



SBWMA **FINAL**  
REPORT REVIEWING THE  
2021 SOUTH BAY RECYCLING  
COMPENSATION APPLICATION

September 17, 2020

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## SECTION 1. OVERVIEW

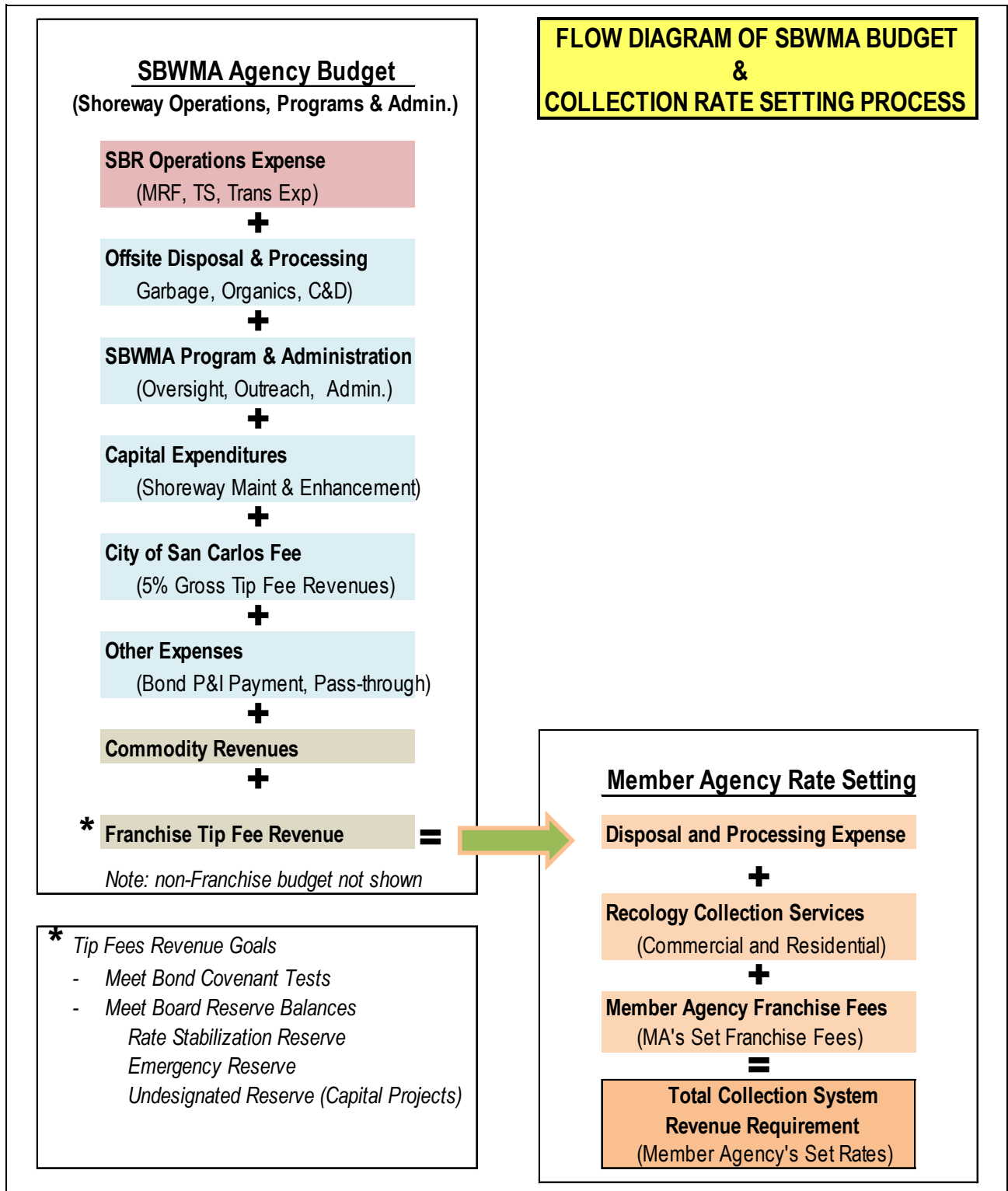
### A. **Shoreway Operations Agreement Terms**

South Bay Recycling, LLC (SBR) was selected as the facility operator in 2009 and is paid on a fee per ton basis for three services: processing materials at the Transfer Station (TS), processing materials at the Materials Recovery Facility (MRF) and transporting materials to the disposal and processing facilities. The Shoreway Operations Agreement (“Agreement”) with SBR prescribes that the SBWMA is responsible for conducting the annual review and analysis of SBR’s compensation application which sets the fees each year. The application is reviewed for completeness, accuracy and that the prescribed compensation adjustment methodology is followed to arrive at the recommended 2021 fees per ton contained in this report. The SBR Compensation Application is also reviewed and approved by the SBWMA Board of Directors.

### B. **Calculation of Total Collection Revenue Requirement**

The approved 2021 compensation for SBR will be bundled with all other SBWMA operating budget expenses (e.g., disposal expense, franchise fees paid to the City of San Carlos, debt service, SBWMA program budget, etc.) to set the 2021 Shoreway Tip Fees. The 2021 Shoreway Tip Fees are the basis for setting the Shoreway Disposal and Processing expense that becomes part of the total Revenue Requirement for each Member Agency upon which solid waste rates are set for 2021. SBR compensation is approximately 16% of the total Revenue Requirement. These costs are the result of the Shoreway tipping fees charged on the solid waste and organics tons delivered to Shoreway. The Flow Diagram of SBWMA Budget and Collection Rate Setting Process, **Table 1** below, describes this process and relationship.

Table 1



**FLOW DIAGRAM OF SBWMA BUDGET  
&  
COLLECTION RATE SETTING PROCESS**

**C. Description of SBR Fees and Cost Components**

The process for adjusting SBR’s compensation is detailed in the Operations Agreement in Article 7.03 and Attachment 13-A of the Agreement. All costs are adjusted based on various US Department of Labor indices (except depreciation which is not adjusted).

The fees for the three services are each comprised of distinct cost components:

- A. Labor Costs
- B. Fuel and Power Costs
- C. Depreciation Cost
- D. Other Operating and Maintenance Costs

The above cost components have the following subcomponents:

- A. Labor Costs
  - Wages for CBA labor (*index*)
  - Benefits for CBA labor (*index*)
  - Workers’ compensation insurance (CBA labor) (*index*)
  - Payroll taxes (CBA labor) (*non-index*)
  - Outside contracted workers from third-party sources (VRS) (*SBR & VRS contract*)
- B. Fuel and Power Costs
  - Electricity (*based on actuals/non-index*)
  - Fuel (*index*)
- C. Depreciation Cost (*no adjustment*)
- D. Other Operating and Maintenance Costs (*index*)
  - Wages and benefits for non-CBA employees
  - Wages and benefits for CBA clerical
  - Repair and maintenance expenses
  - Equipment rental expenses
  - Other vehicle-related expenses (e.g. licensing, taxes)
  - Insurance, safety and claims
  - Other general & administrative expense

**D. Compensation Adjustment Process**

The compensation adjustment methodology is the basis for SBR’s Rate Application submittal and the SBWMA staff’s subsequent review. The compensation adjustment process uses the approved 2020 SBR fees as the basis for the adjustment to the new 2021 fees. As detailed in the Agreement, the adjustment process for the 2021 fees is illustrated in **Table 2** below.

**Table 2**

<b>SBR ANNUAL COST ADJUSTMENT PROCESS</b>			
<b>BASE COST - 2020</b>		<b>ADJUSTMENT</b>	<b>2021 CONTRACTORS COMPENSATION</b>
CBA: TS/MRF, Mechanics, Drivers, & Clerical (wages and benefits)	+	Index	= Base plus Adjustment
Other Cost	+	Index	= Base plus Adjustment
Power	+	Blend of actual PG&E rate & ISH Solar rate	= Base plus Adjustment
Depreciation	+	No Change	= Last Year's Depreciation
<b>Profit</b>	+	Based on operating ratio in Proposal	= Base plus Adjustment
<b>Pass-Through Cost</b>			
Interest	+	Interest is fixed on sliding scale	= Annual Interest Expense per Interest Schedule
Other	+	Actual cost reimbursed to Buyback customers	= Actual Cost
<b>Total 2020 Compensation</b>	+	<b>Total Adjustments</b>	= <b>Total 2021 Compensation</b>

A portion of SBR's compensation comes from the sale of commodities through the "Commodity Revenue Share" program where the commodity revenue from the recyclable materials processed at the Shoreway MRF are split between SBWMA and SBR above the Revenue Guarantee of \$5,555,409. The Revenue Share available to SBR is an incentive to maximize recovery and obtain the best commodity sale prices. The current Commodity Revenue Share above the Guarantee is 25% to SBR and 75% to the SBWMA. An adjustment to the Revenue Guarantee is likely due to the closure of the Buyback Center at the Shoreway Facility.

*Note: the actual value of the revenue share is not shown in this report, since it is based on the actual tonnage and commodity revenue for the full calendar year of 2021.*

## SECTION 2. SBR 2021 COMPENSATION APPLICATION

### A. Analysis of SBR 2021 Compensation Application

SBWMA staff conducted the review of the Compensation Application submitted by SBR and worked closely with the company to ensure that questions and concerns were answered. Their application was modified as necessary to address any changes. Staff has verified that the SBR Compensation Application is complete and meets the requirements of the Operations Agreement. As shown in **Table 3** below, Total Compensation for SBR in 2021 is estimated to be \$18,565,479 which is \$1,219,108 (6.2%) lower than in 2020. The major reduction is due to the closure of the Buyback Center, which is a Pass-Through Cost. Total Operating Costs are 2% lower than the 2020 approved compensation based on YOY index adjustments. The fuel index fell 16.8%, which effects the compensation adjustment for each per ton fee.

**Table 3**

2020 Costs & Fees vs. 2021 Costs & Fees					
SOUTH BAY RECYCLING	2020		Adjustment	2021	
	Total Cost	Fee/Ton	%	Total Cost	Fee/Ton
<b>Operating Cost</b>					
Transfer Station	\$ 4,996,248	\$ 13.97	-0.1%	\$ 4,992,486	\$ 13.96
Recyclable Materials Processing, net of Residue	\$ 6,887,216	\$ 93.04	0.3%	\$ 6,907,197	\$ 93.31
Transportation ( <i>cost/ton-mile</i> )	\$ 7,054,511	\$ 1.16	-5.5%	\$ 6,665,796	\$ 1.10
<i>Transport (cost/ton)</i>	-	\$ 19.72	-5.5%	-	\$ 18.63
<b>Total Operating Cost</b>	\$ 18,937,975		-2.0%	\$ 18,565,479	
<b>Contractor Pass-Through Costs</b>					
Total Interest	\$ 21,612		-100.0%	\$ -	
Buyback Payments	\$ 825,000		-100.0%	\$ -	
<b>Total Contractor Pass-Through Cost</b>	\$ 846,612		-100.0%	\$ -	
<b>Total Compensation</b>	\$ 19,784,587		-6.2%	\$ 18,565,479	

### B. Description of 2021 Compensation Adjustments

Costs in the SBR Compensation Application are adjusted primarily based on changes in indexes. The specific results of the index-based cost adjustments for 2021 are presented in **Table 4** on the following page.

Cost categories are adjusted based on the following criteria:

- **Labor & Benefits Cost** – adjusted by CPI index (U.S. Department of Labor, Bureau of Labor Statistics, Private Industry Employment Cost Index for Service-Producing Industries (seasonally adjusted, total compensation, series # cis201s000000000i)).
- **VRS Labor** – adjusted based on SBR’s VRS contract changes with the County of San Mateo. SBR’s VRS contract with the County of San Mateo expires on December 31, 2020. As of this writing, SBR has yet to renew or extend the contract with the County of San Mateo. A change in the contract will change the VRS portion of SBR’s 2021 compensation. SBR’s 2021 Compensation Application contains a conservative estimate of 2.5% wage increase. In the event SBR’s new contract with the County of San Mateo produces a wage increase greater than 2.5%, Staff will present an adjusted SBR

Compensation for Board approval. If the wage increase is less than 2.5% Staff will compensate SBR at the reduced rate.

- **Power Cost** - adjusted based on the actual change in the blended power rates (PG&E and Solar)
- **Fuel Cost** - adjusted by a fuel index. (U.S. Department of Labor, Bureau of Labor Statistics, Producer Price Index - Commodity Index for #2 diesel fuel (not seasonally adjusted, fuels and related products and power, series# wpu057303).
- **Other Operating Costs** – adjusted by CPI index (U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index – All Urban Consumers, U.S. city average (not seasonally adjusted, all items, base period: 1982-84=100, series# cuur0000sa).
- **Depreciation Cost** - not adjusted
- **Interest Expense** - based on fixed schedule

**Pass-Through Costs**

Pass-through costs are not subject to profit but are reimbursed to SBR at actual cost. The pass-through costs in the Facility Operations Agreement (Article 7.09) are as follows:

- Payments to Buyback customers for purchase of recyclables based primarily on state CRV rates. (SBR’s buyback payments to public customers are reimbursed monthly). The Buyback Center was closed in August of 2019.
- Interest expense on allowed capital per a fixed schedule for the ten-year life of the contract on a sliding scale. 2021 is the 11<sup>th</sup> year of the contract, thus no interest expense applies.

Results of Cost Adjustments			
Cost Component	Adjustment	Basis	Description
<b>Labor - (all CBAs )</b>			
Wages & Benefits	2.69%	Index	CBA wages compensation adjustment based on index change.
Worker's Comp Insurance	1.83%	Index	Workers compensation adjustment based on index change.
Payroll Tax	2.69%	Wages & tax rate change	The payroll tax rate changes with any changes in federal or state payroll tax rates.
<b>VRS Labor (non-CBA)</b>	3.06%	Non-Index	Non-CBA (VRS) compensation adjustment based on VRS contract changes with County.
<b>Power</b>	6.16%	PG&E & Solar Rates	Power is adjusted by the blend of actual PG&E electricity rates and the Solar Power rate.
<b>Fuel</b>	-16.8%	Index	Fuel expense is adjusted by the actual change in the fuel index.
<b>Depreciation</b>	0.0%	n/a	There is no adjustment to depreciation.
<b>Other O&amp;M</b>	1.43%	Index	Other O&M expense includes non-CBA personnel, maintenance parts, insurance, general office expense, safety, etc. Other O&M expense is adjusted by 80% of an index.



### SECTION 3. SBR FEE PER TON ADJUSTMENTS FOR 2021

After review of the SBR Compensation Adjustment Application, staff recommends the following Fees (shown in **Table 3**, prior page) be paid to SBR on a per-ton basis for 2021:

- Transfer Station Processing Fee. The 2021 Transfer Station fee is \$13.96 per ton.
- MRF Processing Fee. The 2021 MRF Processing fee is \$99.28 per ton (note the Contractor pays for MRF residue transportation and disposal which is deducted from MRF Processing Fee resulting in an *Estimated Net MRF Processing Fee of \$93.31*).
- Transportation Fee. There are multiple transportation fees for each material type and destinations (i.e., solid waste, inerts, construction and demolition, and organics). The average 2021 Transportation Fee is \$1.10 per ton mile which is 5.5% decrease from prior year (the transportation rate detail for each material type and destination are presented in the **Appendix A – SBR Compensation Adjustment Application Worksheets**).

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**A. Summary of Fees**

	Year 10	Year 11	
<b>SUMMARY</b>	<b>2020</b>	<b>2021</b>	<b>% Increase</b>
<b>Annual % Change</b>			
TS	3.01%	-0.08%	
MRF	3.10%	0.29%	
Transport	3.22%	-5.51%	
<b>Cost per Ton Fees</b>			
Transfer Station	\$ 13.97	\$ 13.96	-0.08%
MRF (net residue)	\$ 93.04	\$ 93.31	0.29%
Transportation (cost / ton-mile)	\$ 1.16	\$ 1.10	-5.51%
Transportation (cost / ton)	\$ 19.72	\$ 18.63	-5.51%
<b>Total Cost Estimate by LOB</b>			
Transfer Station	\$ 4,996,248	\$ 4,992,486	-0.08%
MRF (net residue)	\$ 6,887,216	\$ 6,907,197	0.29%
Transportation	\$ 7,054,511	\$ 6,665,796	-5.51%
<b>Total Operating Cost</b>	<b>\$ 18,937,975</b>	<b>\$ 18,565,479</b>	<b>-1.97%</b>
<b>Pass-Through Costs</b>			
Total Interest	\$ 21,612	\$ -	-100.0%
Buyback Payment (estimate)	\$ 825,000	\$ -	
<b>Total Pass-Through Cost</b>	<b>\$ 846,612</b>	<b>\$ -</b>	<b>-100.0%</b>
<b>Total Estimated Compensation</b>	<b>\$ 19,784,587</b>	<b>\$ 18,565,479</b>	<b>-6.16%</b>

<b>Detail Transportation Fees</b>	Year 10	Year 11	
	<b>2020</b>	<b>2021</b>	<b>% Increase</b>
<b>Cost/Ton-Mile</b>			
MSW to OX Mtn.	\$ 1.314	\$ 1.241	-5.6%
Inert to OX Mtn.	\$ 1.348	\$ 1.273	-5.6%
C&D to Zanker Road	\$ 0.979	\$ 0.933	-4.7%
Plant Materials to Newby	\$ 0.790	\$ 0.751	-5.0%
Plant Materials to Grover	\$ 0.484	\$ 0.455	-6.0%
Organics to Newby	\$ 0.969	\$ 0.932	-3.8%
Organics to Grover	\$ 0.542	\$ 0.509	-6.0%
Self-haul Biomass to Biofuel	\$ 0.643	\$ 0.612	-4.9%
Plant Materials to Zanker	\$ 0.790	\$ 0.751	-4.9%

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**B. Cost Detail Transfer Station and MRF**

<b>TRANSFER STATION</b>		<b>Year 10</b>		<b>Year 11</b>	
Base Tonnage Specified by the SBWMA	<b>357,725</b>	<b>%</b>	<b>2020</b>	<b>%</b>	<b>2021</b>
		<b>Adjustment</b>	<b>Cost / Ton</b>	<b>Adjustment</b>	<b>Cost / Ton</b>
Direct Labor - CBA					
Wages		3.0%	\$ 5.41	2.7%	\$ 5.55
Benefits		3.0%	\$ 2.74	2.7%	\$ 2.82
W/C		2.6%	\$ 0.73	1.8%	\$ 0.74
PR Tax		3.0%	\$ 0.47	2.7%	\$ 0.48
<b>Total CBA Labor Cost</b>		<b>3.0%</b>	<b>\$ 9.35</b>	<b>2.6%</b>	<b>\$ 9.59</b>
Power		2.4%	\$ 0.85	6.2%	\$ 0.91
Fuel		18.8%	\$ 0.30	-16.8%	\$ 0.25
Depreciation		0.0%	\$ 0.29	0.0%	\$ -
Other O&M		1.8%	\$ 1.85	1.4%	\$ 1.88
Clerical CBA Wages & Benefits		3.0%	\$ 0.41	2.7%	\$ 0.42
<b>Total Operating</b>		<b>3.0%</b>	<b>\$ 13.06</b>	<b>-0.1%</b>	<b>\$ 13.05</b>
Profit		3.0%	\$ 0.91	-0.1%	\$ 0.90
Profit %			6.9%		6.9%
<b>Total Operating Cost</b>		<b>3.0%</b>	<b>\$ 13.97</b>	<b>-0.1%</b>	<b>\$ 13.96</b>

<b>MATERIALS RECOVERY FACILITY (MRF)</b>		<b>Year 10</b>		<b>Year 11</b>	
Base Tonnage Specified by the SBWMA	<b>74,022</b>	<b>%</b>	<b>2020</b>	<b>%</b>	<b>2021</b>
		<b>Adjustment</b>	<b>Cost / Ton</b>	<b>Adjustment</b>	<b>Cost / Ton</b>
Direct Labor - CBA					
Wages		3.0%	\$ 20.35	2.7%	\$ 20.89
Benefits		3.0%	\$ 10.78	2.7%	\$ 11.07
W/C		2.6%	\$ 2.87	1.8%	\$ 2.92
PR Tax		3.0%	\$ 1.96	2.7%	\$ 2.01
<b>Total CBA Labor Cost</b>		<b>3.0%</b>	<b>\$ 35.95</b>	<b>2.6%</b>	<b>\$ 36.89</b>
Non-CBA Wages		4.3%	\$ 23.28	3.1%	\$ 23.99
Power		2.4%	\$ 4.98	6.2%	\$ 5.28
Fuel		18.8%	\$ 0.66	-16.8%	\$ 0.55
Depreciation		0.0%	\$ 1.91	-100.0%	\$ -
Other O&M		1.8%	\$ 17.64	1.4%	\$ 17.89
Clerical CBA Wages & Benefits		3.0%	\$ 2.00	2.7%	\$ 2.05
<b>Total Operating</b>		<b>3.1%</b>	<b>\$ 86.41</b>	<b>0.3%</b>	<b>\$ 86.66</b>
Profit		3.1%	\$ 6.64	0.3%	\$ 6.66
Profit %			7.7%		7.7%
<b>Total Operating Cost</b>		<b>3.1%</b>	<b>\$ 93.04</b>	<b>0.3%</b>	<b>\$ 93.31</b>

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**C. Cost Detail - Transportation**

	Base Tonnage	Year 10		Year 11	
		% Adjustment	2020 Cost / Ton Mile	% Adjustment	2021 Cost / Ton Mile
Solid Waste Transport Fee - Ox Mtn.	260,801	3.2%	\$ 1.314	-5.6%	\$ 1.241
Inert Transport Fee - Ox Mtn.	6,317	3.2%	\$ 1.348	-5.6%	\$ 1.273
C&D Transport Fee - Zanker rd.	18,918	3.4%	\$ 0.979	-4.7%	\$ 0.933
Plant Matls Trans Fee - Newby	30,747	3.4%	\$ 0.790	-5.0%	\$ 0.751
Plant Matls Trans Fee - Grover	30,747	3.9%	\$ 0.484	-6.0%	\$ 0.455
Organic Matl Trans Fee - Newby	5,098	3.4%	\$ 0.969	-3.8%	\$ 0.932
Organic Matl Trans Fee - Grover	5,098	3.9%	\$ 0.542	-6.0%	\$ 0.509
Organic Matl Trans Fee - BioFuel		3.7%	\$ 0.643	-4.9%	\$ 0.612
Plant Matls Trans Fee - Zanker		3.4%	\$ 0.790	-4.9%	\$ 0.751
Blended Total	357,725	3.2%	\$ 1.165	-5.5%	\$ 1.101
<b>Total Operating Cost</b>			<b>\$ 7,054,511</b>		<b>\$ 6,665,796</b>
Cost / Ton			\$ 19.72		\$ 18.63
Total Cost Increase %			3.2%		-5.5%

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**D. Compensation Adjustment - Transfer Station**

	357,725.0	Year 10	Year 11	Increase
		2020 Cost / Ton	2021 Cost / Ton	
Direct Labor - CBA				
Wages		\$ 5.41	\$ 5.55	2.69%
Benefits		\$ 2.74	\$ 2.82	2.69%
W/C		\$ 0.73	\$ 0.74	1.83%
PR Tax		\$ 0.47	\$ 0.48	2.69%
<b>Total CBA Labor Cost</b>		<b>\$ 9.35</b>	<b>\$ 9.59</b>	2.62%
Power		\$ 0.85	\$ 0.91	6.16%
Fuel		\$ 0.30	\$ 0.25	-16.78%
Depreciation		\$ 0.29	\$ -	-100.00%
Other O&M		\$ 1.85	\$ 1.88	1.43%
Clerical CBA Wages & Benefits		\$ 0.41	\$ 0.42	2.69%
<b>Total Operating</b>		<b>\$ 13.06</b>	<b>\$ 13.05</b>	-0.08%
Profit		\$ 0.91	\$ 0.90	-0.08%
Profit %		6.9%	6.9%	0.00%
<b>Total Operating Cost</b>		<b>\$ 13.97</b>	<b>\$ 13.96</b>	-0.08%
% Increase		3.01%	-0.08%	

DETAIL OF ANNUAL FEE ADJUSTMENT		
Labor Cost Component Adjustment Factors		
Wages for Direct Labor		
Updated direct labor cost per ton	\$ 5.41	\$ 5.55
Adjustment Factor for Wages Direct Labor	1.030	1.027
% Increase	3.00%	2.69%
Benefits for Direct Labor		
Updated annual benefit cost per ton	\$ 2.74	\$ 2.82
Adjustment Factor for Benefits	1.030	1.027
% Increase	3.00%	2.69%
One Time True Up (Rate Year 2015)		
Workers Compensation Insurance for Direct Labor		
Updated annual benefit cost per ton	\$ 0.73	\$ 0.74
Adjustment Factor	1.026	1.018
Payroll Taxes for Direct Labor		
Updated Paryoll Tax cost per Ton	\$ 0.47	\$ 0.48
Adjustment Factor for payroll taxes shall equal the change	8.70%	8.70%
Federal Social Security & Medicare Tax Cost	7.65%	7.65%
Adjustment Factor	1.000	1.000

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**D. Compensation Adjustment - Transfer Station**

	357,725.0	Year 10	Year 11
		2020	2021
		Cost / Ton	Cost / Ton
Power Adjustment			
Updated Power cost per ton		\$ 0.85	\$ 0.91
Adjustment Factor		1.024	1.062
Fuel Adjustment			
Updated Fuel cost per ton		\$ 0.30	\$ 0.25
Adjustment Factor		1.188	0.832
Depreciation			
Updated Depreciation cost per ton		\$ 0.29	\$ -
Adjustment Factor (No adjustment after Year 1)		1.000	1.000
Other Operating & Maintenance			
Updated Other cost per ton		\$ 1.85	\$ 1.88
Adjustment Factor @ 80% of Index		1.018	1.014

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**E. Compensation Adjustment - Materials Recovery Facility (MRF)**

	74,022	Year 10		Year 11		Increase
		2020	2021	2020	2021	
		Cost / Ton	Cost / Ton	Cost / Ton	Cost / Ton	
<b>SUMMARY OF ANNUAL FEE ADJUSTMENTS</b>						
Direct Labor - CBA						
Wages		\$ 20.35	\$ 20.89			2.69%
Benefits		\$ 10.78	\$ 11.07			2.69%
Workers Comp		\$ 2.87	\$ 2.92			1.83%
PR Tax		\$ 1.96	\$ 2.01			2.69%
<b>Total CBA Labor Cost</b>		<b>\$ 35.95</b>	<b>\$ 36.89</b>			2.62%
Third Party Wages & Benefits (VRS)		\$ 23.28	\$ 23.99			3.06%
Power		\$ 4.98	\$ 5.28			6.16%
Fuel		\$ 0.66	\$ 0.55			-16.78%
Depreciation		\$ 1.91	\$ -			-100.00%
Other O&M		\$ 17.64	\$ 17.89			1.43%
Clerical CBA Wages & Benefits						0.00%
Clerical CBA Wages & Benefits		\$ 2.00	\$ 2.05			2.69%
<b>Total Operating</b>		<b>\$ 86.41</b>	<b>\$ 86.66</b>			0.29%
Profit		\$ 6.64	\$ 6.66			0.29%
Profit %		7.7%	7.7%			0.00%
<b>Total Operating Cost Per Ton (excluding residue)</b>		<b>\$ 93.04</b>	<b>\$ 93.31</b>			0.29%
<i>% Increase</i>		3.10%	0.29%			
<b>Total Estimated Operator Cost (excluding residue)</b>		<b>\$ 6,887,216</b>	<b>\$ 6,907,197</b>			0.29%
<b>MRF Residue Paid by SBR</b>						
MRF Residue Tons		6,800	6,800			
Disposal Tip Fee @ Ox Mtn.		\$ 52.57	53.64			2.04%
Disposal Fees		\$ 4.83	\$ 4.93			2.04%
Transfer & Haul		\$ 1.11	\$ 1.04			-5.59%
<b>Total MRF Residue expense</b>		<b>\$ 5.94</b>	<b>\$ 5.97</b>			0.61%
<b>Total Cost with MRF Residue</b>		<b>\$ 98.98</b>	<b>\$ 99.28</b>			0.31%

<b>DETAIL OF ANNUAL FEE ADJUSTMENTS</b>		
Labor Cost Component Adjustment Factors		
Updated annual labor for direct labor	\$ 20.35	\$ 20.89
Adjustment Factor	1.030	1.027
% Increase	3.00%	2.69%
Benefits for Direct Labor		
Updated annual benefit cost per ton	\$ 10.78	\$ 11.07
Adjustment Factor	1.030	1.027
% Increase	3.00%	2.69%
One Time True Up (Rate Year 2015)		

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**E. Compensation Adjustment - Materials Recovery Facility (MRF)**

	74,022	Year 10	Year 11
		2020 Cost / Ton	2021 Cost / Ton
Workers Compensation Insurance for Direct Labor			
Updated annual benefit Costs		\$ 2.87	\$ 2.92
Adjustment Factor		1.026	1.018
Payroll Taxes for Direct Labor			
Updated Payroll Tax cost per ton		\$ 1.96	\$ 2.01
Total Payroll Tax Rate %		9.61%	9.61%
Federal Social Security & Medicare tax rates		9.61%	9.61%
Adjustment Factor		1.000	1.000
Labor & Benefits Component Adjustment Factor - non-CBA labor (VRS)			
Updated annual costs		\$ 23.28	\$ 23.99
Adjustment			
Adjustment Factor			
Power Adjustment			
Updated Power cost per ton		\$ 4.98	\$ 5.28
Adjustment Factor		1.024	1.062
<i>blend of PGE rate and solar rate</i>			
Fuel Adjustment			
Updated Fuel Costs		\$ 0.66	\$ 0.55
Adjustment Factor		1.188	0.832
Depreciation			
Updated Depr cost per ton		\$ 1.91	\$ -
Adjustment Factor (No adjustment after Year 1)		1.000	1.000
Other Operating & Maintenance			
Updated Other cost per ton		\$ 17.64	\$ 17.89
Adjustment Factor @ 80% of Index		1.018	1.014
<i>% Change in underlying index</i>		2.26%	1.79%
MRF Load Contamination		\$ 35.00	\$ 35.10
Plant Materials & Organics Contamination		\$ 9.80	\$ 9.83



**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**F. Compensation Adjustment - Transportation**

	Year 10		Year 11	
	2020		2021	
	Adjustment Factor	Per Ton-Mile	Adjustment Factor	Per Ton-Mile
<b>SUMMARY OF ANNUAL FEE ADJUSTMENTS</b>				
Solid Waste Transport Fee - Ox Mtn.	3.2%	\$ 1.31	-5.6%	\$ 1.24
Inert Transport Fee - Ox Mtn.	3.2%	\$ 1.35	-5.6%	\$ 1.27
C&D Transport Fee - Zanker	3.4%	\$ 0.98	-4.7%	\$ 0.93
Plant Matls Trans Fee - Newby	3.4%	\$ 0.79	-5.0%	\$ 0.75
Plant Matls Trans Fee - Grover	3.9%	\$ 0.48	-6.0%	\$ 0.46
Organic Matl Trans Fee - Newby	3.4%	\$ 0.97	-3.8%	\$ 0.93
Organic Matl Trans Fee - Grover	3.9%	\$ 0.54	-6.0%	\$ 0.51
Biomass Trans Fee - Biofuel		\$ 0.64		\$ 0.61
Plant Matls Trans Fee - Zanker		\$ 0.79		\$ 0.75
<b>Blended Total</b>	<b>3.2%</b>	<b>\$ 1.16</b>	<b>-5.5%</b>	<b>\$ 1.10</b>
<b>Total Cost Increase %</b>		<b>3.2%</b>		<b>-5.5%</b>

<b>DETAIL OF ANNUAL FEE ADJUSTMENTS</b>				
<b>Direct Labor Component for All Transport Fees</b>				
Wages for CBA Labor	1.030	\$ 1,802,375	1.027	\$ 1,850,817
Benefits for CBA Labor	1.030	\$ 769,507	1.027	\$ 790,189
WC Insurance	1.026	\$ 190,184	1.018	\$ 193,672
Payroll Taxes	1.000	\$ 152,486	1.000	\$ 156,584
<b>Total Cost Estimate (SW to Ox)</b>	<b>1.0297</b>	<b>\$ 2,914,552</b>	<b>1.0263</b>	<b>\$ 2,991,262</b>
Cost/Ton		\$ 11.18		\$ 11.47
Adjusted Labor for MSW Transport Fee (cost/ton-mile)	1.030	\$ 0.860	1.026	\$ 0.882
<b>Solid Waste Transport Fee (OX)</b>				
Labor component	1.030	\$ 0.8596	1.026	\$ 0.8822
Fuel	1.188	\$ 0.0510	0.832	\$ 0.0424
Depreciation	1.000	\$ 0.0851	1.000	\$ -
Other O&M Component	1.018	\$ 0.1864	1.014	\$ 0.1891
Clerical CBA wages & benefits				
Clerical CBA wages & benefits	1.030	\$ 0.0283	1.027	\$ 0.0290
<b>Total Operating Cost</b>		<b>\$ 1.2104</b>		<b>\$ 1.1427</b>
Profit per Operating Ratio		\$ 0.1038		\$ 0.0980
<b>Total SW Transportation Fee</b>	<b>3.2%</b>	<b>\$ 1.31418</b>	<b>-5.6%</b>	<b>\$ 1.24075</b>
<b>Inert Transport Fee - OX Mtn.</b>				
Labor component	1.030	\$ 0.820	1.026	\$ 0.841
Fuel	1.188	\$ 0.056	0.832	\$ 0.047
Depreciation	1.000	\$ 0.085	1.000	\$ -
Other O&M Component	1.018	\$ 0.234	1.014	\$ 0.238
Clerical CBA wages & benefits				
Clerical CBA wages & benefits	1.030	\$ 0.036	1.027	\$ 0.037
<b>Total Operating Cost</b>		<b>\$ 1.231</b>		<b>\$ 1.162</b>
Profit per Operating Ratio		\$ 0.117		\$ 0.111
<b>Total Inert Transportation Fee</b>	<b>3.2%</b>	<b>\$ 1.348</b>	<b>-5.6%</b>	<b>\$ 1.273</b>

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**F. Compensation Adjustment - Transportation**

	Year 10		Year 11	
	2020		2021	
	Adjustment Factor	Per Ton-Mile	Adjustment Factor	Per Ton-Mile
<b>C&amp;D Transport Fee - Zanker Road</b>				
Labor component	1.030	\$ 0.6449	1.026	\$ 0.6618
Fuel	1.188	\$ 0.0517	0.832	\$ 0.0430
Depreciation	1.000	\$ 0.0530	1.000	\$ -
Other O&M Component	1.018	\$ 0.1277	1.014	\$ 0.1295
Clerical CBA wages & benefits				
Clerical CBA wages & benefits	1.030	\$ 0.0194	1.027	\$ 0.0199
<b>Total Operating Cost</b>		<b>\$ 0.8966</b>		<b>\$ 0.8543</b>
Profit per Operating Ratio		\$ 0.0822		\$ 0.0783
<b>Total C&amp;D Transportation Fee</b>	<b>3.4%</b>	<b>\$ 0.97886</b>	<b>-4.7%</b>	<b>\$ 0.93262</b>
<b>Plant Materials Transport Fee - Newby Is</b>				
Labor component	1.030	\$ 0.5071	1.026	\$ 0.5205
Fuel	1.188	\$ 0.0432	0.832	\$ 0.0359
Depreciation	1.000	\$ 0.0442	1.000	\$ -
Other O&M Component	1.018	\$ 0.1138	1.014	\$ 0.1155
Clerical CBA wages & benefits				
Clerical CBA wages & benefits	1.030	\$ 0.0173	1.027	\$ 0.0177
<b>Total Operating Cost</b>		<b>\$ 0.7256</b>		<b>\$ 0.6896</b>
Profit per Operating Ratio		\$ 0.0648		\$ 0.0616
<b>Total Plant Material Transportation Fee</b>	<b>3.4%</b>	<b>\$ 0.79043</b>	<b>-5.0%</b>	<b>\$ 0.75118</b>
<b>Plant Materials Transport Fee - Grover</b>				
Labor component	1.030	\$ 0.3011	1.026	\$ 0.3090
Fuel	1.188	\$ 0.0431	0.832	\$ 0.0359
Depreciation	1.000	\$ 0.0286	1.000	\$ -
Other O&M Component	1.018	\$ 0.0624	1.014	\$ 0.0633
Clerical CBA wages & benefits				
Clerical CBA wages & benefits	1.030	\$ 0.0095	1.027	\$ 0.0097
<b>Total Operating Cost</b>		<b>\$ 0.4447</b>		<b>\$ 0.4179</b>
Profit per Operating Ratio		\$ 0.0397		\$ 0.0373
<b>Total Plant Material Transportation Fee</b>	<b>3.9%</b>	<b>\$ 0.48446</b>	<b>-6.0%</b>	<b>\$ 0.45526</b>
<b>Organic Material Transport Fee - Newby Is</b>				
Labor component	1.030	\$ 0.6339	1.026	\$ 0.6506
Fuel	1.188	\$ 0.0474	0.832	\$ 0.0394
Depreciation	1.000	\$ 0.0442	1.000	\$ -
Other O&M Component	1.018	\$ 0.1233	1.014	\$ 0.1250
Clerical CBA wages & benefits				
Clerical CBA wages & benefits	1.030	\$ 0.0187	1.027	\$ 0.0192
<b>Total Operating Cost</b>		<b>\$ 0.8675</b>		<b>\$ 0.8342</b>
Profit per Operating Ratio		\$ 0.1018		\$ 0.0979
<b>Total Organic Material Transportation Fee</b>	<b>3.4%</b>	<b>\$ 0.96923</b>	<b>-3.8%</b>	<b>\$ 0.93212</b>

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**F. Compensation Adjustment - Transportation**

	Year 10		Year 11	
	2020		2021	
	Adjustment Factor	Per Ton-Mile	Adjustment Factor	Per Ton-Mile
<b>Organic Material Transport Fee - Grover</b>				
Labor component	1.030	\$ 0.3282	1.026	\$ 0.3368
Fuel	1.188	\$ 0.0470	0.832	\$ 0.0391
Depreciation	1.000	\$ 0.0313	1.000	\$ -
Other O&M Component	1.018	\$ 0.0680	1.014	\$ 0.0689
Clerical CBA wages & benefits				
Clerical CBA wages & benefits	1.030	\$ 0.0103	1.027	\$ 0.0106
<b>Total Operating Cost</b>		<b>\$ 0.4847</b>		<b>\$ 0.4555</b>
Profit per Operating Ratio		\$ 0.0569		\$ 0.0534
<b>Total Organic Material Transportation Fee</b>	<b>3.9%</b>	<b>\$ 0.54158</b>	<b>-6.0%</b>	<b>\$ 0.50889</b>
<b>Self-Haul Biomass - Biofuel</b>				
Labor component				
Fuel				
Depreciation				
Other O&M Component				
Clerical CBA wages & benefits				
Clerical CBA wages & benefits				
<b>Total Operating Cost</b>		<b>\$ 0.576</b>		<b>\$ 0.547</b>
Profit per Operating Ratio		\$ 0.068		\$ 0.064
<b>Total Biofuel Material Transportation Fee</b>	<b>3.7%</b>	<b>\$ 0.643</b>	<b>-4.9%</b>	<b>\$ 0.612</b>
<b>Plant Materials Transport Fee - Zanker Road</b>				
Labor component	1.030	\$ 0.5071	1.026	\$ 0.5205
Fuel	1.188	\$ 0.0432	0.832	\$ 0.0359
Depreciation	1.000	\$ 0.0440	1.000	
Other O&M Component	1.018	\$ 0.1138	1.014	\$ 0.1155
Clerical CBA wages & benefits				
Clerical CBA wages & benefits	1.030	\$ 0.0173	1.027	\$ 0.0177
<b>Total Operating Cost</b>		<b>\$ 0.7254</b>		<b>\$ 0.6896</b>
Profit per Operating Ratio		\$ 0.0648		\$ 0.0616
<b>Total Plant Material Transportation Fee</b>	<b>3.4%</b>	<b>\$ 0.79019</b>	<b>-4.9%</b>	<b>\$ 0.75118</b>

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2021**

**G. Indexes**

	<b>Year 10 2020</b>	<b>Year 11 2021</b>
<b><u>Workers Compensation</u></b>		
Use- Factor	1.026	1.018
<b><u>Direct Labor</u></b>		
Use- Factor	1.030	1.027
<b><u>Fuel</u></b>		
Use- Factor	1.188	0.832
<b><u>Other O&amp;M</u></b>		
Use- Factor	1.023	1.018
<b><u>Depreciation</u></b>		
Use- Factor	1.000	1.000

**SOUTH BAY RECYCLING, LLC**  
**Compensation Adjustment Application for Rate Year 2021**  
**H. Department of Labor Index Detail**

*Index: U.S. Department of Labor, Bureau of Labor Statistics, Private Industry  
Employment Cost Index for Total All workers (not seasonally adjusted, total benefits,  
series no. (CIU2030000000000i).*

**Workers Compensation**

	2018	2019	2020
Average Index	130.28	133.60	136.05
% Change	2.34%	2.55%	1.83%
Q1	131.60	134.70	136.90
Q2	132.90	135.30	
Q3	133.20	135.80	
Q4	133.60	136.20	

*Index: U.S. Department of Labor, Bureau of Labor Statistics, Private Industry  
Employment Cost Index for Service-Producing Industries (seasonally adjusted, total  
compensation, series no. (cis201s000000000i)*

**Direct Labor**

	2018	2019	2020
Index 1ST QTR	130.95	134.88	138.50
% Change	2.61%	3.00%	2.69%
Q1	132.50	136.20	140.10
Q2	133.40	137.00	
Q3	134.50	138.00	
Q4	135.40	138.90	

*Index: U.S. Department of Labor, Bureau of Labor Statistics, Producer Price Index -  
Commodity Index for #2 diesel fuel (not seasonally adjusted, fuels and related products  
and power, series no. (wpu057303).*

**Fuel**

	2018	2019	2020
Avg Index Apr	207.70	246.76	205.34
% Change	31.46%	18.81%	-16.78%
Jan	231.00	200.80	214.50
Feb	226.40	217.70	194.10
Mar	225.40	245.40	171.60
Apr	230.70	241.80	124.20
May	251.10	235.00	
Jun	261.40	204.40	
Jul	256.90	220.00	
Aug	254.30	207.20	
Sep	262.50	218.40	
Oct	271.70	220.50	
Nov	264.80	223.10	
Dec	232.70	231.10	

**SOUTH BAY RECYCLING, LLC**  
**Compensation Adjustment Application for Rate Year 2021**  
**H. Department of Labor Index Detail**

*Index: U.S. Department of Labor, Bureau of Labor Statistics, Consumer Price Index – All Urban Consumers, U.S. city average (not seasonally adjusted, all items, base period: 1982-84=100, series no. (cuur0000sa0).*

**Other O&M**

	2018	2019	2020
Avg Index April	246.97	252.55	257.07
% Change	2.07%	2.26%	1.79%
Jan	247.87	251.71	257.97
Feb	248.99	252.78	258.68
Mar	249.55	254.20	258.12
Apr	250.55	255.54	256.39
May	251.59	256.09	
Jun	251.99	256.14	
Jul	252.01	256.57	
Aug	252.15	256.56	
Sep	252.44	256.76	
Oct	252.89	257.35	
Nov	252.04	257.21	
Dec	251.23	256.97	
	1.66%	1.81%	1.43%

*Industry Data for motor vehicle body manufacturing, truck, bus, car, and other vehicle bodies, for sale separately (not seasonally adjusted, base date: 8212, series no. (pcu336211336211).*

**Depreciation**

	2018	2019	2020
Avg Index April	241.19	250.24	-
% Change	1.06%	3.75%	0.00%
Jan	242.00	255.10	
Feb	242.60	254.70	
Mar	243.20	255.80	
Apr	244.20	255.60	
May	244.60		
Jun	245.40		
Jul	246.30		
Aug	247.40		
Sep	248.10		
Oct	249.30		
Nov	250.20		
Dec	250.40		

# SOUTH BAY RECYCLING, LLC

## Compensation Adjustment Application for Rate Year 2021

### I. Electric Power and Solar Cost

<b>PG&amp;E</b>	Actual	Actual
	Use	Use
Year	<b>Apr-19</b>	<b>Apr-20</b>
Total Bill	\$ 24,246	\$ 25,187
KWH	469,044	437,693
Rate / KWH	\$ 0.052	\$ 0.058
% increase from Prior Yr.	1.93%	8.74%
Adjustment Factor	1.019	1.087

<b>ISH (Solar)</b>	Actual	Actual
	Use	Use
Year	<b>Apr-19</b>	<b>Apr-20</b>
Total Bill	\$ 21,794	\$ 19,508
KWH	93,265	81,049
Rate / KWH	\$ 0.234	\$ 0.241
% increase vs. Prior Yr.	3.0%	3.0%
Adjustment Factor	1.03	1.03

<b>Blended</b>	Actual	Actual
	Use	Use
Year	<b>Apr-19</b>	<b>Apr-20</b>
Total Bill	\$ 46,041	\$ 44,694
KWH	562,309.30	518,742.00
Rate / KWH	\$ 0.082	\$ 0.086
% increase vs. Prior Yr.	2.4%	6.2%
Adjustment Factor	1.024	1.062

**SOUTH BAY RECYCLING, LLC**  
**Compensation Adjustment Application for Rate Year 2021**  
**J. Debt Service Schedule**

Year one interest rate adjustment per Operations Agreement Article 8.03

Assumed interest rate per SBR 2009 proposal:	5.00%
Ten-year U.S. Treasury note interest rate in March, 2008:	3.50%
Ten-year U.S. Treasury note interest rate in effect on July 1, 2010:	3.50%
Adjustment factor:	100.00%
Fixed interest rate for entire period of Ops Agreement:	5.00%

Year	Financed Purchase - BASE 2009 COST			Adjusted for Capital indexed price change			
	Principal Payment	Interest	Total	Adj. Factor	Depreciation	Interest	Total
Interest Rate %		5.00%				5.00%	
1	\$ 505,441.00	\$ 308,120.00	\$ 813,561.00	1.0000	\$ 505,441.00	\$ 308,120.00	\$ 813,561.00
2	\$ 531,300.00	\$ 282,260.00	\$ 813,560.00	1.0000	\$ 531,300.00	\$ 282,260.00	\$ 813,560.00
3	\$ 558,483.00	\$ 255,077.00	\$ 813,560.00	1.0000	\$ 558,483.00	\$ 255,077.00	\$ 813,560.00
4	\$ 587,055.00	\$ 226,505.00	\$ 813,560.00	1.0000	\$ 587,055.00	\$ 226,505.00	\$ 813,560.00
5	\$ 617,091.00	\$ 196,470.00	\$ 813,561.00	1.0000	\$ 617,091.00	\$ 196,470.00	\$ 813,561.00
6	\$ 648,662.00	\$ 164,898.00	\$ 813,560.00	1.0000	\$ 648,662.00	\$ 164,898.00	\$ 813,560.00
7	\$ 681,849.00	\$ 131,712.00	\$ 813,561.00	1.0000	\$ 681,849.00	\$ 131,712.00	\$ 813,561.00
8	\$ 716,734.00	\$ 96,827.00	\$ 813,561.00	1.0000	\$ 716,734.00	\$ 96,827.00	\$ 813,561.00
9	\$ 753,403.00	\$ 60,158.00	\$ 813,561.00	1.0000	\$ 753,403.00	\$ 60,158.00	\$ 813,561.00
10	\$ 791,948.00	\$ 21,612.00	\$ 813,560.00	1.0000	\$ 791,948.00	\$ 21,612.00	\$ 813,560.00
<b>TOTAL COST</b>	<b>\$ 6,391,966.00</b>	<b>\$ 1,743,639.00</b>	<b>\$ 8,135,605.00</b>		<b>\$ 6,391,966.00</b>	<b>\$ 1,743,639.00</b>	<b>\$ 8,135,605.00</b>
# Years	10			10			
Average Interest / Year	\$174,364			\$174,364			





**SOUTH BAY RECYCLING, LLC**  
**Compensation Adjustment Application for Rate Year 2021**  
**L. Clerical CBA Wages & Benefits**

BASE					Actual 2020 Rates		Actual 2021 Rates	
<b>CLERICAL</b>								
<b>G&amp;A Labor (2009)</b>	Reg Hrs	OT Hrs	Hourly Rate	Annual Cost				
Accounting Clerk	2,080.00	390.00	\$15.00	\$39,975.00				
Admin Assistant	2,080.00	390.00	\$16.88	\$44,985.20				
Dispatcher	2,080.00	390.00	\$13.13	\$34,991.45				
	6,240.00	1,170.00						
<b>G&amp;A Labor (2011)</b>								
Payroll Processor	2,080.00	125.00			\$ 36.40	\$ 82,546	\$ 37.38	\$ 84,764
A/P Coordinator	2,080.00	125.00			\$ 29.47	\$ 66,825	\$ 30.26	\$ 68,622
Admin Assistant	2,080.00	125.00			\$ 28.91	\$ 65,557	\$ 29.69	\$ 67,319
Dispatcher	2,080.00	125.00			\$ 30.32	\$ 68,756	\$ 31.14	\$ 70,604
Total Hours	<b>8,320.00</b>	<b>500.00</b>				\$ -		\$ -
					Total	\$ 283,684	Total	\$ 291,309
<b>2009 Base Totals</b>	<b>6,240.00</b>	<b>1,170.00</b>		<b>\$119,951.65</b>		3.0%		2.7%

2009 BASE							
Transfer	33.33%	\$ 39,984		33.33%	\$ 94,561	33.33%	\$ 97,103
MRF	33.33%	\$ 39,984		33.33%	\$ 94,561	33.33%	\$ 97,103
Transportation	33.33%	\$ 39,984		33.33%	\$ 94,561	33.33%	\$ 97,103

BENEFITS		/ month	/ hour	CPI Adjust	/ hour	CPI Adjust	/ hour
Clerical Unit	Medical	\$ 1,139.00	\$ 6.57	\$ 2,185.83	\$ 12.61	\$ 2,244.58	\$ 12.95
	Peer-84	\$ -	\$ -	\$ 608.15	\$ 3.51	\$ 624.50	\$ 3.60
	RSP	\$ -	\$ -	\$ 542.18	\$ 3.13	\$ 556.76	\$ 3.21
	IP	\$ -	\$ -	\$ 5.73	\$ 0.03	\$ 5.88	\$ 0.03
				True Up	\$ -	True Up	\$ -
	Total	\$ 6.57		Total	\$ 19.28	Total	\$ 19.80
					\$ -		\$ -
					3.0%		2.7%

<b>Total H&amp;W, Pension / Hr</b>	\$ 2.19	\$ 6.43	\$ 6.60
<b>USE FOR TRANSFER STATION</b>		3.00%	2.69%

<b>Total H&amp;W, Pension / Hr</b>	\$ 2.19	\$ 6.43	\$ 6.60
<b>USE FOR MRF</b>		3.00%	2.69%

<b>Total H&amp;W, Pension / Hr</b>	\$ 2.19	\$ 6.43	\$ 6.60
<b>USE FOR TRANSPORTATION</b>		3.00%	2.69%

<b>Total Wages + Benefits for G&amp;A Group</b>			
Transfer Station	\$ 53,651.88	\$ 148,031.80	\$ 152,010.42
MRF	\$ 53,651.88	\$ 148,031.80	\$ 152,010.42
Transportation	\$ 53,651.88	\$ 148,031.80	\$ 152,010.42
<b>%</b>		<b>3.00%</b>	<b>2.69%</b>

## VRS Program Expense Summary

	Administrative Program Costs	
	2020	2021
<b>SEP Clients</b>		
Regular Hours	50,496	50,688
Overtime Hours	6,312	6,336
Holidays	826	816
<b>Production Supervisor</b>		
Regular Hours	2,080	2,080
Overtime Hours	260	260
Bilingual Pay Hours	2,340	2,340
Holiday Hours	96	96
<b>Utility Worker</b>		
Regular Hours	2,080	2,080
Overtime Hours	260	260
Bilingual Pay Hours	2,340	2,340
Holiday Hours	96	96
Client Wages-Regular	\$ 853,382.40	\$ 874,716.96
Client Wages-Overime	\$ 160,009.20	\$ 164,009.43
Client Wages-Holiday	\$ 13,128.96	\$ 13,457.18
Client Seasonal-Regular	\$ 9,864.96	\$ 13,457.18
Client Seasonal-Overtime	\$ 1,849.68	\$ 2,523.22
Client Seasonal-Holiday	\$ 990.14	\$ 841.07
<b>Subtotal Clients</b>	<b>\$ 1,039,225.34</b>	<b>\$ 1,069,005.05</b>
<b>Supervision</b>	<b>\$ 399,645.65</b>	<b>\$ 424,737.84</b>
Overhead Fee	\$ 124,977.60	\$ 125,452.80
Regulatory Fee	\$ 156,222.00	\$ 156,816.00
<b>Administration Fee</b>	<b>\$ 281,199.60</b>	<b>\$ 282,268.80</b>
<b>Total Program Expense</b>	<b>\$ 1,720,070.59</b>	<b>\$ 1,776,011.69</b>
<b>Total Program Cost/Ton</b>	<b>\$ 23.28</b>	<b>\$ 23.99</b>

**SOUTH BAY RECYCLING, LLC**  
**Compensation Adjustment Application for Rate Year 2021**  
**N. Power Allocation Usage Worksheet**

	April 2019 Actual			April 2020 Actual		
	KWH	Rate/KWH		KWH	Rate/KWH	
PG&E						
Customer Charge	32.00	\$ 19.7125	\$ 630.80	30.00	\$ 23.6550	\$ 709.65
Max Part Peak	615.60	\$ 0.1300	\$ 80.03	601.20	\$ 0.1400	\$ 84.17
Max Demand	615.60	\$ 18.3000	\$ 11,265.48	601.20	\$ 20.5500	\$ 12,354.66
Partial Peak	74,908.65	\$ 0.1131	\$ 8,470.67	72,498.00	\$ 0.1164	\$ 8,438.77
Off Peak	34,198.80	\$ 0.0967	\$ 3,305.31	31,915.00	\$ 0.0994	\$ 3,172.99
Power Factor Adjustment			\$ 43.64			\$ 36.54
Generation Credit	109,107.45	\$ (0.0842)	\$ (9,181.40)	104,413.00	\$ (0.0883)	\$ (9,222.47)
Power Charge Indifference Adjustment	109,107.45	\$ 0.0210	\$ 2,295.62	104,413.00	\$ 0.0265	\$ 2,763.83
Energy Commission Tax			\$ 68.74			\$ 67.87
Generation Off Peak	34,198.80	\$ 0.0459	\$ 1,570.07	31,915.50	\$ 0.0454	\$ 1,449.92
Generation Part Peak	74,908.65	\$ 0.0611	\$ 4,579.91	72,498.00	\$ 0.0618	\$ 4,479.65
Energy Commission Surcharge			\$ 32.73			\$ 31.32
<b>Total Bill</b>	<b>437,693.00</b>	<b>\$ 0.0529</b>	<b>\$ 23,161.60</b>	<b>418,884.90</b>	<b>\$ 0.0582</b>	<b>\$ 24,366.90</b>
ISH Solar						
Transfer Station (333)	36,401.00	\$ 0.2337	\$ 8,506.19	28,656.21	\$ 0.2407	\$ 6,897.26
MRF (225)	44,648.00	\$ 0.2337	\$ 10,433.34	44,755.80	\$ 0.2407	\$ 10,772.27
<b>Total ISH Solar</b>	<b>81,049.00</b>	<b>\$ 0.2337</b>	<b>\$ 18,939.53</b>	<b>73,412.01</b>	<b>\$ 0.2407</b>	<b>\$ 17,669.53</b>
<b>Blended</b>	<b>518,742.00</b>	<b>\$ 0.0812</b>	<b>42,101.13</b>	<b>492,296.91</b>	<b>\$ 0.0854</b>	<b>42,036.43</b>

April 2020 SBWMA Usage				
PG&E				
Customer Charge	32.00	\$ 23.6550	756.96	
Max Part Peak	615.60	\$ 0.1400	86.18	
Max Demand	615.60	\$ 20.5500	12,650.58	
Partial Peak	74,908.65	\$ 0.1164	8,719.37	
Off Peak	34,198.80	\$ 0.0994	3,400.04	
Power Factor Adjustment			37.80	
Generation Credit	109,107.45	\$ (0.0883)	(9,637.12)	
Power Charge Indifference Adjustment	109,107.45	\$ 0.0265	2,888.09	
Energy Commission Tax			69.96	
Generation Off Peak	34,198.80	\$ 0.0454	1,553.65	
Generation Part Peak	74,908.65	\$ 0.0618	4,628.61	
Energy Commission Surcharge			32.65	
<b>Total Bill</b>	<b>437,693.00</b>	<b>\$ 0.0575</b>	<b>\$ 25,186.78</b>	<b>8.74%</b>
ISH Solar				
Transfer Sta	36,401.00	\$ 0.2407	8,761.35	
MRF	44,648.00	\$ 0.2407	10,746.32	
<b>Total ISH Solar</b>	<b>81,049.00</b>	<b>\$ 0.2407</b>	<b>\$ 19,507.68</b>	<b>3.00%</b>
<b>Blended</b>	<b>518,742.00</b>	<b>\$ 0.0862</b>	<b>44,694.46</b>	<b>6.160%</b>