenues	(17,842,450)	(18,194,791)
Zero Waste Incentives	3,002,770	3,061,600
<b>Net Revenue Requirement</b>	<b>\$ 147,922,694</b>	<b>\$ 151,790,267</b>
<b><i>Percent Increase</i></b>	<b><i>15.39%</i></b>	<b><i>2.81%</i></b>
<b>Current Tipping Charge per Ton</b>	\$ 219.86	\$ 248.26
Proposed Tipping Charge per Ton	\$ 253.70	\$ 255.23
RY 2023 ZWI Addback (4 Tiers)	3,172,268	
RY 2024 ZWI Addback (2 Tiers)		1,501,385
<b><i>Adjusted Percent Increase</i></b>	<b><i>12.92%</i></b>	<b><i>1.79%</i></b>
<b><i>Adjusted Tipping Fee</i></b>	<b><i>248.26</i></b>	<b><i>252.70</i></b>
<b>Total Revenue Tons</b>	<b>583,063</b>	<b>594,725</b>
<b>Operating Expenses with 89% OR</b>	<b>\$ 136,626,053</b>	<b>\$ 139,302,800</b>
<b>Variance to 91% OR</b>	<b>3,002,770</b>	<b>3,061,600</b>
<b>Net Revenue Requirement @ 89% OR</b>	<b>\$ 147,922,694</b>	<b>\$ 151,790,267</b>

Recology Sunset Scavenger/Recology Golden Gate  
Rate Application, Schedule B.1  
Rate Calculations - Total Revenues

	RY 2024	Less Non-Rate Activity	Less City Services Agreement	RY 2024 Adjusted	RY 2025	Less Non-Rate Activity	Less City Services Agreement	RY 2025 Adjusted
Operating Ratio Expenses	\$ 215,510,153	\$ (10,010,866)	\$ (4,753,958)	\$ 200,745,329	\$ 224,451,429	\$ (10,619,215)	\$ (4,175,891)	\$ 209,656,322
<b>Calculated Operating Ratio Expenses</b>	<b>215,510,153</b>	<b>(10,010,866)</b>	<b>(4,753,958)</b>	<b>200,745,329</b>	<b>224,451,429</b>	<b>(10,619,215)</b>	<b>(4,175,891)</b>	<b>209,656,322</b>
Allowed Operating Ratio	91.00%	100.00%	100.00%	91.00%	91.00%	100.00%	100.00%	91.00%
<b>Operating Expense with Operating Ratio</b>	<b>\$ 236,824,344</b>	<b>\$ (10,010,866)</b>	<b>\$ (4,753,958)</b>	<b>\$ 220,599,262</b>	<b>\$ 246,649,922</b>	<b>\$ (10,619,215)</b>	<b>\$ (4,175,891)</b>	<b>\$ 230,391,563</b>
<b>Non Operating Ratio Expense</b>								
Disposal Cost	58,102,924	(2,698,994)	(1,348,598)	54,055,332	60,343,384	(2,854,958)	(1,400,600)	56,087,826
Processing Cost	70,114,223	(3,256,942)	(1,627,386)	65,229,895	72,812,688	(3,444,904)	(1,690,019)	67,677,766
Impound Account	23,847,771	-	-	23,847,771	23,847,771	-	-	23,847,771
License Expenses	2,605,731	(121,041)	(45,360)	2,439,330	2,685,271	(127,045)	(62,326)	2,495,900
<b>Revenue</b>								
Non Rate Revenue	(27,566,221)	17,642,007	7,006,491	(2,917,723)	(20,904,424)	17,986,701		(2,917,723)
Residential 20-Gallon Transition Credit								
Contamination Charges	(5,000,000)	-	-	(5,000,000)	(5,000,000)	-	-	(5,000,000)
Apartment Migration								
Commercial Migration								
Zero Waste Incentives (2% OR)	5,321,895			4,957,287	5,542,695			5,177,338
<b>Net Revenue Requirement</b>	<b>\$ 364,250,668</b>	<b>\$ 1,554,164</b>	<b>\$ (768,811)</b>	<b>\$ 363,211,154</b>	<b>\$ 385,977,307</b>	<b>\$ 940,578</b>	<b>\$ (7,328,836)</b>	<b>\$ 377,760,441</b>
Revenue @ Current Rates	352,224,256			352,224,256	360,720,470			360,720,470
<b>Difference</b>	<b>\$ 12,026,411</b>	<b>\$ 1,554,164</b>	<b>\$ (768,811)</b>	<b>\$ 10,986,898</b>	<b>\$ 25,256,837</b>	<b>\$ 940,578</b>	<b>\$ (7,328,836)</b>	<b>\$ 17,039,971</b>
Rate Increase	3.41%			3.12%	7.00%			4.72%
Deposit to Reserve Fund				\$ -				\$ -
Rate Stabilization Fund	\$ 4,250,000			\$ 4,250,000				\$ -
RY 2023 ZWI Addback (4 Tiers)	\$ 5,313,635			\$ 5,313,635				\$ -
RY 2024 ZWI Addback (2 Tiers)					\$ 2,478,643			\$ 2,478,643
Revenue Requirement Reduction	\$ 9,563,635			\$ 9,563,635	\$ 2,478,643			\$ 2,478,643
RY 2024 & RY 2025 Net Increase	<b>0.70%</b>			<b>0.40%</b>	<b>6.31%</b>			<b>4.04%</b>
<b>Operating Expenses with 89% OR</b>	<b>242,146,240</b>			<b>225,556,549</b>	<b>252,192,617</b>			<b>235,568,902</b>
<b>Variance to 91% OR</b>	<b>5,321,895</b>			<b>4,957,287</b>	<b>5,542,695</b>			<b>5,177,338</b>
<b>Net Revenue Requirement @ 89% OR</b>	<b>\$ 364,250,668</b>			<b>\$ 363,211,154</b>	<b>\$ 385,977,307</b>			<b>\$ 377,760,441</b>