

May 5th 2023 Submission Updates to Recology's Initial Refuse Rate Change Request (Submitted March 7th, 2023)

Updates received by the Refuse Rate Administrator 4/29/23 – 5/05/23

This document includes all non-confidential refuse rate change request submission files which Recology has provided to the Refuse Rate Administrator (RRA) during the week of 4/29/23 – 5/05/23 in response to the RRA's ongoing review and requests. The RRA plans to post additional submissions on a weekly basis as they are received.

Recology submitted the following items and exhibits during the week of 4/29/23 – 5/05/23:

- Schedule C.1 Ratepayer Revenue
- Schedule J.2 Detailed Capital And Lease Expenses
- Schedule O.1 Professional Services Expenses
- Recology Letter To KPMG Regarding 2022 Reconciliation Agreed Upon Procedures
- KPMG 2022 Reconciliation Agreed Upon Procedures For Recology San Francisco and Recology Sunset Scavenger Golden Gate
- Recology Staff Email "Re: Update About Your Recology Employee Stock Ownership Plan (ESOP)"
- Health & Retirement Benefits for Employees of Recology Golden Gate, Recology Sunset Scavenger, and Recology San Francisco
- Contamination Fees Summary

Ratepayer Revenue						
<i>Schedule C.1 <Accrual basis in accounting></i>						
	RYE 6/30/20 Actuals	RYE 6/30/21 Actuals	RYE 9/30/22 Actuals	RYE 9/30/23 Projection	RYE 9/30/24 New Rate Yr 1	RYE 9/30/24 New Rate Yr 2
Total					Revenue at Current Rates	Revenue at Current Rates
Commercial	\$167,469,982	\$135,980,228	152,216,276	164,978,094	168,277,656	178,282,796
Residential (5 Units or less)	\$89,501,146	\$91,878,716	92,949,246	99,029,864	101,010,462	107,044,851
Residential (6-599 Units)	\$68,954,763	\$74,021,300	75,437,514	81,309,940	82,936,139	87,890,764
Total Ratepayer Revenue	\$325,925,891	\$301,880,244	320,603,036	345,317,899	352,224,256	373,218,411

Type of Vehicle/Equipment operating at the end of each year

RY2021	
Type of Vehicle/Equipment	Count of Vehicle/Equipment
Container Truck	5
Forklift	15
Front Loader	27
Office Vehicle	49
Rear Loader	58
Rear Loader, Split	23
Roll Off	44
Service Truck	2
Side Loader	86
Side Loader, Split	134
Special Flatbed	19
Total	462

RY2024	
Type of Vehicle/Equipment	Count of Vehicle/Equipment
Container Truck	7
Forklift	12
Front Loader	28
Office Vehicle	43
Pick Up	4
Rear Loader	60
Rear Loader, Split	24
Roll Off	39
Service Truck	2
Side Loader	95
Side Loader, Split	132
Special Flatbed	17
Total	463

RY2022	
Type of Vehicle/Equipment	Count of Vehicle/Equipment
Container Truck	6
Forklift	15
Front Loader	28
Office Vehicle	47
Rear Loader	55
Rear Loader, Split	22
Roll Off	42
Service Truck	2
Side Loader	84
Side Loader, Split	138
Special Flatbed	19
Total	458

RY2025	
Type of Vehicle/Equipment	Count of Vehicle/Equipment
Container Truck	7
Forklift	12
Front Loader	28
Office Vehicle	43
Pick Up	4
Rear Loader	60
Rear Loader, Split	24
Roll Off	40
Service Truck	2
Side Loader	98
Side Loader, Split	129
Special Flatbed	17
Total	464

RY2023	
Type of Vehicle/Equipment	Count of Vehicle/Equipment
Container Truck	7
Forklift	12
Front Loader	27
Office Vehicle	47
Rear Loader	51
Rear Loader, Split	24
Roll Off	39
Service Truck	2
Side Loader	95
Side Loader, Split	131
Special Flatbed	17
Total	452

Professional Services Expenses <small>Schedule O.1 - Accrual basis in accounting</small>	RYE 6/30/20				RYE 6/30/21				RYE 6/30/22				RYE 6/30/23 Projected				RYE 9/30/24 New Rate Yr 1				RYE 9/30/25 New Rate Yr 2			
	Performing Company	Requesting Company	FTEs	Actuals	Performing Company	Requesting Company	FTEs	Actuals	Performing Company	Requesting Company	FTEs	Actuals	Performing Company	Requesting Company	FTEs	Projections	Performing Company	Requesting Company	FTEs	Projections	Performing Company	Requesting Company	FTEs	Application Yr 2
	Refuse Collection	N/A	N/A	N/A	\$ 241,548	N/A	N/A	N/A	\$ 175,791	N/A	N/A	N/A	\$ 179,150	N/A	N/A	N/A	\$ 395,229	N/A	N/A	N/A	\$ 260,461	N/A	N/A	N/A
Accounting Fees	N/A	N/A	N/A	\$ 16,265	N/A	N/A	N/A	\$ 15,796	N/A	N/A	N/A	\$ 16,720	N/A	N/A	N/A	\$ 16,400	N/A	N/A	N/A	\$ 117,000	N/A	N/A	N/A	\$ 117,521
Engineering Fees	N/A	N/A	N/A	1,748,167	N/A	N/A	N/A	2,802,047	N/A	N/A	N/A	1,205,521	N/A	N/A	N/A	1,239,662	N/A	N/A	N/A	1,556,582	N/A	N/A	N/A	1,644,671
Legal Fees	N/A	N/A	N/A	1,892,748	N/A	N/A	N/A	1,161,171	N/A	N/A	N/A	1,030,343	N/A	N/A	N/A	735,127	N/A	N/A	N/A	868,360	N/A	N/A	N/A	1,587,706
Other Professional Fees	N/A	N/A	N/A		N/A	N/A	N/A		N/A	N/A	N/A		N/A	N/A	N/A		N/A	N/A	N/A		N/A	N/A	N/A	
Total				\$ 3,898,648				\$ 4,154,795				\$ 2,431,734				\$ 2,356,417				\$ 3,202,466				\$ 4,016,311



May 5, 2023

KPMG LLP

55 Second Street, Suite 1400

San Francisco, California 94105

Ladies and Gentlemen:

In connection with your engagement to perform agreed-upon procedures to assist in reconciling certain amounts in the audited combined financial statements of Sunset Scavenger Company, Golden Gate Disposal & Recycling Company, and Recology San Francisco for the 12 months ended September 30, 2022, to certain amounts in rate reports, we confirm, to the best of our knowledge and belief, as of May 5, 2023 the following representations made to you during your agreed-upon procedures engagement:

1. We Recology San Francisco Companies acknowledge our responsibility for compiling and providing the rate report tables.
2. We agree to the procedures performed and acknowledge that they are appropriate for the intended purpose of the engagement to assist in reconciling certain amounts in the audited combined financial statements of Sunset Scavenger Company, Golden Gate Disposal & Recycling Company, and Recology San Francisco for the 12 months ended September 30, 2022, to certain amounts in rate reports.
3. We Recology San Francisco Companies obtained, from all necessary parties, agreement to the procedures and acknowledgement that the procedures are appropriate for their purposes and provided to you written acknowledgement from those parties.
4. We have provided you with access to all relevant information and access, as applicable, as agreed upon in the terms of the engagement.
5. All known matters contradicting the subject matter and any communication from regulatory agencies or others affecting the subject matter have been disclosed to you, including communications received between the end of the period addressed by the subject matter and the date of the agreed-upon procedures report.
6. We are not aware of any material misstatements in the subject matter.
7. We have disclosed to you all known events subsequent to the September 30, 2022 that would have a material effect on the subject matter.

05/05/2023

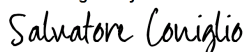
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Very truly yours,

Recology San Francisco Companies

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Salvatore Coniglio
Chief Executive Officer

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Mark Lomele
President & Chief Financial Officer

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Bruce Mackenzie
Vice President & Senior Director of Finance

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Dan Shea
Vice President & Regional Manager San Francisco Region

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Amelia Santoso
Director & Corporate Controller

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Terry Duong
Regional Controller San Francisco Region

KPMG LLP
Suite 1400
55 Second Street
San Francisco, CA 94105

Independent Accountants' Agreed-Upon Procedures Report

The Board of Directors of Sunset Scavenger Company, Golden Gate Disposal & Recycling Company and Recology San Francisco (Recology San Francisco Companies):

We have performed the procedures enumerated below related to the accompanying Reconciliation Schedules prepared by Recology San Francisco Companies for the 12 months ending September 30, 2022. Recology San Francisco Companies are responsible for the Reconciliation Schedules.

Recology San Francisco Companies have agreed to and acknowledged that the procedures performed are sufficient and appropriate to meet the intended purpose of assisting users in evaluating the reconciliation of amounts from the audited combined financial statements of Sunset Scavenger Company, Golden Gate Disposal & Recycling Company, and Recology San Francisco as of and for the year ending September 30, 2022, to amounts in the San Francisco Annual Rate Report for the 12 months ending September 30, 2022. This report may not be suitable for any other purpose. Additionally, the City and County of San Francisco has agreed to and acknowledged that the procedures performed are sufficient and appropriate for its purposes. No other parties have agreed to or acknowledged the appropriateness of these procedures for the intended purpose or any other purpose.

The procedures performed may not address all the items of interest to a user of this report and may not meet the needs of all users of this report and, as such, users are responsible for determining whether the procedures performed are appropriate for their purposes. We make no representation regarding the appropriateness of the procedures either for the intended purpose or for any other purpose. Additionally, we make no representation regarding the appropriateness of reconciling amounts in the audited combined financial statements and amounts in the San Francisco Annual Rate Report as described above.

The procedures and the associated findings are as follows:

1. We obtained from management the Sunset Scavenger Company, Golden Gate Disposal & Recycling Company, and Recology San Francisco Combined Financial Statements and Supplementary Information as of and for the years ended September 30, 2022, and 2021 ("FY22 Audited Financial Statements") with Independent Auditors' Report Thereon dated January 26, 2023. The FY22 Audited Financial Statements include supplemental Schedules 1, 2, and 4.
2. We obtained from management the San Francisco Annual Rate Report for the 12 months ending September 30, 2022 ("RYE22B Rate Report") revised on April 24, 2023, that contains Tables 6, 7, 9, 10, 11, and 12.

Recology Sunset Scavenger and Recology Golden Gate Reconciliation

3. We obtained from management the Recology Sunset Scavenger and Recology Golden Gate Reconciliation schedule for the period October 2021 – September 2022 ("RY22 RSS RGG Reconciliation").
4. We traced and agreed the total operating revenue, each other income (expense) amount and net income in column B of the RY22 RSS RGG Reconciliation schedule to the corresponding amounts in Schedule 4 of the FY22 Audited Financial Statements.



5. We traced and agreed the operating expenses amounts in column B of the RY22 RSS RGG Reconciliation schedule to the corresponding amounts in Schedule 1 of the FY22 Audited Financial Statements.
6. We summed the subtotals and totals in the Reclassifications column C in the RY22 RSS RGG Reconciliation schedule and verified the total sums to zero.
7. We obtained from management the Recology Sunset Scavenger and Recology Golden Gate Adjustments "RSS RGG Adjustments" schedule for the 12 months ended September 30, 2022 and traced and agreed the amounts from the RSS RGG Adjustments schedule to the corresponding amounts in the Adjustments column E in the RY22 RSS RGG Reconciliation schedule.
8. We obtained from management the Recology Sunset Scavenger and Recology Golden Gate Amounts Excluded from Rate Reporting "RSS RGG Amounts Excluded from Rate Reporting" schedule for the 12 months ended September 30, 2022 and traced and agreed the amounts from the RSS RGG Amounts Excluded from Rate Reporting schedule to the corresponding amounts in the Amounts Excluded for Rate Reporting column G in the RY22 RSS RGG Reconciliation schedule.
9. We traced and agreed each item description amount in column J of the RY22 RSS RGG Reconciliation schedule to the corresponding amounts in Table 6 and Table 9 in the RYE22B Rate Report.
10. We traced and agreed the Net Revenue Retained total of \$332,325,818 from the Per Rate Report Table 6 column J in the RY22 RSS RGG Reconciliation schedule to the corresponding amount in Table 6 of the RYE22B Rate Report.
11. We traced and agreed the Total Expenses total of \$311,774,162 from the Per Rate Report Table 9 column J in the RY22 RSS RGG Reconciliation schedule to the corresponding amount in Table 9 of the RYE22B Rate Report.
12. We summed the subtotals and totals in column B, the Adjustments column E, the Amounts Excluded for Rate Reporting column G, and the Per Rate Report column J in the RY22 RSS RGG Reconciliation schedule. For each item description amount in the Per Rate Report column J, we will also summed the corresponding amounts in Schedule 1 and 4 column B, Reclassifications column C, Adjustments column E, and Amounts Excluded for Rate Reporting column G and verified that the totals agreed with the amounts in Per Rate Report Tables 6 and 9 in column J.
13. We traced and agreed the Net Profit total of \$20,551,656 in the Per Rate Report column J in the RY22 RSS RGG Reconciliation schedule to the corresponding amount in Table 11 of the RYE22B Rate Report.

Recology San Francisco Reconciliation

14. We obtained from management the Recology San Francisco Reconciliation Schedule for the period October 2021 – September 2022 ("RY22 RSF Reconciliation").
15. We traced and agreed the total operating revenue, each other income (expense) amount and net income (loss) in column B of the RY22 RSF Reconciliation schedule to the corresponding amounts in Schedule 4 of the FY22 Audited Financial Statements.
16. We traced and agreed the operating expenses amounts in column B of the RY22 RSF Reconciliation schedule to the corresponding amounts in Schedule 2 of the FY22 Audited Financial Statements.
17. We summed the subtotals and totals in the Reclassifications column C in the RY22 RSF Reconciliation schedule and verified the total sums to zero.



18. We obtained from management the Recology San Francisco Adjustments “RSF Adjustments” schedule for the 12 months ended September 30, 2022 and traced and agreed the amounts from the RSF Adjustments schedule to the corresponding amounts in the Adjustments column E in the RY22 RSF Reconciliation schedule.
19. We obtained from management the Recology San Francisco Amounts Excluded from Rate Reporting “RSF Amounts Excluded from Rate Reporting” schedule for the 12 months ended September 30, 2022 and traced and agreed the amounts from the RSF Amounts Excluded from Rate Reporting schedule to the corresponding amounts in the Amounts Excluded from Rate Reporting column G in the RY22 RSF Reconciliation schedule.
20. We traced and agreed each item description amount in column J of the RY22 RSF Reconciliation schedule to the corresponding amounts in Table 7 and Table 10 in the RYE22B Rate Report.
21. We traced and agreed the Net Revenue Retained total of \$143,521,620 from the Per Rate Report Table 7 column J in the RY22 RSF Reconciliation schedule to the corresponding amount in Table 7 of the RYE22B Rate Report.
22. We traced and agreed the Total Expenses total of \$147,412,543 from the Per Rate Report Table 10 column J in the RY22 RSF RGG Reconciliation schedule to the corresponding amount in Table 10 of the RYE22B Rate Report.
23. We summed the subtotals and totals in column B, the Adjustments column E, the Amounts Excluded for Rate Reporting column G, and the Per Rate Report column J in the RY22 RSF Reconciliation schedule. For each item description amount in the Per Rate Report column J, we also summed the corresponding amounts in Schedule 2 and 4 column B, Reclassifications column C, Adjustments column E, and Amounts Excluded for Rate Reporting column G and verified that the totals agreed with the amounts in Per Rate Report Table 7 and Table 10 in column J.
24. We traced and agreed the Net profit (loss) total of (\$3,890,923) in the Per Rate Report column J in the RY22 RSF Reconciliation schedule to the net profit (loss) in Table 12 of the RYE22B Rate Report.

Recology San Francisco, Recology Sunset Scavenger and Recology Golden Gate Schedule of Allocated Management Fees and Pension

25. We obtained from management the Schedule of Allocated Management Fees for the 12 months ended September 30, 2022, which details the allocations of corporate administrative, legal, compliance, internal audit, finance, human resources, and information technology expenses from the relevant corporate cost center to each of the Recology San Francisco Companies (RSF, RSS, and RGG).
26. We compared the total amount allocated from Recology Corporate to the operating subsidiaries for each of the allocated departments to the total expenses in the Recology Corporate cost center (which includes employee payroll and benefit costs) in the general ledger.
27. Recology allocates corporate administrative, legal, compliance, internal audit, finance, human resources, and information technology expenses to its operating subsidiaries from its corporate cost center based on the proportion of total Recology consolidated revenue generated by each operating subsidiary. We recalculated the proportion of total Recology consolidated revenue generated by each of the San Francisco Companies and compared it to the percentages used to allocate expenses to the San Francisco Companies and did not identify any differences.



28. We compared the total amounts for RSS RGG and RSF from the Schedule of Allocated Management Fees to the corresponding corporate management fees amounts in column B of the respective RY 22 RSS RGG Reconciliation and RY 22 RSF Reconciliation. We identified no difference for RSS RGG. For RSF we identified a \$12 difference. We inquired about this difference with Recology management, who indicated that the difference is due to rounding.
29. We obtained from management the RY22 Recology San Francisco, Recology Sunset Scavenger and Recology Golden Gate pension adjustments schedule for the 12 months ended September 30, 2022 (“RY22 RSF RSS RGG Pension Adjustments”).
30. We obtained from management the RY22 Recology Defined Benefit Pension Plan Net Periodic Pension Cost schedule prepared by Recology’s outside actuary (“RY22 Recology DBPP”) which includes net periodic pension cost information for each of the Recology San Francisco Companies (RSF, RSS, and RGG) for the 12 months ended September 30, 2022.
31. We compared the total net periodic pension cost (pension expense) amounts in the RY22 RSF RSS RGG Pension Adjustments schedule for RSF, RSS and RGG to the RY22 Recology DBPP (summation required) and did not identify any differences for RSS RGG. For RSF we identified a \$2 difference. We inquired about this difference with Recology management, who indicated that the difference is due to rounding.
32. Recology Inc. made total contributions to the Recology Defined Benefit Pension Plan of \$25 million during the 12 months ended September 30, 2022. We compared this amount to Recology Inc.’s audited financial statements for the 12 months ended September 30, 2022 and did not identify any difference.
33. Recology allocated the \$25 million of pension plan contributions described in the previous step to its operating subsidiaries based on the proportion of total Recology Defined Benefit Pension Plan pension service cost incurred by each operating subsidiary as determined by Recology’s outside actuary. We recalculated the RY 2022 Adjusted Pension Cost (cash basis) included in the RY22 RSF RSS RGG Pension Adjustments schedule for RSF, RSS and RGG based on this allocation methodology and did not identify any differences.
34. The RY22 RSF RSS RGG Pension Adjustments schedule calculates the \$10,301,286 pension adjustment for the Rate Report for RSS and RGG and the \$4,523,510 pension adjustment for the Rate Report for RSF for the 12 months ended September 30, 2022, as the amounts by which the allocated cash basis pension contributions for each entity described in the previous step exceeded net periodic pension cost addressed in step 31. We recalculated these adjustment amounts and did not identify any differences.

We were engaged by Recology San Francisco Companies to perform this agreed-upon procedures engagement and conducted our engagement in accordance with attestation standards established by the American Institute of Certified Public Accountants, which involves us performing the specific procedures agreed to and acknowledged above and reporting on findings based on performing those procedures. We were not engaged to and did not conduct an examination or review, the objective of which would be the expression of an opinion or conclusion, respectively, on the accompanying Reconciliation Schedules. Accordingly, we do not express such an opinion or conclusion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.



We are required to be independent of Recology San Francisco Companies and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our agreed-upon procedures engagement.

KPMG LLP

San Francisco, California
May 5, 2023

**Recology Sunset Scavenger and Recology Golden Gate Reconciliation Schedule
for the period of October 2021 - September 2022**

A	B	C	D	E	F	G	H	I	J
	Schedule 4	Reclassifications	Reclassifications Reference	Adjustments	Adjustments Reference	Amounts Excluded for Rate Reporting	Amounts Excluded for Rate Reporting Reference	Item Description	Per Rate Report Table 6
Operating revenue									
Residential	95,546,072	(2,596,826)	[6]	-	-	-	-	Residential	92,949,246
Apartments	77,562,235	(2,124,721)	[6]	-	-	-	-	Apartment	75,437,514
Commercial	184,335,792	(43,378,196)	[1][2][5][6]	-	-	(76,455)	[F]	Commercial	140,881,141
Commercial Compactors	-	24,758,404	[2][4][6]	-	-	-	-	Commercial Compactors	24,758,404
ZWI Rebate Revenue	-	9,014,889	[6]	(1,054,385)	[A]	-	-	ZWI Rebate Revenue	7,960,504
Debris Box Revenue	-	14,000,565	[1]	68,338	[B]	-	-	Debris Box Revenue	14,068,903
Other	1,894,391	(216,359)	[5]	-	-	-	-	Equipment & Supply Sales	1,678,032
Recycling	737,880	(943)	[7]	-	-	-	-	CalRecycle Payment	736,937
Miscellaneous Income	-	528,031	[5][7]	-	-	-	-	Miscellaneous Income	528,031
Refund to customer	(15,155)	15,155	[4]	-	-	-	-	Refund to customer	-
Interest Income	-	367,131	[17]	-	-	-	-	Interest Income	367,131
Less amounts reserved for impound and zero waste incentive accounts	(27,040,026)	5,032,416	[3]	-	-	-	-	Impound Account Funding	(22,007,610)
ZWI Funding	-	(5,032,415)	[3]	-	-	-	-	ZWI Funding	(5,032,415)
Total operating revenue	\$333,021,189	\$ 367,131		\$ (986,047)		\$ (76,455)		Net Revenue Retained	\$ 332,325,818

**Recology Sunset Scavenger and Recology Golden Gate Reconciliation Schedule
for the period of October 2021 - September 2022**

A	B	C	D	E	F	G	H	I	J
	Schedule 1	Reclassifications	Reclassifications Reference	Adjustments	Adjustments Reference	Amounts Excluded for Rate Reporting	Amounts Excluded for Rate Reporting Reference	Item Description	Per Rate Report Table 9
Operating expenses									
Projects	4,186,728	(526,988)	[18]	-	-	(3,659,740)	[F]	Project costs	-
Salaries and wages	85,758,021	135,543	[18]	-	-	-	-	Payroll	85,893,564
Payroll taxes	6,428,103	-	-	-	-	-	-	Payroll Taxes	6,428,103
Pension and 401(k)	9,365,921	(4,095,799)	[8]	10,301,286	[C]	-	-	Pension	15,571,408
Health Insurance	16,261,059	5,942,660	[9]	-	-	-	-	Health Insurance	22,203,719
O/S Postretirement benefit	5,942,659	(5,942,659)	[9]	-	-	-	-	O/S Postretirement benefit	-
Workers' Compensation	8,099,806	-	-	-	-	-	-	Workers Compensation	8,099,806
Corporate management fees	12,994,067	(362,048)	[10]	-	-	(600,463)	[F]	Corporate Allocations	12,031,556
Provision for Bad debt	1,180,745	-	-	-	-	-	-	Bad Debt	1,180,745
O/S Billing Services	-	362,369	[16]	-	-	-	-	O/S Billing Services	362,369
Office expense	439,101	(98)	[18]	-	-	(113,926)	[F]	Office	325,077
Postage	146,905	-	-	-	-	-	-	Postage	146,905
Professional services	1,046,263	-	-	-	-	-	-	Professional Services	1,046,263
Security and janitorial	698,902	108,987	[18]	-	-	-	-	Security & Janitorial	807,889
Taxes	3,802,935	-	-	-	-	-	-	Taxes	3,802,935
Telephone	634,242	-	-	-	-	-	-	Telephone	634,242
Buildings and facilities	324,941	-	-	-	-	-	-	Building & Facility Repair	324,941
Depreciation	1,058,645	-	-	-	-	-	-	Depreciation	1,058,645
Environmental Compliance	-	362,052	[10]	-	-	(3,944)	[F]	Environmental Compliance	358,108
Freight	64,981	-	-	-	-	-	-	Freight	64,981
Fuel and oil	5,378,556	-	-	-	-	-	-	Fuel	5,378,556
Disposal Charges	82,180,505	(32,086,574)	[11][12]	-	-	-	-	I/C Disposal	50,093,931
Recycling processing	26,386,285	32,030,239	[11]	-	-	-	-	I/C Processing	58,416,524
Equipment rental	16,086,847	(261,208)	[13]	-	-	-	-	Lease	15,825,639
General and Vehicle Insurance	5,522,159	-	-	-	-	-	-	Liability Insurance	5,522,159
Licenses and permits	2,493,066	-	-	-	-	-	-	Licenses & Permits	2,493,066
O/S Disposal	-	56,335	[12]	-	-	-	-	O/S Disposal	56,335
O/S Equipment Rental	-	422,485	[13][18]	-	-	-	-	O/S Equipment Rental	422,485
Parts, tires, and tubes	3,832,917	(791,777)	[14]	-	-	-	-	Parts	3,041,140
Property rental	2,507,275	-	-	(1,404,516)	[D]	-	-	Property Rental	1,102,759
Repairs Expense	1,859,613	8,300	[19]	-	-	-	-	Repairs & Maintenance	1,867,913
Supplies	2,903,379	(346,483)	[15][18]	-	-	-	-	Supplies	2,556,896
Tires & Tubes	-	791,776	[14]	-	-	-	-	Tires & Tubes	791,776
Utilities	1,216,955	-	-	-	-	-	-	Utilities	1,216,955
Temporary labor and subcontractor costs	518,605	-	-	-	-	85	[F]	Contract Services	518,690
Other expense	2,120,430	97,089	[15][16]	-	-	(89,437)	[F]	Other	2,128,082
Business meals, travel and entertainment	52,554	-	-	-	-	(52,554)	[F]	Business meals, travel and entertainment	-
Dues and subscriptions	189,343	-	-	-	-	(189,343)	[F]	Dues and subscriptions	-
Amortization expense	1,994	-	-	-	-	(1,994)	[F]	Amortization expense	-
Total Operating expenses	\$311,684,507	\$ (4,095,799)		\$ 8,896,770		\$ (4,711,316)		Total Expenses	\$ 311,774,162

**Recology Sunset Scavenger and Recology Golden Gate Reconciliation Schedule
for the period of October 2021 - September 2022**

A	B	C	D	E	F	G	H	I	J
	Schedule 4	Reclassifications	Reclassifications Reference	Adjustments	Adjustments Reference	Amounts Excluded for Rate Reporting	Amounts Excluded for Rate Reporting Reference	Item Description	Per Rate Report
Other income (expense)									
Recology San Francisco, net (loss) share	(2,717,902)	-	-	-	-	2,717,902	[F]	Recology San Francisco, net (loss) share	-
Interest expense	(25)	-	-	-	-	25	[F]	Interest expense	-
Rental and other income	376,469	(367,131)	[17]	(9,338)	[E]	-	-	Rental and other income	-
Non-service pension and postretirement	6,393,868	(4,095,799)	[8]	-	-	(2,298,069)	[F]	Non-service pension and postretirement	-
Total Other income	\$ 4,052,410	\$ (4,462,930)		\$ (9,338)		\$ 419,858		Total Other income	\$ -
Net Income	\$ 25,389,092	\$ -		\$ (9,892,155)		\$ 5,054,719		Net Profit	\$ 20,551,656

Notes:

[1] To present Debris box revenue separate from the rest of the commercial revenue

[2] To present commercial compactor revenue separate from the rest of the commercial revenue

[3] To present Zero Waste Incentive funding as a separate line item for rate reporting purposes

[4] To net the refunds to commercial compactor customers against the commercial compactor revenue

[5] To reclassify bin rental income from Commercial revenue and reclassify Miscellaneous income from Equipment and Supply sales to miscellaneous income for rate reporting

[6] To present the ZWI rebate revenue as separate line item for rate reporting purposes

[7] To reclass non CalRecycle payment to miscellaneous income

[8] To group all pension related expenses and other income together

[9] To move outside post retirement benefit to the health insurance line

[10] To present environmental compliance expenses separate from the rest of the corporate allocation expenses

[11] To regroup between intercompany disposal and intercompany processing

[12] To present outside disposal expenses separate from the rest of the disposal expenses

[13] To present outside equipment rental expenses separate from the rest of the equipment rental expenses

[14] To present tire and tubes expenses separate from other supplies expenses

[15] To reclass a portion of supplies to other expense for rate reporting purposes

[16] To present outside billing services expenses separate from other expenses

[17] To reclass interest income

[18] To reclassify project related costs to their specific expense types - payroll, office, security and janitorial, repairs, outside equipment rental and supplies expenses

[A] The ZWI/A revenue adjustment includes \$995,000 that was recognized in the audited financial statements for the 12 months ended September 30, 2022. This amount belongs to the three month period from July 1, 2021 to September 30, 2021 and, accordingly, the adjustment is to remove this amount from the Rate Report for the 12 months ended September 30, 2022. We note that the rate report for the 15 months ended September 30, 2022 has been prepared appropriately including this amount in the period from July 1, 2021 to September 30, 2021.

[B] To adjust for services provided in-kind

[C] To adjust from GAAP accrual basis of accounting to the cash basis of accounting. This expense type follows the cash basis of accounting

[D] To eliminate intercompany property rental - SSC Facility Tunnel Ave & Beatty Rd, and back out Amazon lease amortization for the current year

[E] To exclude interest income on overdue receivables

[F] To exclude for rate reporting purposes as these do not apply to the rate making process

**Recology San Francisco Reconciliation Schedule
for the period of October 2021 - September 2022**

A	B	C	D	E	F	G	H	I	J
						Amounts Excluded for Rate Reporting	Amounts Excluded for Rate Reporting		
Operating revenue	Schedule 4	Reclassifications	Reclassifications Reference	Adjustments	Adjustments Reference	Rate Reporting	Rate Reporting Reference	Item Description	Per Rate Report Table 7
<i>Recycle Central</i>	-	26,382,603	[2]	-	-	-	-	Recycle Central	26,382,603
Revenue from affiliate	82,155,960	(53,619,225)	[1][6]	-	-	-	-	Compostables	28,536,735
<i>IMRF</i>	-	3,024,658	[1]	-	-	-	-	IMRF	3,024,658
<i>Trash</i>	-	49,673,680	[1]	-	-	-	-	Trash	49,673,680
<i>Other</i>	-	602,080	[1]	-	-	-	-	Other	602,080
Commercial	7,959,180	(1,090,600)	[3][6]	-	-	-	-	Non-Account Customers	6,868,580
Disposal	9,839,918	(3,640,372)	[4][6]	-	-	-	-	Account Customers	6,199,546
<i>Total Non-San Francisco</i>	-	1,426,124	[3]	-	-	-	-	Total Non-San Francisco	1,426,124
Recycling	48,044,849	(26,269,867)	[2][6]	(1,519,322)	[A]	-	-	Net Recycling Revenue	20,255,660
<i>Non-rate Revenue</i>	-	3,266,182	[4]	-	-	-	-	Non-rate Revenue	3,266,182
<i>Intercompany Dirt, Inerts & Others</i>	-	423,642	[1]	-	-	-	-	Intercompany Dirt, Inerts & Others	423,642
<i>Rental Income</i>	-	24,000	[5]	-	-	-	-	Rental Income	24,000
Less amounts reserved for impound and zero waste incentive accounts	(3,161,870)	-	-	-	-	-	-	ZWI Funding	(3,161,870)
Other	178,905	(178,905)	[6]	-	-	-	-	Other	-
Total operating revenue	\$ 145,016,942	\$ 24,000		\$ (1,519,322)		\$ -		Net Revenue Retained	\$ 143,521,620

**Recology San Francisco Reconciliation Schedule
for the period of October 2021 - September 2022**

A	B	C	D	E	F	G	H	I	J
						Amounts Excluded for Rate Reporting	Amounts Excluded for Rate Reporting		
Operating expenses	Schedule 2	Reclassifications	Reclassifications Reference	Adjustments	Adjustments Reference	Rate Reporting	Rate Reporting Reference	Item Description	Per Rate Report Table 10
Projects	2,184,163	(624,419)	[18]	-	-	(1,559,744)	[E]	Project costs	-
Salaries and wages	45,150,816	377,588	[18]	-	-	-	-	Payroll	45,528,404
Payroll taxes	3,410,298	-	-	-	-	-	-	Payroll Taxes	3,410,298
Pension and 401(k)	5,680,775	(1,461,556)	[7]	4,523,510	[B]	-	-	Pension	8,742,729
Health insurance	9,434,979	3,491,108	[8]	-	-	-	-	Health Insurance	12,926,087
Workers' compensation	3,503,623	-	-	-	-	-	-	Workers Compensation	3,503,623
Corporate management fees	435,064	(12,072)	[9]	-	-	(21,601)	[E]	Corporate Allocations	401,391
Provision for bad debt	912,011	-	-	-	-	-	-	Bad Debt	912,011
Office expenses	285,828	(8,114)	[10]	-	-	(57,378)	[E]	Office	220,336
<i>Postage</i>	-	8,114	[10]	-	-	-	-	Postage	8,114
Professional services	1,547,231	-	-	-	-	(161,760)	[E]	Professional Services	1,385,471
Repairs expense	863,299	-	-	-	-	-	-	Repairs & Maintenance	863,299
Security and janitorial	1,230,287	37,810	-	-	-	-	-	Security & Janitorial	1,268,097
Taxes	2,561,830	-	-	-	-	-	-	Taxes	2,561,830
Telephone	233,263	-	-	-	-	-	-	Telephone	233,263
<i>Bridge Tolls</i>	-	983,813	[15]	-	-	-	-	Bridge Tolls	983,813
Buildings and facilities	904,332	-	-	-	-	-	-	Building & Facility Repair	904,332
Depreciation	4,894,141	-	-	-	-	-	-	Depreciation	4,894,141
<i>Amortization of ZWI Funding For Capital Expenditures</i>	-	-	-	(2,830,700)	[C]	-	-	Amortization of ZWI Funding For Capital Expenditures	(2,830,700)
<i>Environmental Compliance</i>	-	12,072	[9]	-	-	(129)	[E]	Environmental Compliance	11,943
Freight	2,850,341	-	-	-	-	-	-	Freight	2,850,341
Fuel and oil	3,196,580	-	-	-	-	-	-	Fuel	3,196,580
Disposal charges	26,320,491	(1,111,823)	[11]	-	-	-	-	I/C Processing & Disposal	25,208,668
Equipment rental	6,276,571	(319,568)	[12]	(46,588)	[D]	-	-	Lease	5,910,415
General and vehicle insurance	2,424,037	-	-	-	-	-	-	Liability Insurance	2,424,037
Licenses and permits	4,419,928	-	-	-	-	-	-	Licenses & Permits	4,419,928
<i>O/S Disposal</i>	-	1,111,822	[11]	-	-	-	-	O/S Disposal	1,111,822
<i>O/S Equipment Rental</i>	-	482,385	[12][18]	-	-	-	-	O/S Equipment Rental	482,385
Parts, tires, and tubes	2,351,613	(231,091)	[13]	-	-	-	-	Parts	2,120,522
Property rental	7,652,457	-	-	-	-	-	-	Property Rental	7,652,457
Supplies	2,626,775	(171,227)	[14][18]	-	-	-	-	Supplies	2,455,548
<i>Tires & Tubes</i>	-	231,091	[13]	-	-	-	-	Tires & Tubes	231,091
Utilities	2,732,118	-	-	-	-	-	-	Utilities	2,732,118
Temporary labor and subcontractor costs	41,825	-	-	-	-	-	-	Contract Services	41,825
Other expense	1,196,037	(497,134)	[14][15][16][17][18]	-	-	(52,579)	[E]	Other	646,324
Postretirement medical benefit	3,491,107	(3,491,107)	[8]	-	-	-	-	Postretirement medical benefit	-
Regional management expense	270,248	(270,248)	[16]	-	-	-	-	Regional management expense	-
Recycling processing	1,519,322	-	-	(1,519,322)	[A]	-	-	Recycling processing	-
Advertising and promotion, donations, dues and subscriptions	1,743	-	-	-	-	(1,743)	[E]	Advertising and promotion, donations, dues and subscriptions	-
Business meals, travel and entertainment	57,647	-	-	-	-	(57,647)	[E]	Business meals, travel and entertainment	-
Total Operating expenses	\$ 150,660,780	\$ (1,462,556)		\$ 126,900		\$ (1,912,581)		Total Expenses	\$ 147,412,643

**Recology San Francisco Reconciliation Schedule
for the period of October 2021 - September 2022**

A	B	C	D	E	F	G	H	I	J
						Amounts Excluded for Rate Reporting	Amounts Excluded for Rate Reporting		
Other income (expense)	Schedule 4	Reclassifications	Reclassifications Reference	Adjustments	Adjustments Reference	Rate Reporting	Rate Reporting Reference	Item Description	Per Rate Report
Interest expense	(1,861)	-	-	-	-	1,861	[E]	Interest expense	-
Rental and other income	25,002	(25,002)	[5][17]	-	-	-	-	Rental and other income	-
Non-service pension and postretirement	2,902,795	(1,461,554)	[7]	-	-	(1,441,241)	[E]	Non-service pension and postretirement	-
Total Other income	\$ 2,925,936	\$ (1,486,556)		\$ -		\$ (1,439,380)		Total Other income	\$ -
Net income (loss)	\$ (2,717,902)	\$ -		\$ (1,646,222)		\$ 473,201		Net Profit (loss)	\$ (3,890,923)

Notes:

- [1] To present Compostables, IMRF, Trash and Other revenue as separate line items in Table 7 of the rate report
- [2] To present Recycling tipping fee revenue separate from other recycling revenue
- [3] To present Non-San Francisco tipping fee revenue separate from San Francisco tipping fee revenue
- [4] To present Non-rate revenue separate from tipping fee revenue
- [5] To present rental income separate from interest income
- [6] To include the components of the other income into the appropriate line items in Table 7 of the rate report
- [7] To move non-service pension costs to the pension line for rate reporting purposes
- [8] To move post retirement medical benefit to the health insurance line
- [9] To present environmental compliance expenses separate from the rest of the corporate allocation expenses
- [10] To present postage expense separate from office expense
- [11] To present outside disposal expenses separate from the rest of the disposal expenses
- [12] To present outside equipment rental expenses separate from the rest of the equipment rental expenses
- [13] To present tire and tubes expenses separate from other part expenses
- [14] To reclass a portion of supplies to other expense for rate reporting purposes
- [15] To present bridge toll expenses separate from other expenses
- [16] To group regional management expense with other expenses
- [17] To net interest income with other expenses
- [18] To reclassify project related costs to their specific expense types - payroll, outside equipment rental, supplies and other expenses
- [A] To adjust recycling processing to net recycling revenue
- [B] To adjust from GAAP accrual basis of accounting to the cash basis of accounting. Pension is the only expense type to follow the cash basis of accounting
- [C] Amortization of ZWI Funding used for Capital Expenditures to offset the Depreciation expense
- [D] Reduce lease expense for interest on ZWI funded portion of capital expenditure
- [E] To exclude for rate reporting purposes as these do not apply to the rate making process



February 2023

Re: Update About Your Recology Employee Stock Ownership Plan (ESOP)

Dear Employee-Owner,

Employee-Owner Participant Statement

Enclosed is your first Recology Employee-Owner Participant Statement for the fiscal year ended September 30, 2022.

- The share value, which is shown on your statement, is generally determined as of each September 30 by an independent outside valuation firm.
- Your allocation is 3.93% of your eligible pay for the year ending September 30, 2022. The allocation percentage varies each year.
- The statement may show two types of shares: post-1986 and pre-1987. The share type is determined by when the share was put into the ESOP Trust (either before or after 1986), not when the shares were put in your own account. There are laws that treat these shares differently and that is why they are tracked separately. Pre-1987 shares purchased from participants and forfeited shares from unvested participants are now being converted to post-1986 shares, so you will only see post-1986 shares as the new shares in your account.

For information on how the Recology ESOP works, refer to RecologyESOP.com (user name is your employee number, password is the last four numbers of your Social Security Number).

What It Means to be Employee-Owned

As the largest 100% employee-owned company in the resource recovery industry, Recology has a unique workplace culture that guides how we support employees, interact with our customers, serve our communities, and care for the environment.

The Recology Employee Stock Ownership Plan (ESOP) maintains ownership in the hands of our employees, not external shareholders. The results of this model include broad diversity among owners, with more than 50% of Recology shares owned by employees who identify within an underrepresented group. Our employees understand that both individual and collective hard work and dedication can directly impact the success of the company in the long term, as ESOP shares provide employees with a supplemental retirement plan, allowing employees to share in that success.

What It Means to be an Employee-Owner

As an employee-owner, you have a responsibility to work hard and to work together with your fellow employee-owners to accomplish the job, solve problems, and share ideas for improvement. The Guiding Principles for Recology employee-owners are to be:

- Aware. Know yourself and others.
- Approachable. Connect with others.
- Accountable. Own your actions.
- Agile. Be a change agent.
- All Inclusive. It takes all of us.

Your hard work and dedication as an employee-owner contribute to the Company's success and may impact your retirement benefit through the value of Company stock in your ESOP account.





ESOP FAQs

+ What is the ESOP?

What is the ESOP?

The Recology Employee Stock Ownership Plan (ESOP) is a supplemental retirement plan established in 1986 to provide an ownership interest to eligible employees of Recology. This plan is fully funded by Recology and employee contributions are not allowed.

What are the Benefits of having an ESOP?

Through the ESOP you, as an Eligible Employee, gain a stock ownership interest in Recology and the chance to share in the growth and prosperity of the Company. Each year, opportunity exists to have additional stock credited to your account so that your retirement savings will grow.

What does it mean to be an Employee Owner?

As an employee owner, you have a responsibility to work hard and to work together with your fellow employee owners to solve problems and share ideas for improvement. Your hard work and dedication as an employee owner contribute directly to the Company's success and may impact your retirement benefit by increasing the value of Company stock in your ESOP account.

Who communicates the meaning of employee ownership?

The Recology Ownership Communication Committee (ROCC) is a group of Recology employees generally one person from each Recology Company who meet on a regular basis and work to provide employee ownership education. The ROCC sponsors events and programs that relate to employee ownership and the ESOP. Check out the [RecologyOwner.net](#) website to find out who your ROCC Representative is.

+ Receiving Shares

How do I get shares of Recology stock?

Each year, eligible employees earn shares of Recology stock if they are paid for working at least 1,000 hours during the Plan Year (October 1 to September 30) and are employed on September 30. Vested employees who retire (at least age 62) on or before September 30 also earn shares. Annual statements based on account balance of the prior year (September 30th) are distributed in the first quarter of each calendar year. The Participant Statement shows the number of shares of Recology stock in your account and the fair market value of those shares.

When do I become vested?

You are vested after three years with 1,000 Hours of Service in each Recology ESOP Plan Year (October 1 to September 30). Becoming vested means if you leave the Company, you do not lose your ESOP account. If you stop working for Recology prior to becoming vested, you will forfeit your shares if you experience a Permanent Break in Service (i.e., if you do not return to work within five ESC Years). If your company was acquired by Recology, your Hours of Service begin on the day your company became a Recology Company.

How many shares of Recology stock will I receive in my account?

As of September 30 of each year, Recology stock is "allocated" or divided among the accounts of Eligible Employees in proportion to their eligible pay during the Plan Year. Your proportionate share of annual allocations changes every year because the allocations are based on annual payroll and are made up of stock that the ESOP bought back from certain participants and forfeitures that

+ Recology Stock Share Value

How is the stock valued?

Because Recology is entirely employee owned, Recology stock is not traded or valued on the open market. An independent appraisal company determines the value of Recology stock. The value of the stock is normally determined annually, as of each September 30. This determination of fair market value of Recology stock is generally completed in December.

How can I affect the stock value?

The simple premise of the ESOP is that Recology employees' hard work makes Recology more successful, which in turn can help grow the value of your ESOP retirement benefits. When you do your job to the best of your ability, you can help build a more successful company. Recology's success directly affects each individual because the share value determines the amount in each ESOP participant retirement accounts. As an employee owner, you have a responsibility to your fellow employee owners and yourself to work hard, to solve problems, and to share ideas for improvement.

How do I check my account value?

Annual statements are distributed in the first quarter of each calendar year and contain account balances as of the latest stock valuation date, September 30 of the prior year. The Participant Statement shows the number of shares of Recology stock in your account and the fair market value of those shares. Your Total Account Value = Number of Shares x Per Share Value.

Why does my account show two types of shares?

There are two types of shares in the ESOP—post-1986 and pre-1987. Employees receive allocations of both types of shares each year. The type of share is determined when the share was put in the ESOP Trust (either before or after 1986) not when the shares were put in your own account. The law treats these shares differently for benefit distribution purposes. The differences will be reflected in future postcards.

+ Distributions While Still Employed.

+ Naming a Beneficiary

+ Preparing for Retirement

PLANNING YOUR RETIREMENT

If you are planning to end your employment prior to reaching your Normal Retirement Age, you may want to consider continuing to work until September 30th in order to receive a final ESOP ;

If you have already reached or exceeded Normal Retirement Age, you may want to consider leaving on or before September 30th in order to begin receiving the following March. Note that if you end your employment after September 30th, depending upon your last day, you may have to wait up to 18 months to receive your first payment from

MORE RESOURCES

You can contact Crowe ESOP Advantage at 1-844-824-3767 and ask to speak to a Retirement Counselor. These counselors can answer all of your retirement questions. Once you know your retirement date, make sure to inform both your supervisor and local HR representative.

The above gives you an overview of the Employee Stock Ownership Program offered by Recology and Participating Companies. Refer to Recology's Summary Plan Description for further information regarding your individual benefits. If there is any difference between the SPD and this summary, the SPD governs. Recology Inc. reserves the express authority and discretion to change, suspend, or eliminate any employee benefit plan or program at any time without prior notice to employees, retirees, or beneficiaries.

Upcoming Events

- [October is Employee Ownership Month >](#)

- [2020 Poster Contest Winners >](#)

- [Ownership Culture Fairs – COMING SOON! >](#)

- [2019 Video Contest Winners >](#)

- [2019 Poster Contest Winners >](#)

Congratulate Our ROCStars

- [2022 ROCStars of the Quarter \(Jan 1–Mar 31, 2022\) >](#)

- [2022 ROCStars of the Quarter \(Apr 1–Jun 30, 2022\) >](#)

- [2022 ROCStars of the Quarter \(Jul 1–Sept 30, 2022\) >](#)

- [2022 ROCStars of the Quarter \(Oct 1–Dec 31, 2021\) >](#)

- [ROCStar Nomination Form >](#)

- [A Fellow Employee-Owner >](#)

- [2023 ROCStars of the Quarter \(Oct 1–Dec 31, 2022\) >](#)

Search

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Health & Retirement Benefits for Employees of Recology Golden Gate, Recology Sunset Scavenger, and Recology San Francisco

	Employees not Covered by a Collective Bargaining Agreement	Employees Covered by Teamsters Local 350 Collective Bargaining Agreements	Employees Covered by Local 3 Operating Engineers Collective Bargaining Agreement
Health Plan and Components	<p>Recology Health and Wellness Benefit Plan:</p> <ul style="list-style-type: none"> - Medical - Dental - Vision - Mental Health (EAP) - Wellness - Basic Life Insurance - Basic Long Term Disability - Flexible Spending Accounts <p>Medical, dental, and vision include employee contributions to cover employees and their family members</p>	<p>Recology Health and Wellness Benefit Plan:</p> <ul style="list-style-type: none"> - Medical - Dental - Vision - Mental Health (EAP) - Basic Life Insurance - Basic Long Term Disability <p>Medical, dental, and vision have no employee contributions to cover employees and their family members</p>	<p>Recology Health and Wellness Benefit Plan:</p> <ul style="list-style-type: none"> - Medical - Dental - Vision - Mental Health (EAP) - Wellness - Basic Life Insurance - Basic Long Term Disability - Flexible Spending Accounts <p>Medical, dental, and vision have no employee contributions to cover employees and their family members</p>
Retirement Plans	<ul style="list-style-type: none"> - Recology Employee Stock Ownership Plan (ESOP) - Hired after on or after 2/1/2011- Recology 401(k) - Hired prior to 2/1/2011 - Recology Defined Benefit Pension Plan 	<ul style="list-style-type: none"> - Recology Employee Stock Ownership Plan (ESOP) - Recology Defined Benefit Pension Plan 	<ul style="list-style-type: none"> - Recology Employee Stock Ownership Plan (ESOP) - Operating Engineers Pension Trust Fund
Retiree Health Plans	None	Teamsters Benefit Trust Retirement Security Plan	Operating Engineers Health and Welfare Trust Plan

i. Contamination Fees

- When contamination is first identified, the customer is sent a warning letter. There is no charge to the customer for this first offense. The goal is to provide education on proper sorting and notice that the customer will be charged if the contamination continues.
- If contamination is identified a second time, an additional letter is sent to the customer and a one-time contamination charge is assessed to their account.
- If contamination is identified a third time, an additional letter is sent to the customer and a Waste Zero team member will reach out directly to the contact listed on the account. At this point, a 50% volumetric contamination fee will be assessed to the account. The 50% fee is added to the monthly service charges for the commodity that is contaminated. This charge will continue until the customer successfully removes the contaminates and contacts the Waste Zero Specialist.
- If a customer reaches the point of being assessed ongoing contamination fees, the customer will have two months to correct the contamination before these fees will be escalated to the next level. If contamination continues, the monthly contamination charge will be escalated from 50% to 100%.
- The customer can complete a self-assessment that the Specialist will review for compliance or request a Specialist to conduct an audit. If contamination recurs at any point during the following 12-month period, the customer will revert to the step that it was last on.
- If a customer reaches a 100% contamination fee and is unresponsive to ongoing outreach and opportunities to resolve the issue they will have their diversion discount removed. The Diversion Discount removal will be applied to all services the customer subscribes to and is billed for on their account.
- Residential customers will be charged a contamination fee for each instance of contamination.