

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

	<b>RY 2024</b>	<b>RY 2025</b>
Operating Ratio Expenses	\$ 124,478,561	\$ 125,281,488
<b>Calculated Operating Ratio Expenses</b>	<b>124,478,561</b>	<b>125,281,488</b>
<i>Allowed Operating Ratio</i>	<i>91.00%</i>	<i>91.00%</i>
<b>Operating Expense with Operating Ratio</b>	<b>\$ 136,789,627</b>	<b>\$ 137,671,964</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	3,073,924	3,093,752
<b>Net Revenue Requirement</b>	<b>\$ 151,160,192</b>	<b>\$ 153,253,183</b>
<b>Percent Increase</b>	<b>17.92%</b>	<b>1.53%</b>
<b>Current Tipping Charge per Ton</b>	\$ 219.86	\$ 253.81
Proposed Tipping Charge per Ton	\$ 259.25	\$ 257.69
RY 2023 ZWI Addback (4 Tiers)	3,172,268	
RY 2024 ZWI Addback (2 Tiers)		1,536,962
<b>Adjusted Percent Increase</b>	<b>15.44%</b>	<b>0.51%</b>
	<b>0.91%</b>	
<b>Adjusted Tipping Fee</b>	<b>253.81</b>	<b>255.10</b>
<b>Total Revenue Tons</b>	<b>583,063</b>	<b>594,725</b>
<b>Operating Expenses with 89% OR</b>	<b>\$ 139,863,551</b>	<b>\$ 140,765,716</b>
<b>Variance to 91% OR</b>	<b>3,073,924</b>	<b>3,093,752</b>
<b>Net Revenue Requirement @ 89% OR</b>	<b>\$ 151,160,192</b>	<b>\$ 153,253,183</b>
	<b>-1,171,372</b>	<b>\$ (561,798)</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	\$ 223,823,129	\$ (10,397,020)	\$ (4,945,392)	\$ 208,480,717	\$ 228,840,452	\$ (10,826,868)	\$ (4,290,499)	\$ 213,723,085
<b>Calculated Operating Ratio Expenses</b>	<b>223,823,129</b>	<b>(10,397,020)</b>	<b>(4,945,392)</b>	<b>208,480,717</b>	<b>228,840,452</b>	<b>(10,826,868)</b>	<b>(4,290,499)</b>	<b>213,723,085</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>\$ 245,959,482</b>	<b>\$ (10,397,020)</b>	<b>\$ (4,945,392)</b>	<b>\$ 229,099,689</b>	<b>\$ 251,473,025</b>	<b>\$ (10,826,868)</b>	<b>\$ (4,290,499)</b>	<b>\$ 234,860,533</b>
<b>Non Operating Ratio Expense</b>								
Disposal Cost	59,392,029	(2,758,875)	(1,378,518)	55,254,635	60,911,721	(2,881,847)	(1,413,791)	56,616,083
Processing Cost	71,689,406	(3,330,119)	(1,863,947)	66,695,347	73,507,150	(3,477,760)	(1,706,137)	68,323,253
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)	5,527,179			5,148,308	5,651,079			5,277,765
<b>Net Revenue Requirement</b>	<b>\$ 376,455,378</b>	<b>\$ 1,034,958</b>	<b>\$ (1,026,726)</b>	<b>\$ 374,567,357</b>	<b>\$ 392,171,593</b>	<b>\$ 673,180</b>	<b>\$ (7,472,754)</b>	<b>\$ 383,503,581</b>
Revenue @ Current Rates	352,224,256			352,224,256	372,303,796			372,303,796
<b>Difference</b>	<b>\$ 24,231,122</b>	<b>\$ 1,034,958</b>	<b>\$ (1,026,726)</b>	<b>\$ 22,343,100</b>	<b>\$ 19,867,797</b>	<b>\$ 673,180</b>	<b>\$ (7,472,754)</b>	<b>\$ 11,199,785</b>
Rate Increase	6.88%			6.34%	5.34%			3.01%
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)					\$ 2,574,154			\$ 2,574,154
Revenue Requirement Reduction	\$ 9,563,635			\$ 9,563,635	\$ 2,574,154			\$ 2,574,154
RY 2024 & RY 2025 Net Increase	<b>4.16%</b>			<b>3.63%</b>	<b>4.65%</b>			<b>2.32%</b>
<b>Operating Expenses with 89% OR</b>	<b>251,486,662</b>			<b>234,247,996</b>	<b>257,124,104</b>			<b>240,138,298</b>
<b>Variance to 91% OR</b>	<b>5,527,179</b>			<b>5,148,308</b>	<b>5,651,079</b>			<b>5,277,765</b>
<b>Net Revenue Requirement @ 89% OR</b>	<b>\$ 376,455,378</b>			<b>\$ 374,567,357</b>	<b>\$ 392,171,593</b>			<b>\$ 383,503,581</b>
				\$ (963,335)				\$ (448,082)