



SBWMA **FINAL**  
REPORT REVIEWING THE  
2022 SOUTH BAY RECYCLING  
COMPENSATION APPLICATION

September 23, 2021

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## SECTION 1. OVERVIEW

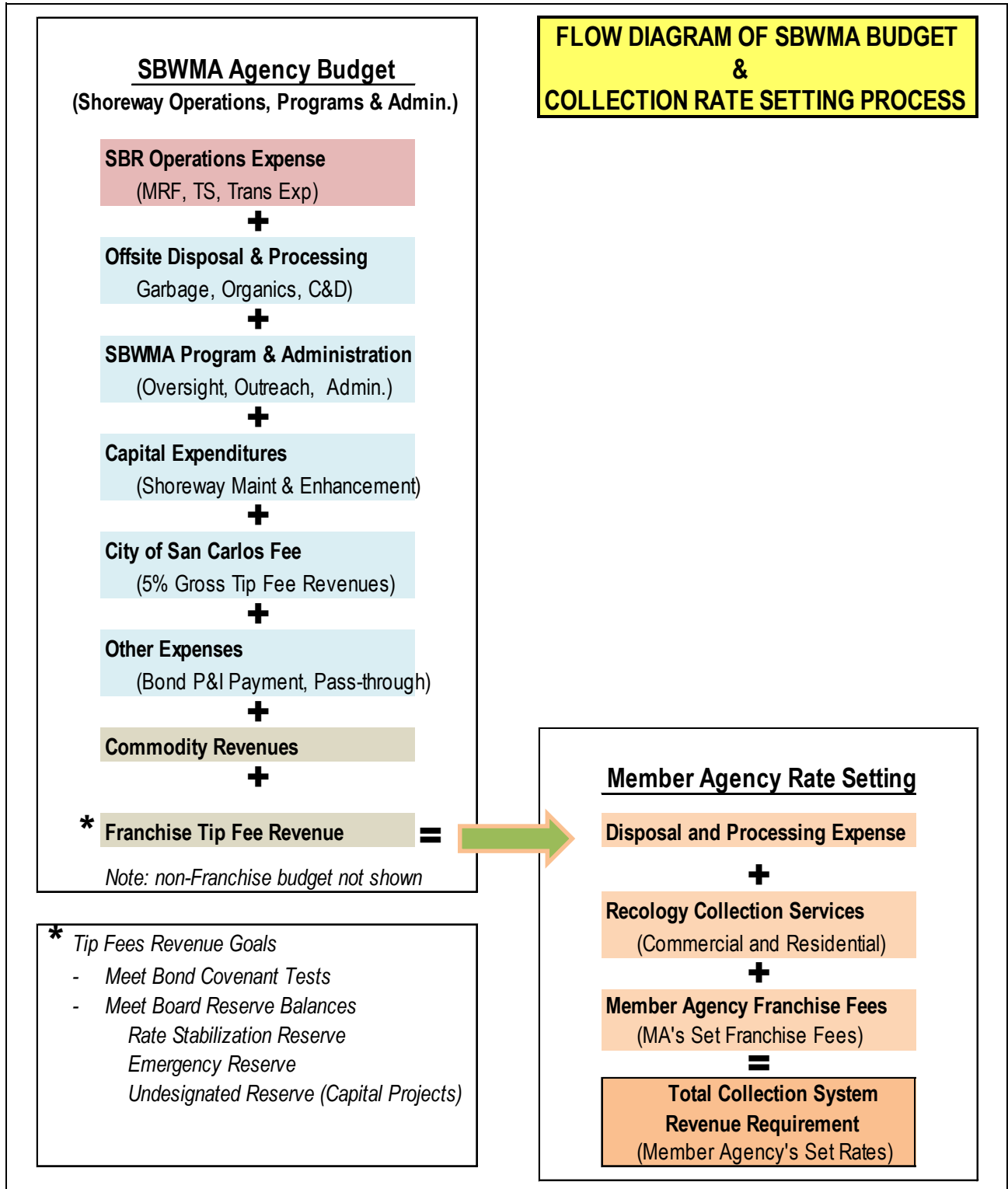
### A. **Shoreway Operations Agreement Terms**

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 2022 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 2022 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 2022 Shoreway Tip Fees. The 2022 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 2022. 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



**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 outside contract workers (VRS), which is partially adjusted based on the San Mateo County's Living Wage Ordinance. Additionally, depreciation 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 2021 SBR fees as the basis for the adjustment to the new 2022 fees. As detailed in the Agreement, the adjustment process for the 2022 fees is illustrated in **Table 2** below.

**Table 2**

<b>SBR ANNUAL COST ADJUSTMENT PROCESS</b>			
<b>BASE COST - 2021</b>		<b>ADJUSTMENT</b>	<b>2022 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 2021 Compensation</b>	+	<b>Total Adjustments</b>	= <b>Total 2022 Compensation</b>

**E. Commodity Revenue Sharing**

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 \$4,691,409. 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.

*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 2022.*

## SECTION 2. SBR 2022 COMPENSATION APPLICATION

### A. Analysis of SBR 2022 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.

The County of San Mateo's Vocational Rehab Services Labor increased the hourly rate of pay from \$17.52 to \$18.00 per hour on July 1, 2021. SBR submitted the 2022 Compensation Application with an increase in the 2021 compensation to account for the VRS Labor increased hourly rate. The impact is a \$0.22 (approximately \$16K) increase per ton over the approved 2021 Compensation. **Table 3** below reflects the VRS increase in the 2021 compensation.

As shown in **Table 3** below, Total Compensation for SBR in 2022 is estimated to be \$19,173,189 which is \$591,756 (3.2%) Higher than in 2021.

2021 Costs & Fees vs. 2022 Costs & Fees					
SOUTH BAY RECYCLING	2021		Adjustment	2022	
	Total Cost	Fee/Ton	%	Total Cost	Fee/Ton
<b>Operating Cost</b>					
Transfer Station	\$ 4,992,486	\$ 13.96	2.3%	\$ 5,106,675	\$ 14.28
Recyclable Materials Processing, net of Residue	\$ 6,923,150	\$ 93.53	4.7%	\$ 7,246,029	\$ 97.89
Transportation ( <i>cost/ton-mile</i> )	\$ 6,665,796	\$ 1.10	2.3%	\$ 6,820,485	\$ 1.13
<i>Transport (cost/ton)</i>	-	\$ 18.63	2.3%	-	\$ 19.07
<b>Total Operating Cost</b>	\$ 18,581,432		3.2%	\$ 19,173,189	

### B. Description of 2022 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 2022 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 has been extended through December 31, 2021. San Mateo County changed the administration fee calculation to be based on the hourly wage rather than a fixed administration rate of \$11.00. This change drives the 4.7% increase shown in **Table 3**.
- **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. 2022 is the 12<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	2.65%	Index	CBA wages compensation adjustment based on index change.
Worker's Comp Insurance	2.15%	Index	Workers compensation adjustment based on index change.
Payroll Tax	2.65%	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>	11.35%	Non-Index	Non-CBA (VRS) compensation adjustment based on VRS contract changes with County.
<b>Power</b>	1.26%	PG&E & Solar Rates	Power is adjusted by the blend of actual PG&E electricity rates and the Solar Power rate.
<b>Fuel</b>	1.0%	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>	1.20%	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 2022

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 2022:

- **Transfer Station Processing Fee.** The 2022 Transfer Station fee is \$14.28 per ton.
- **MRF Processing Fee.** The 2022 MRF Processing fee is \$104.13 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 \$97.89*).
- **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 2022 Transportation Fee is \$1.13 per ton mile which is 2.3% 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 2022**

**A. Summary of Fees**

	Base	Year 11		Year 12		
		2021	2022	2021	2022	% Increase
<b><u>Annual % Change</u></b>						
TS		-0.08%		2.29%		
MRF		0.49%		4.66%		
Transport		-5.51%		2.32%		
<b><u>Cost per Ton Fees</u></b>						
Transfer Station	357,725	\$ 13.96	\$ 14.28	\$ 13.96	\$ 14.28	2.29%
MRF (net residue)	74,022	\$ 93.53	\$ 97.89	\$ 93.53	\$ 97.89	4.66%
Transportation (cost / ton-mile)		\$ 1.10	\$ 1.13	\$ 1.10	\$ 1.13	2.32%
Transportation (cost / ton)		\$ 18.63	\$ 19.07	\$ 18.63	\$ 19.07	2.32%
<b><u>Total Cost Estimate by LOB</u></b>						
Transfer Station		\$ 4,992,486	\$ 5,106,675	\$ 4,992,486	\$ 5,106,675	2.29%
MRF (net residue)		\$ 6,923,150	\$ 7,246,029	\$ 6,923,150	\$ 7,246,029	4.66%
Transportation		\$ 6,665,796	\$ 6,820,485	\$ 6,665,796	\$ 6,820,485	2.32%
<b>Total Operating Cost</b>		<b>\$ 18,581,432</b>	<b>\$ 19,173,189</b>	<b>\$ 18,581,432</b>	<b>\$ 19,173,189</b>	<b>3.18%</b>
<b>Total Estimated Compensation</b>		<b>\$ 18,581,432</b>	<b>\$ 19,173,189</b>	<b>\$ 18,581,432</b>	<b>\$ 19,173,189</b>	<b>3.18%</b>

**Detail Transportation Fees**

	Year 11		Year 12		
	2021	2022	2021	2022	% Increase
<b>Cost/Ton-Mile</b>					
MSW to OX Mtn.	\$ 1.241	\$ 1.270	\$ 1.241	\$ 1.270	2.3%
Inert to OX Mtn.	\$ 1.273	\$ 1.302	\$ 1.273	\$ 1.302	2.3%
C&D to Zanker Road	\$ 0.933	\$ 0.954	\$ 0.933	\$ 0.954	2.3%
Plant Materials to Newby	\$ 0.751	\$ 0.768	\$ 0.751	\$ 0.768	2.3%
Plant Materials to Grover	\$ 0.455	\$ 0.466	\$ 0.455	\$ 0.466	2.3%
Organics to Newby	\$ 0.932	\$ 0.954	\$ 0.932	\$ 0.954	2.3%
Organics to Grover	\$ 0.509	\$ 0.520	\$ 0.509	\$ 0.520	2.3%

# SOUTH BAY RECYCLING, LLC

## Compensation Adjustment Application for Rate Year 2022

### B. Cost Detail Transfer Station and MRF

#### TRANSFER STATION

Base Tonnage Specified by the SBWMA	357,725	Year 11		Year 12	
		% Adjustment	2021 Cost / Ton	% Adjustment	2022 Cost / Ton
Direct Labor - CBA					
Wages		2.7%	\$ 5.55	2.7%	\$ 5.70
Benefits		2.7%	\$ 2.82	2.7%	\$ 2.89
W/C		1.8%	\$ 0.74	2.1%	\$ 0.75
PR Tax		2.7%	\$ 0.48	2.7%	\$ 0.50
<b>Total CBA Labor Cost</b>		<b>2.6%</b>	<b>\$ 9.59</b>	<b>2.6%</b>	<b>\$ 9.84</b>
Power		6.2%	\$ 0.91	1.3%	\$ 0.92
Fuel		-16.8%	\$ 0.25	1.0%	\$ 0.26
Depreciation		0.0%	\$ -	0.0%	\$ -
Other O&M		1.4%	\$ 1.88	1.2%	\$ 1.90
Clerical CBA Wages & Benefits		2.7%	\$ 0.42	2.7%	\$ 0.44
<b>Total Operating</b>		<b>-0.1%</b>	<b>\$ 13.05</b>	<b>2.3%</b>	<b>\$ 13.35</b>
Profit		-0.1%	\$ 0.90	2.3%	\$ 0.93
Profit %			6.9%		6.9%
<b>Total Operating Cost</b>		<b>-0.1%</b>	<b>\$ 13.96</b>	<b>2.3%</b>	<b>\$ 14.28</b>

#### MATERIALS RECOVERY FACILITY (MRF)

Base Tonnage Specified by the SBWMA	74,022	Year 11		Year 12	
		% Adjustment	2021 Cost / Ton	% Adjustment	2022 Cost / Ton
Direct Labor - CBA					
Wages		2.7%	\$ 20.89	2.7%	\$ 21.45
Benefits		2.7%	\$ 11.07	2.7%	\$ 11.36
W/C		1.8%	\$ 2.92	2.1%	\$ 2.98
PR Tax		2.7%	\$ 2.01	2.7%	\$ 2.06
<b>Total CBA Labor Cost</b>		<b>2.6%</b>	<b>\$ 36.89</b>	<b>2.6%</b>	<b>\$ 37.85</b>
Non-CBA Wages		3.8%	\$ 24.19	11.3%	\$ 26.94
Power		6.2%	\$ 5.28	1.3%	\$ 5.35
Fuel		-16.8%	\$ 0.55	1.0%	\$ 0.55
Depreciation		-100.0%	\$ -	0.0%	\$ -
Other O&M		1.4%	\$ 17.89	1.2%	\$ 18.10
Clerical CBA Wages & Benefits		2.7%	\$ 2.05	2.7%	\$ 2.11
<b>Total Operating</b>		<b>0.5%</b>	<b>\$ 86.86</b>	<b>4.7%</b>	<b>\$ 90.91</b>
Profit		0.5%	\$ 6.67	4.7%	\$ 6.98
Profit %			7.7%		7.7%
<b>Total Operating Cost</b>		<b>0.5%</b>	<b>\$ 93.53</b>	<b>4.7%</b>	<b>\$ 97.89</b>

**SOUTH BAY RECYCLING, LLC**  
**Compensation Adjustment Application for Rate Year 2022**  
**C. Cost Detail - Transportation**

		Year 11		Year 12	
		%	2021	%	2022
		Adjustment	Cost / Ton Mile	Adjustment	Cost / Ton Mile
Base Tonnage					
Solid Waste Transport Fee - Ox Mtn.	260,801	-5.6%	\$ 1.241	2.3%	\$ 1.270
Inert Transport Fee - Ox Mtn.	6,317	-5.6%	\$ 1.273	2.3%	\$ 1.302
C&D Transport Fee - Zanker rd.	18,918	-4.7%	\$ 0.933	2.3%	\$ 0.954
Plant Matls Trans Fee - Newby	30,747	-5.0%	\$ 0.751	2.3%	\$ 0.768
Plant Matls Trans Fee - Grover	30,747	-6.0%	\$ 0.455	2.3%	\$ 0.466
Organic Matl Trans Fee - Newby	5,098	-3.8%	\$ 0.932	2.3%	\$ 0.954
Organic Matl Trans Fee - Grover	5,098	-6.0%	\$ 0.509	2.3%	\$ 0.520
Organic Matl Trans Fee - BioFuel		-4.9%	\$ 0.612	2.3%	\$ 0.626
Plant Matls Trans Fee - Zanker		-4.9%	\$ 0.751	2.3%	\$ 0.768
Blended Total	357,725	-5.5%	\$ 1.101	2.3%	\$ 1.126
<b>Total Operating Cost</b>			<b>\$ 6,665,796</b>		<b>\$ 6,820,485</b>
Cost / Ton			\$ 18.63		\$ 19.07
Total Cost Increase %			-5.5%		2.3%

# SOUTH BAY RECYCLING, LLC

## Compensation Adjustment Application for Rate Year 2022

### D. Compensation Adjustment - Transfer Station

	Year 11	Year 12	
	2021	2022	
	Cost / Ton	Cost / Ton	Increase
357,725.0			
Direct Labor - CBA			
Wages	\$ 5.55	\$ 5.70	2.65%
Benefits	\$ 2.82	\$ 2.89	2.65%
W/C	\$ 0.74	\$ 0.75	2.15%
PR Tax	\$ 0.48	\$ 0.50	2.65%
<b>Total CBA Labor Cost</b>	<b>\$ 9.59</b>	<b>\$ 9.84</b>	2.61%
Power	\$ 0.91	\$ 0.92	1.26%
Fuel	\$ 0.25	\$ 0.26	0.99%
Depreciation	\$ -	\$ -	0.00%
Other O&M	\$ 1.88	\$ 1.90	1.20%
Clerical CBA Wages & Benefits	\$ 0.42	\$ 0.44	2.65%
<b>Total Operating</b>	<b>\$ 13.05</b>	<b>\$ 13.35</b>	2.29%
Profit	\$ 0.90	\$ 0.93	2.29%
Profit %	6.9%	6.9%	0.00%
<b>Total Operating Cost</b>	<b>\$ 13.96</b>	<b>\$ 14.28</b>	2.29%
% Increase	-0.08%	2.29%	
<b>Total Cost Estimate</b>	<b>\$ 4,992,486</b>	<b>\$ 5,106,675</b>	2.29%

#### PERCENTAGE CHANGE IN COSTS

##### Labor Cost Component Adjustment Factors

##### Wages for Direct Labor

Updated direct labor cost per ton	\$ 5.55	\$ 5.70
Adjustment Factor for Wages Direct Labor	1.027	1.027
% Increase	2.69%	2.65%

##### Benefits for Direct Labor

Updated annual benefit cost per ton	\$ 2.82	\$ 2.89
Adjustment Factor for Benefits	1.027	1.027
% Increase	2.69%	2.65%

One Time True Up (Rate Year 2015)

##### Workers Compensation Insurance for Direct Labor

Updated annual benefit cost per ton	\$ 0.74	\$ 0.75
Adjustment Factor	1.018	1.021

##### Payroll Taxes for Direct Labor

Updated Paryoll Tax cost per Ton	\$ 0.48	\$ 0.50
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**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2022**

**D. Compensation Adjustment - Transfer Station**

	Year 11	Year 12
<b>357,725.0</b>	<b>2021</b>	<b>2022</b>
	<b>Cost / Ton</b>	<b>Cost / Ton</b>
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
Power Adjustment		
Updated Power cost per ton	\$ 0.91	\$ 0.92
Adjustment Factor	1.062	1.013
Fuel Adjustment		
Updated Fuel cost per ton	\$ 0.25	\$ 0.26
Adjustment Factor	0.832	1.010
Depreciation		
Updated Depreciation cost per ton	\$ -	\$ -
Adjustment Factor (No adjustment after Year 1)	1.000	1.000
Other Operating & Maintenance		
Updated Other cost per ton	\$ 1.88	\$ 1.90
Adjustment Factor @ 80% of Index	1.014	1.012

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2022**

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

	74,022	Year 11 2021 Cost / Ton	Year 12 2022 Cost / Ton	Increase
Direct Labor - CBA				
Wages		\$ 20.89	\$ 21.45	2.65%
Benefits		\$ 11.07	\$ 11.36	2.65%
Workers Comp		\$ 2.92	\$ 2.98	2.15%
PR Tax		\$ 2.01	\$ 2.06	2.65%
<b>Total CBA Labor Cost</b>		<b>\$ 36.89</b>	<b>\$ 37.85</b>	2.61%
Third Party Wages & Benefits (VRS)		\$ 24.19	\$ 26.94	11.35%
Power		\$ 5.28	\$ 5.35	1.26%
Fuel		\$ 0.55	\$ 0.55	0.99%
Depreciation		\$ -	\$ -	0.00%
Other O&M		\$ 17.89	\$ 18.10	1.20%
Clerical CBA Wages & Benefits		\$ 2.05	\$ 2.11	2.65%
<b>Total Operating</b>		<b>\$ 86.86</b>	<b>\$ 90.91</b>	4.66%
Profit		\$ 6.67	\$ 6.98	4.66%
Profit %		7.7%	7.7%	0.00%
<b>Total Operating Cost Per Ton (excluding residue)</b>		<b>\$ 93.53</b>	<b>\$ 97.89</b>	4.66%
<i>% Increase</i>		<i>0.49%</i>	<i>4.66%</i>	
<b>Total Estimated Operator Cost (excluding residue)</b>		<b>\$ 6,923,150</b>	<b>\$ 7,246,029</b>	4.66%
<b><u>MRF Residue Paid by SBR</u></b>				
MRF Residue Tons		6,800	6,800	
Disposal Tip Fee @ Ox Mtn.		\$ 53.64	\$ 56.32	5.00%
Disposal Fees		\$ 4.93	\$ 5.17	5.00%
Transfer & Haul		\$ 1.04	\$ 1.07	2.33%
Total MRF Residue expense		\$ 5.97	\$ 6.24	4.53%
<b>Total Cost with MRF Residue</b>		<b>\$ 99.50</b>	<b>\$ 104.13</b>	4.66%

**PERCENTAGE CHANGE IN COSTS**

Labor Cost Component Adjustment Factors

Updated annual labor for direct labor	\$ 20.89	\$ 21.45
Adjustment Factor	1.027	1.027
% Increase	2.69%	2.65%

Benefits for Direct Labor

Updated annual benefit cost per ton	\$ 11.07	\$ 11.36
Adjustment Factor	1.027	1.027
% Increase	2.69%	2.65%

One Time True Up (Rate Year 2015)

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2022**

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

	74,022	Year 11 2021 Cost / Ton	Year 12 2022 Cost / Ton
<b>Workers Compensation Insurance for Direct Labor</b>			
Updated annual benefit Costs		\$ 2.92	\$ 2.98
Adjustment Factor		1.018	1.021
<b>Payroll Taxes for Direct Labor</b>			
Updated Payroll Tax cost per ton		\$ 2.01	\$ 2.06
Total Payroll Tax Rate %		9.61%	9.61%
Federal Social Security & Medicare tax rates		9.61%	9.61%
Adjustment Factor		1.000	1.000
<b>Labor &amp; Benefits Component Adjustment Factor - non-CBA labor (VRS)</b>			
Updated annual costs		\$ 24.19	\$ 26.94
Adjustment			
Adjustment Factor			
<b>Power Adjustment</b>			
Updated Power cost per ton		\$ 5.28	\$ 5.35
Adjustment Factor		1.062	1.013
<i>blend of PGE rate and solar rate</i>			
<b>Fuel Adjustment</b>			
Updated Fuel Costs		\$ 0.55	\$ 0.55
Adjustment Factor		0.832	1.010
<b>Depreciation</b>			
Updated Depr cost per ton		\$ -	\$ -
Adjustment Factor (No adjustment after Year 1)		1.00	1.00
<b>Other Operating &amp; Maintenance</b>			
Updated Other cost per ton		\$ 17.89	\$ 18.10
Adjustment Factor @ 80% of Index		1.014	1.012
% Change in underlying index		1.79%	1.50%
<b>MRF Load Contamination</b>			
Plant Materials & Organics Contamination		\$ 35.18	\$ 36.82
		\$ 9.85	\$ 10.31



**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2022**

**F. Compensation Adjustment - Transportation**

	Year 11		Year 12	
	2021		2022	
	Adjustment Factor	Per Ton-Mile	Adjustment Factor	Per Ton-Mile
Solid Waste Transport Fee - Ox Mtn.	-5.6%	\$ 1.24	2.3%	\$ 1.27
Inert Transport Fee - Ox Mtn.	-5.6%	\$ 1.27	2.3%	\$ 1.30
C&D Transport Fee - Zanker	-4.7%	\$ 0.93	2.3%	\$ 0.95
Plant Matls Trans Fee - Newby	-5.0%	\$ 0.75	2.3%	\$ 0.77
Plant Matls Trans Fee - Grover	-6.0%	\$ 0.46	2.3%	\$ 0.47
Organic Matl Trans Fee - Newby	-3.8%	\$ 0.93	2.3%	\$ 0.95
Organic Matl Trans Fee - Grover	-6.0%	\$ 0.51	2.3%	\$ 0.52
Biomass Trans Fee - Biofuel		\$ 0.61		\$ 0.63
Plant Matls Trans Fee - Zanker		\$ 0.75		\$ 0.77
<b>Blended Total</b>	<b>-5.5%</b>	<b>\$ 1.10</b>	<b>2.3%</b>	<b>\$ 1.13</b>
<b>Total Cost Estimate</b>		<b>\$ 6,665,796</b>		<b>\$ 6,820,485</b>
<b>Cost / Ton</b>		<b>\$ 18.63</b>		<b>\$ 19.07</b>
<b>Total Cost Increase %</b>		<b>-5.5%</b>		<b>2.3%</b>

**Direct Labor Component for All Transport Fees**

Wages for CBA Labor	1.027	\$ 1,850,817	1.027	\$ 1,899,927
Benefits for CBA Labor	1.027	\$ 790,189	1.027	\$ 811,156
WC Insurance	1.018	\$ 193,672	1.021	\$ 197,836
Payroll Taxes	1.000	\$ 156,584	1.000	\$ 160,739
<b>Total Cost Estimate (SW to Ox)</b>	<b>1.0263</b>	<b>\$ 2,991,262</b>	<b>1.0262</b>	<b>\$ 3,069,658</b>
Cost/Ton		\$ 11.47		\$ 11.77
Adjusted Labor for MSW Transport Fee (cost/ton-mile)	1.026	\$ 0.882	1.026	\$ 0.905

**Solid Waste Transport Fee (OX)**

Labor component	1.026	\$ 0.8822	1.026	\$ 0.9053
Fuel	0.832	\$ 0.0424	1.010	\$ 0.0428
Depreciation	1.000	\$ -	1.000	\$ -
Other O&M Component	1.014	\$ 0.1891	1.012	\$ 0.1914
Clerical CBA wages & benefits	1.027	\$ 0.0290	1.027	\$ 0.0298
<b>Total Operating Cost</b>		<b>\$ 1.1427</b>		<b>\$ 1.1693</b>
Profit per Operating Ratio		\$ 0.0980		\$ 0.1003
<b>Total SW Transportation Fee</b>	<b>-5.6%</b>	<b>\$ 1.24075</b>	<b>2.3%</b>	<b>\$ 1.26961</b>

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2022**

**F. Compensation Adjustment - Transportation**

	Year 11		Year 12	
	2021		2022	
	Adjustment Factor	Per Ton-Mile	Adjustment Factor	Per Ton-Mile
<b>Inert Transport Fee - OX Mtn.</b>				
Labor component	1.026	\$ 0.841	1.026	\$ 0.863
Fuel	0.832	\$ 0.047	1.010	\$ 0.047
Depreciation	1.000	\$ -	1.000	\$ -
Other O&M Component	1.014	\$ 0.238	1.012	\$ 0.240
Clerical CBA wages & benefits				
Clerical CBA wages & benefits	1.027	\$ 0.037	1.027	\$ 0.038
<b>Total Operating Cost</b>		<b>\$ 1.162</b>		<b>\$ 1.189</b>
Profit per Operating Ratio		\$ 0.111		\$ 0.113
<b>Total Inert Transportation Fee</b>	<b>-5.6%</b>	<b>\$ 1.273</b>	<b>2.3%</b>	<b>\$ 1.302</b>

**C&D Transport Fee - Zanker Road**

Labor component	1.026	\$ 0.6618	1.026	\$ 0.6792
Fuel	0.832	\$ 0.0430	1.010	\$ 0.0435
Depreciation	1.000	\$ -	-	\$ -
Other O&M Component	1.014	\$ 0.1295	1.012	\$ 0.1311
Clerical CBA wages & benefits	1.027	\$ 0.0199	1.027	\$ 0.0204
<b>Total Operating Cost</b>		<b>\$ 0.8543</b>		<b>\$ 0.8741</b>
Profit per Operating Ratio		\$ 0.0783		\$ 0.0802
<b>Total C&amp;D Transportation Fee</b>	<b>-4.7%</b>	<b>\$ 0.93262</b>	<b>2.3%</b>	<b>\$ 0.95429</b>

**Plant Materials Transport Fee - Newby Is**

Labor component	1.026	\$ 0.5205	1.026	\$ 0.5341
Fuel	0.832	\$ 0.0359	1.010	\$ 0.0363
Depreciation	1.000	\$ -	-	\$ -
Other O&M Component	1.014	\$ 0.1155	1.012	\$ 0.1168
Clerical CBA wages & benefits	1.027	\$ 0.0177	1.027	\$ 0.0182
<b>Total Operating Cost</b>		<b>\$ 0.6896</b>		<b>\$ 0.7054</b>
Profit per Operating Ratio		\$ 0.0616		\$ 0.0630
<b>Total Plant Material Transportation Fee</b>	<b>-5.0%</b>	<b>\$ 0.75118</b>	<b>2.3%</b>	<b>\$ 0.76845</b>

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2022**

**F. Compensation Adjustment - Transportation**

Year 11		Year 12	
2021		2022	
Adjustment Factor	Per Ton-Mile	Adjustment Factor	Per Ton-Mile

**Plant Materials Transport Fee - Grover**

Labor component	1.026	\$ 0.3090	1.026	\$ 0.3171
Fuel	0.832	\$ 0.0359	1.010	\$ 0.0362
Depreciation	1.000	\$ -	-	\$ -
Other O&M Component	1.014	\$ 0.0633	1.012	\$ 0.0640
Clerical CBA wages & benefits	1.027	\$ 0.0097	1.027	\$ 0.0100
<b>Total Operating Cost</b>		<b>\$ 0.4179</b>		<b>\$ 0.4274</b>
Profit per Operating Ratio		\$ 0.0373		\$ 0.0382
<b>Total Plant Material Transportation Fee</b>	<b>-6.0%</b>	<b>\$ 0.45526</b>	<b>2.3%</b>	<b>\$ 0.46557</b>

**Organic Material Transport Fee - Newby Is**

Labor component	1.026	\$ 0.6506	1.026	\$ 0.6676
Fuel	0.832	\$ 0.0394	1.010	\$ 0.0398
Depreciation	1.000	\$ -	-	\$ -
Other O&M Component	1.014	\$ 0.1250	1.012	\$ 0.1265
Clerical CBA wages & benefits	1.027	\$ 0.0192	1.027	\$ 0.0197
<b>Total Operating Cost</b>		<b>\$ 0.8342</b>		<b>\$ 0.8537</b>
Profit per Operating Ratio		\$ 0.0979		\$ 0.1002
<b>Total Organic Material Transportation Fee</b>	<b>-3.8%</b>	<b>\$ 0.93212</b>	<b>2.3%</b>	<b>\$ 0.95385</b>

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2022**

**F. Compensation Adjustment - Transportation**

	Year 11		Year 12	
	2021		2022	
	Adjustment Factor	Per Ton-Mile	Adjustment Factor	Per Ton-Mile
<b>Organic Material Transport Fee - Grover</b>				
Labor component	1.026	\$ 0.3368	1.026	\$ 0.3456
Fuel	0.832	\$ 0.0391	1.010	\$ 0.0395
Depreciation	1.000	\$ -	-	\$ -
Other O&M Component	1.014	\$ 0.0689	1.012	\$ 0.0698
Clerical CBA wages & benefits	1.027	\$ 0.0106	1.027	\$ 0.0109
<b>Total Operating Cost</b>		<b>\$ 0.4555</b>		<b>\$ 0.4658</b>
Profit per Operating Ratio		\$ 0.0534		\$ 0.0546
<b>Total Organic Material Transportation Fee</b>	<b>-6.0%</b>	<b>\$ 0.50889</b>	<b>2.3%</b>	<b>\$ 0.52042</b>

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**Plant Materials Transport Fee - Zanker Road**

Labor component	1.026	\$ 0.5205	1.026	\$ 0.5341
Fuel	0.832	\$ 0.0359	1.010	\$ 0.0363
Depreciation	1.000		-	\$ -
Other O&M Component	1.014	\$ 0.1155	1.012	\$ 0.1168
Clerical CBA wages & benefits	1.027	\$ 0.0177	1.027	\$ 0.0182
<b>Total Operating Cost</b>		<b>\$ 0.6896</b>		<b>\$ 0.7054</b>
Profit per Operating Ratio		\$ 0.0616		\$ 0.0630
<b>Total Plant Material Transportation Fee</b>	<b>-4.9%</b>	<b>\$ 0.75118</b>	<b>2.3%</b>	<b>\$ 0.76845</b>

**SOUTH BAY RECYCLING, LLC**  
**Compensation Adjustment Application for I**  
**G. Indexes**

Year 11 2021	Year 12 2022
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**Workers Compensation**

Use- Factor	1.018	1.021
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**Direct Labor**

Use- Factor	1.027	1.027
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**Fuel**

Use- Factor	0.832	1.010
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**Other O&M**

Use- Factor	1.018	1.015
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**Depreciation**

Use- Factor	1.000	1.000
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# SOUTH BAY RECYCLING, LLC

## Compensation Adjustment Application for Rate Year 2022

### 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

Average Index  
% Change  
Q1  
Q2  
Q3  
Q4

2020	2021
136.05	138.98
1.83%	2.15%
136.90	140.30
138.00	
138.50	
139.10	

*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

Index 1ST QTR  
% Change  
Q1  
Q2  
Q3  
Q4

2020	2021
138.50	142.18
2.69%	2.65%
140.10	144.10
140.60	
141.40	
142.60	

# SOUTH BAY RECYCLING, LLC

## Compensation Adjustment Application for Rate Year 2022

### H. Department of Labor Index Detail

*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

Avg Index Apr

% Change

Jan

Feb

Mar

Apr

May

Jun

Jul

Aug

Sep

Oct

Nov

Dec

	2020	2021
Avg Index Apr	205.34	207.37
% Change	-16.78%	0.99%
Jan	214.50	232.90
Feb	194.10	264.40
Mar	171.60	304.10
Apr	124.20	280.20
May	108.30	
Jun	137.80	
Jul	179.20	
Aug	191.00	
Sep	177.50	
Oct	187.30	
Nov	201.10	
Dec	224.60	

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2022**

**H. Department of Labor Index Detail**

*Index for 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**

Avg Index April  
% Change  
Jan  
Feb  
Mar  
Apr  
May  
Jun  
Jul  
Aug  
Sep  
Oct  
Nov  
Dec

	<b>2020</b>	<b>2021</b>
Avg Index April	257.07	260.93
% Change	1.79%	1.50%
Jan	257.97	261.58
Feb	258.68	263.01
Mar	258.12	264.88
Apr	256.39	267.05
May	256.39	
Jun	257.80	
Jul	259.10	
Aug	259.92	
Sep	260.28	
Oct	260.39	
Nov	260.23	
Dec	260.47	
	1.43%	1.20%



# SOUTH BAY RECYCLING, LLC

## Compensation Adjustment Application for Rate Year 2022

### I. Electric Power and Solar Cost

<b>PG&amp;E</b>	Actual	Actual
	Use	Use
Year	<b>Apr-20</b>	<b>Apr-21</b>
Total Bill	\$ 25,187	\$ 30,635
KWH	437,693	491,382
Rate / KWH	\$ 0.058	\$ 0.062
% increase from Prior Yr.	8.74%	7.18%
Adjustment Factor	1.087	1.072

<b>ISH (Solar)</b>	Actual	Actual
	Use	Use
Year	<b>Apr-20</b>	<b>Apr-21</b>
Total Bill	\$ 19,508	\$ 18,200
KWH	81,049	73,412
Rate / KWH	\$ 0.241	\$ 0.248
% increase vs. Prior Yr.	3.0%	3.0%
Adjustment Factor	1.03	1.03

<b>Blended</b>	Actual	Actual
	Use	Use
Year	<b>Apr-20</b>	<b>Apr-21</b>
Total Bill	\$ 44,694	\$ 48,835
KWH	518,742	564,794
Rate / KWH	\$ 0.086	\$ 0.086
% increase vs. Prior Yr.	6.2%	1.3%
Adjustment Factor	1.062	1.013

**SOUTH BAY RECYCLING, LLC**  
**Compensation Adjustment Application for Rate Year 2022**  
**J. CBA Wages & Benefits**

BASE						Actual 2021 Rates		Actual 2022 Rates	
<b>TRANSFER STATION</b>									
<b>Direct Labor</b>	<u>FTE</u>	<u>Reg Hrs</u>	<u>OT Hrs</u>	<u>Hourly Rate</u>	<u>Annual Cost</u>				
Leads	1.0	2,080	390	\$33.34	\$88,851.10	\$ 48.25	\$ 128,581	\$ 49.53	\$ 131,993
Scale Operator	3.0	6,240	1,170	\$31.75	\$253,841.25	\$ 45.95	\$ 367,376	\$ 47.17	\$ 377,124
Spotter <sup>2</sup>	5.0	10,400	780			\$ 31.99	\$ 370,110	\$ 32.84	\$ 379,930
Sorter <sup>2</sup>	6.0	12,480	3,120			\$ 25.45	\$ 436,715	\$ 26.12	\$ 448,303
Equipment Operator-Lead	2.0	4,160	624		\$0.00	\$ 50.39	\$ 256,800	\$ 51.73	\$ 263,614
Equipment Operator	3.0	6,240	936	\$33.16	\$253,475.04	\$ 47.99	\$ 366,828	\$ 49.26	\$ 376,561
Personal Day Adjustment							\$ 14,870		\$ 15,264
True Up						\$ -		\$ -	
<b>Total</b>	<b>20.0</b>	<b>74,880</b>	<b>12,480</b>		<b>\$ 1,283,084</b>		<b>2.69%</b>		<b>2.65%</b>

<b>MRF</b>									
<b>Direct Labor</b>	<u>FTE</u>	<u>Reg Hrs</u>	<u>OT Hrs</u>	<u>Hourly Rate</u>	<u>Annual Cost</u>				
Scale Operator - Lead	2	4160	0	33.34	138694.4	\$ 48.25	\$ 200,712	\$ 49.53	\$ 206,038
Equipment Operator-Lead	2.0	4,160	0		\$0.00	\$ 45.95	\$ 769,398	\$ 47.17	\$ 789,813
Equipment Operator	7.0	14,560	1,456	\$31.75	\$531,622.00	\$ 48.28	\$ 100,430	\$ 49.56	\$ 103,095
MRF Mechanic	1.0	2,080	0	\$33.36	\$69,388.80	\$ 41.41	\$ 86,142	\$ 42.51	\$ 88,428
PM Technician	1.0	2,080	0	\$28.80	\$59,904.00	\$ 31.99	\$ 66,537	\$ 32.84	\$ 68,302
Utility <sup>2</sup>	1.0	2,080	0			\$ 31.99	\$ 66,537	\$ 32.84	\$ 68,302
Spotter <sup>2</sup>	1.0	2,080	0			\$ 32.13	\$ 227,224	\$ 32.98	\$ 233,253
Buyback Attendant	2.2	4,576	1,664	\$22.20	\$156,998.40		\$ 12,850		\$ 13,191
Personal Day Adjustment							\$ -		\$ -
True Up						\$ -		\$ -	
<b>Total</b>	<b>15.2</b>	<b>35,776</b>	<b>3,120</b>		<b>\$ 1,048,544</b>		<b>2.69%</b>		<b>2.65%</b>

<b>TRANSPORT</b>									
<b>Direct Labor</b>		<u>Reg Hrs</u>	<u>OT Hrs</u>	<u>Hourly Rate</u>	<u>Annual Cost</u>				
Semi-Driver	20.0	41,600	6,344	\$ 34.21	1,748,678	\$ 47.99	\$ 2,453,063	\$ 49.26	\$ 2,518,153
Mechanic	1.6	3,250	-	\$ 33.36	108,407	\$ 46.50	\$ 151,109	\$ 47.73	\$ 155,119
PM Technician	-	-	-	\$ 28.80	-	\$ 41.01	\$ -	\$ 42.10	\$ -
Personal Day Adjustment							\$ 20,649		\$ 21,197
True Up							\$ -		\$ -
<b>Total</b>		<b>44,850</b>	<b>6,344</b>		<b>1,857,085</b>		<b>2.69%</b>		<b>2.65%</b>

BENEFITS		/ month	/ hour	/ month	/ hour	/ month	/ hour
Plant & Transportation Operations	Medical	\$1,361.00	\$7.85	\$ 2,301.07	\$ 13.28	\$ 2,362.12	\$ 13.63
	RSP	\$268.62	\$1.55	\$ 597.09	\$ 3.44	\$ 612.94	\$ 3.54
	IP	\$4.90	\$0.03	\$ 5.77	\$ 0.03	\$ 5.93	\$ 0.03
	Peer-84	\$667.33	\$3.85	\$ 1,204.93	\$ 6.95	\$ 1,236.90	\$ 7.14
Total TS & Recycling			<b>\$ 13.28</b>		<b>\$ 23.70</b>		<b>\$ 24.33</b>
True Up					\$ -		\$ -
					<b>2.69%</b>		<b>2.65%</b>

<b>One-Time True-Up</b>									
Total Teamster		\$ 13.28		\$ 23.70		\$ 24.33			
<b>USE FOR TRANSFER STATION</b>				<b>2.69%</b>		<b>2.65%</b>			

<b>One Time True-Up 2015</b>									
Total Teamster		\$ 13.09		\$ 23.70		\$ 24.33			
<b>USE FOR MRF</b>				<b>2.69%</b>		<b>2.65%</b>			

<b>One Time True-Up 2015</b>									
Total Teamster		\$ 12.97		\$ 23.70		\$ -			
<b>USE FOR TRANSPORTATION</b>				<b>2.69%</b>		<b>0.00%</b>			

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2022**

**K. Clerical CBA Wages & Benefits**

BASE					Actual 2021 Rates		Actual 2022 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			\$ 37.38	\$ 84,764	\$ 38.37	\$ 87,014
A/P Coordinator	2,080.00	125.00			\$ 30.26	\$ 68,622	\$ 31.07	\$ 70,442
Admin Assistant	2,080.00	125.00			\$ 29.69	\$ 67,319	\$ 30.48	\$ 69,105
Dispatcher	2,080.00	125.00			\$ 31.14	\$ 70,604	\$ 31.96	\$ 72,477
Total Hours	<b>8,320.00</b>	<b>500.00</b>				\$ -		\$ -
					Total	\$ 291,309	Total	\$ 299,038
<b>2009 Base Totals</b>	<b>6,240.00</b>	<b>1,170.00</b>		<b>\$119,951.65</b>		2.7%		2.7%

2009 BASE							
Transfer	33.33%	\$ 39,984		33.33%	\$ 97,103	33.33%	\$ 99,679
MRF	33.33%	\$ 39,984		33.33%	\$ 97,103	33.33%	\$ 99,679
Transportation	33.33%	\$ 39,984		33.33%	\$ 97,103	33.33%	\$ 99,679

BENEFITS		/ month	/ hour	CPI Adjust	/ hour	CPI Adjust	/ hour
Clerical Unit	Medical	\$ 1,139.00	\$ 6.57	\$ 2,244.58	\$ 12.95	\$ 2,304.14	\$ 13.29
	Peer-84	\$ -	\$ -	\$ 624.50	\$ 3.60	\$ 641.07	\$ 3.70
	RSP	\$ -	\$ -	\$ 556.76	\$ 3.21	\$ 571.53	\$ 3.30
	IP	\$ -	\$ -	\$ 5.88	\$ 0.03	\$ 6.04	\$ 0.03
				True Up	\$ -	True Up	\$ -
	Total	\$ 6.57		Total	\$ 19.80	Total	\$ 20.32
					\$ -		\$ -
					2.7%		2.7%

<b>Total H&amp;W, Pension / Hr</b>	\$ 2.19	\$ 6.60	\$ 6.77
<b>USE FOR TRANSFER STATION</b>		2.69%	2.65%

<b>Total H&amp;W, Pension / Hr</b>	\$ 2.19	\$ 6.60	\$ 6.77
<b>USE FOR MRF</b>		2.69%	2.65%

<b>Total H&amp;W, Pension / Hr</b>	\$ 2.19	\$ 6.60	\$ 6.77
<b>USE FOR TRANSPORTATION</b>		2.69%	2.65%

<b>Total Wages + Benefits for G&amp;A Group</b>			
Transfer Station	\$ 53,651.88	\$ 152,010.42	\$ 156,043.90
MRF	\$ 53,651.88	\$ 152,010.42	\$ 156,043.90
Transportation	\$ 53,651.88	\$ 152,010.42	\$ 156,043.90
<b>%</b>		<b>2.69%</b>	<b>2.65%</b>

**SOUTH BAY RECYCLING, LLC**

**Compensation Adjustment Application for Rate Year 2022**

**L. VRS PROGRAM COST**

	2021	2022
<b>SEP Clients</b>		
Regular Hours	50,688	50,688
Overtime Hours	6,336	6,336
Holidays	826	826
<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	886,638	898,560
Client Wages-Overime	166,245	168,480
Client Wages-Holiday	13,641	13,824
Client Seasonal-Regular	13,732	13,824
Client Seasonal-Overtime	2,575	2,592
Client Seasonal-Holiday	1,037	1,037
<b>Subtotal Clients</b>	<b>\$ 1,083,867.69</b>	<b>\$ 1,098,316.80</b>
<b>Supervision</b>	424,690	433,828
Overhead Fee	125,453	205,286
Regulatory Fee	156,816	256,608
<b>Administration Fee</b>	<b>\$ 282,268.80</b>	<b>\$ 461,894.40</b>
<b>Total Program Expense</b>	<b>\$ 1,790,826.87</b>	<b>\$ 1,994,038.83</b>
<b>Total Program Cost/Ton</b>	<b>\$ 24.19</b>	<b>\$ 26.94</b>

11%

**SOUTH BAY RECYCLING, LLC**  
**Compensation Adjustment Application for Rate Year 2022**  
**M. Power Allocation Usage Worksheet**

	April 2020 Actual			April 2021 Actual		
	KWH	Rate/KWH		KWH	Rate/KWH	
PG&E						
Customer Charge	30.00	\$ 23.6550	\$ 709.65	30.00	\$ 27.5771	\$ 827.31
Max Part Peak	601.20	\$ 0.1400	\$ 84.17	520.80	\$ 1.7200	\$ 895.78
Max Demand	601.20	\$ 20.5500	\$ 12,354.66	639.60	\$ 22.7700	\$ 14,563.69
Partial Peak (2011-2020) Peak (2021-)	72,498.00	\$ 0.1164	\$ 8,438.77	6,897.63	\$ 0.1383	\$ 953.94
Off Peak & Super Off Peak	31,915.00	\$ 0.0994	\$ 3,172.99	88,766.97	\$ 0.0858	\$ 7,619.42
Power Factor Adjustment			\$ 36.54			\$ -
Generation Credit	104,413.00	\$ (0.0883)	\$ (9,222.47)	95,664.60	\$ (0.0770)	\$ (7,361.73)
Power Charge Indifference Adjustment	104,413.00	\$ 0.0265	\$ 2,763.83	95,664.60	\$ 0.0453	\$ 4,337.43
Franchise Fee Surcharge			\$ 67.87			\$ 44.01
Generation Off Peak & Super Off Peak	31,915.50	\$ 0.0454	\$ 1,449.92	88,766.97	0.0379	\$ 3,363.13
Generation Part Peak (2011-2020) On Peak (2021-)	72,498.00	\$ 0.0618	\$ 4,479.65	6,897.63	0.0655	\$ 451.52
Energy Commission Surcharge			\$ 31.32			\$ 28.70
<b>Total Bill</b>	<b>418,884.90</b>	<b>\$ 0.0582</b>	<b>\$ 24,366.90</b>	<b>383,848.81</b>	<b>\$ 0.0670</b>	<b>\$ 25,723.20</b>
ISH Solar						
Transfer Station (333)	28,656.21	\$ 0.2407	\$ 6,897.26	45,808.11	\$ 0.2479	\$ 11,356.29
MRF (225)	44,755.80	\$ 0.2407	\$ 10,772.27	60,446.36	\$ 0.2479	\$ 14,985.26
<b>Total ISH Solar</b>	<b>73,412.01</b>	<b>\$ 0.2407</b>	<b>\$ 17,669.53</b>	<b>106,254.47</b>	<b>\$ 0.2479</b>	<b>\$ 26,341.55</b>
<b>Blended</b>	<b>492,296.91</b>	<b>\$ 0.0854</b>	<b>42,036.43</b>	<b>490,103.28</b>	<b>\$ 0.1062</b>	<b>52,064.75</b>

April 2021 SBWMA Usage				
PG&E				
Customer Charge	30.00	\$	27.5771	827.31
Max Part Peak	601.20	\$	1.7200	1,034.06
Max Demand	601.20	\$	22.7700	13,689.32
Partial Peak (2011-2020) Peak (2021-)	104,413.00	\$	0.0896	9,357.38
Off Peak & Super Off Peak				
Power Factor Adjustment				
Generation Credit	104,413.00	\$	(0.0770)	(8,034.95)
Power Charge Indifference Adjustment	104,413.00	\$	0.0453	4,734.08
Franchise Fee Surcharge				51.86
Generation Off Peak & Super Off Peak	104,413.00	\$	0.0399	4,163.49
Generation Part Peak (2011-2020) On Peak (2021-)	72,498.00	\$	0.0655	4,745.73
Energy Commission Surcharge				67.03
<b>Total Bill</b>	<b>491,382.40</b>	<b>\$</b>	<b>0.0623</b>	<b>\$ 30,635.33 7.18%</b>
ISH Solar				
Transfer Sta	28,656.21	\$	0.2479	7,104.16
MRF	44,755.80	\$	0.2479	11,095.41
<b>Total ISH Solar</b>	<b>73,412.01</b>	<b>\$</b>	<b>0.2479</b>	<b>\$ 18,199.57 3.00%</b>
<b>Blended</b>	<b>564,794.41</b>	<b>\$</b>	<b>0.0865</b>	<b>48,834.90 1.26%</b>