



**GAS SCHEDULE G-NGV1
 CORE NATURAL GAS SERVICE
 FOR COMPRESSION ON CUSTOMERS' PREMISES**

Sheet 1

APPLICABILITY: This rate schedule* applies to natural gas service to Core End-Use Customers on PG&E's Transmission and/or Distribution Systems. Service is for uncompressed natural gas for the sole purpose of compressing it for use as a motor-vehicle fuel. Compression of natural gas to the pressure required for its use as motor-vehicle fuel will be performed by the Customer's equipment at the Customer's designated premises only.

TERRITORY: Schedule G-NGV1 applies everywhere PG&E provides natural gas service.

RATES: Customers on this schedule pay a Customer Charge, a Procurement Charge and a Transportation Charge, per meter, as specified below. Customers that have executed a Request for Reclassification from Noncore Service to Core Service (Form 79-983) will pay the Customer Charge and Transportation Charge shown below. Such Customers will pay the Procurement Charge specified in Schedule G-CPX for any of the first twelve (12) regular monthly billing periods that they are taking core procurement service from PG&E. After the twelfth regular monthly billing period, such Customers will pay the Procurement Charge specified on this schedule.

	<u>Per Day</u>	
Customer Charge:	\$0.44121	
	<u>Per Therm</u>	
Procurement Charge:	\$0.42891	(1)
Transportation Charge:	\$0.14207	(1)
Total:	\$0.57098	(1) = 1,000,000 therm
<u>Public Purpose Program Surcharge:</u>		#0.74 / CGE 1,300,000 therm

Customers served under this schedule are subject to a gas Public Purpose Program (PPP) Surcharge under Schedule G-PPPS.

The Customer's total charges are subject to adjustment for the applicable proportionate part of any taxes or governmental imposition which may be assessed on the basis of the gross revenues from such sales.

See Preliminary Statement, Part B for the Default Tariff Rate Components.

The Procurement Charge on this schedule is equivalent to the rate shown on informational Schedule G-CP—Gas Procurement Service to Core End-Use Customers.

SERVICE AGREEMENT: Customers must execute an Agreement For Supply of Natural Gas for Compression as a Motor-Vehicle Fuel (Form No. 79-755) in order to receive service under this rate schedule.

METERING REQUIREMENTS: Service under this schedule must be metered by a separate gas meter.

* PG&E's gas tariffs are available online at www.pge.com.

(Continued)

Advice Letter No: 3373-G
 Decision No. 97-10-065

Issued by
Brian K. Cherry
 Vice President
 Regulatory Relations

Date Filed March 25, 2013
 Effective April 1, 2013
 Resolution No. _____



**GAS SCHEDULE G-NGV1
 CORE NATURAL GAS SERVICE
 FOR COMPRESSION ON CUSTOMERS' PREMISES**

Sheet 2

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**ALTERNATIVE
 PROCUREMENT
 OPTIONS:**

Customers may procure gas supply from a party other than PG&E by taking service on this schedule in conjunction with Schedule G-CT—Core Gas Aggregation Service. Customers who procure their own gas supply will not pay the Procurement Charge component of this rate schedule and will be subject to the applicable rates specified in Schedule G-CT.

Customers taking service on this schedule in conjunction with Schedule G-CT, or in conjunction with noncore service, will be subject to a franchise fee surcharge under Schedule G-SUR for gas volumes purchased from parties other than PG&E and transported by PG&E.

Service under this schedule may also be taken in conjunction with procurement service from a party other than PG&E if: (1) the Customer is taking noncore service at the same premises, and (2) the Customer executes a Natural Gas Service Agreement (Form No. 79-756) with PG&E. Service will be provided in increments of one year. If there is a difference between actual deliveries and actual usage, such differences will be subject to the terms and conditions of Schedule G-BAL. Customers who procure their own gas supply will not pay the Procurement Charge component of this schedule.

Transportation volumes will be subject to a shrinkage allowance in accordance with Rule 21.*

The Customer may, at its option, receive firm interstate capacity directly assigned by PG&E as provided in Rule 21.1.

**CURTAILMENT
 OF SERVICE:**

Service under this rate schedule may be curtailed. See Rule 14 for details.

* The rules referred to in this schedule are part of PG&E's gas tariffs. Copies are available at local offices.

Advice Letter No: 3021-G
 Decision No. 97-10-065

Issued by
Brian K. Cherry
 Vice President
 Regulatory Relations

Date Filed May 22, 2009
 Effective June 1, 2009
 Resolution No. _____

Calculate the COLA Rate Weight for RSF, SSC/GGD Combined

	Fixed Labor	Variable Labor	H & W	Other Material	Fuel	Existing Capital	Pension	Total
RY 2013	34.98%	34.43%	9.72%	0.00%	3.88%	11.61%	5.39%	100.01%
RY 2014	36.44%	35.52%	10.80%	0.00%	3.82%	8.45%	4.98%	100.01%

	Total From spreadsheet	Fixed Labor	Variable Labor	H & W	Other Material	Fuel	Existing Capital	Pension	Total
RSF Processing & Disposal Costs									
RY 2013	103,427,797	36,177,015	35,606,637	10,052,304	0	4,015,244	12,004,753	5,571,843	103,427,797
RY 2014	104,844,576	38,206,004	37,241,493	11,322,985	0	4,000,009	8,856,188	5,217,897	104,844,576

	SSC I/C disp & proc costs	Fixed Labor	Variable Labor	H & W	Other Material	Fuel	Existing Capital	Pension	Total
RSS and RGG Alloc disposal costs									
RY 2013	85,274,247	29,828,932	29,359,923	8,288,657	0	3,308,641	9,900,340	4,596,282	85,282,775
RY 2014	91,548,823	33,360,391	32,518,142	9,887,273	0	3,497,165	7,735,876	4,559,131	91,557,977

	Fixed Labor	Variable Labor	H & W	Other Material	Fuel	Existing Capital	Pension	Total
RSS & RGG Costs								
RY 2013	62,580,788	29,893,248	16,434,238	0	5,609,118	13,210,924	14,531,250	142,259,566
Expenses Allocated I/C disp & proc costs	29,828,932	29,359,923	8,288,657	0	3,308,641	9,900,340	4,596,282	85,282,775
Total	92,409,720	59,253,172	24,722,894	0	8,917,759	23,111,264	19,127,532	227,542,340
COLA Rate Weight	40.61%	26.04%	10.87%	0.00%	3.92%	10.16%	8.41%	100.00%
RY 2014	68,910,561	31,809,891	18,775,653	0	5,763,366	14,302,527	12,886,750	152,448,748
Expenses Allocated I/C disp & proc costs	33,360,391	32,518,142	9,887,273	0	3,497,165	7,735,876	4,559,131	91,557,977
Total	102,270,951	64,328,033	28,662,926	0	9,260,531	22,038,403	17,445,881	244,006,725
COLA Rate Weight	41.91%	26.36%	11.75%	0.00%	3.80%	9.03%	7.15%	100.00%

2014 FUEL weighting
 Fuel Amount % of Total
 RSS/RGG Bio Dié \$ 4,106,208 79.3%
 RSS/RGG CNG \$ 1,070,278 20.7%

Recology Sunset Scavenger/Recology Golden Gate
 Allocators, RSS and RGG
 Total Operating Expenses

CITY'S PROPOSED ALLOCATIONS

Item Description	Fixed labor (Fixed COLA)	Variable Labor & Other CPI Adjustment (Var COLA)	H&W	Other (Var PPI)	Fuel	Capital & Other no weight	Pension 0.31%
Inflation Percent	1						
Payroll	1						
Payroll Taxes	0						
Pension	0						1
Health Insurance	0						
Workers Compensation	0						
Total Payroll & Related							
Bad Debt	0						
Bridge Tolls	0						
Building & Facility Repair	0						
Contract Services	0						
Corporate Accounting Services	0						
Corporate Management	0						
Depreciation	0						
Environmental Compliance	0						
Freight	0						
Fuel	0				1		
Human Resources	0						
IC Disposal	0						
IC Processing	0						
IT Services	0						
Lease	0						
Liability Insurance	0						
Licenses & Permits	0						
O/S Billing Services	0						
O/S Disposal	0						
O/S Equipment Rental	0						
Office	0						
Parts	0						
Postage	0						
Professional Services	0						
Property Rental	0						
Repairs & Maintenance	0						
Security & Janitorial	0						
Supplies	0						
Sustainability	0						
Taxes	0						
Telephone	0						
Tires & Tubes	0						
Utilities	0						
T&G Fuel Allocation	0				1		
CPI Adjustment	0						
Other Expenses	0						

COMPANY'S PROPOSED ALLOCATIONS

Item Description	Fixed labor (Fixed COLA)	Variable labor (Var COLA)	H&W	Other (Var PPI)	Fuel	Capital no weight	Pension 0.31%
Inflation Percent	1						
Payroll	1						
Payroll Taxes	0						
Pension	0						1
Health Insurance	0						
Workers Compensation	0						
Total Payroll & Related							
Bad Debt	0						
Bridge Tolls	0						
Building & Facility Repair	0						
Contract Services	0						
Corporate Accounting Services	0						
Corporate Management	0						
Depreciation	0						
Environmental Compliance	0						
Freight	0						
Fuel	0				1		
Human Resources	0						
IC Disposal	0						
IC Processing	0						
IT Services	0						
Lease	0						
Liability Insurance	0						
Licenses & Permits	0						
O/S Billing Services	0						
O/S Disposal	0						
O/S Equipment Rental	0						
Office	0						
Parts	0						
Postage	0						
Professional Services	0						
Property Rental	0						
Repairs & Maintenance	0						
Security & Janitorial	0						
Supplies	0						
Sustainability	0						
Taxes	0						
Telephone	0						
Tires & Tubes	0						
Utilities	0						
T&G Fuel Allocation	0				1		
CPI Adjustment	0						
Other Expenses	0						

Per Rate Application:
 CPI Adjustment
 Corporate Adjustment

Per Rate Application:
 CPI Adjustment
 Corporate Adjustment

Per Rate Application:
 CPI Adjustment
 Corporate Adjustment



2013.0424E

CITY AND COUNTY OF SAN FRANCISCO



DENNIS J. HERRERA
City Attorney

OFFICE OF THE CITY ATTORNEY

THOMAS J. OWEN
Deputy City Attorney

Direct Dial: (415) 554-4679
Email: thomas.owen@sfgov.org

April 11, 2013

Monica Pereira
1650 Mission Street, Suite 400
San Francisco, CA 94103

Re: Environmental Review; Modification of Garbage Rates [revised]

Dear Ms. Pereira:

I am writing on behalf of the City Administrator, in her capacity as chair of the City's Residential Refuse Collection Rate Board, to respectfully request that the Planning Department evaluate a proposed adjustment to the residential refuse collection and disposal rate order, for purposes of the California Environment Quality Act ("CEQA"). The application for the adjustment was filed by the Recology San Francisco, Recology Golden Gate, and Recology Sunset Scavenger. (I previously sent a copy of the application, including the appendices and schedules, as a separate document in connection with this matter. Please continue to reference that document.)

Some features of the application:

- The application seeks a rate increase equal to an average of 21.51% for each residential and apartment customer, which would amount to approximately \$6.60 more per month for a typical single-family home.
- As part of that overall rate, the proposal would include, for the first time, a fixed per-household charge and separate charges for the collection of recyclable and compostable materials. Those charges would be in addition to volume-based fees collected only on trash (black bin) service.
- Recology would take over from the City certain responsibilities for collecting refuse left on the streets and sidewalks.
- Part of the rate increase would reimburse Recology for implementing new procedures to increase the diversion of recyclable and compostable materials from general refuse at Recology's refuse processing facility, referred to as the "transfer station."
- Recology has proposed two contingent rate schedules to pay for possible physical improvements to the transfer station necessary for the companies to meet the City's zero waste goals. (Any such physical improvements would be subject to separate environmental review.)

CITY HALL, ROOM 234 • 1 DR. CARLTON B. GOODLETT PLACE • SAN FRANCISCO, CALIFORNIA 94102-4682
RECEPTION: (415) 554-4700 • FACSIMILE: (415) 554-4699

Exhibit 73

Exh. 73

Letter to Monica Pereira
Page 2
April 11, 2013

The proposed rate adjustment is scheduled to be heard beginning Friday, April 12, 2013, with a final hearing on Thursday, May 30, 2013.

We believe that the proposed adjustment is statutorily exempt from review under CEQA because it meets the criteria contained in California Public Resources Code Section 21080(b)(8) and the State CEQA Guidelines, Section 15273. Those authorities provide, in relevant part, that CEQA does not apply to the establishment, modification, structuring, restructuring, or approval of rates, tolls, fares, and other charges by public agencies which the public agency finds are for the purpose of:


- (1) Meeting operating expenses, including employee wage rates and fringe benefits,
- (2) Purchasing or leasing supplies, equipment, or materials,
- (3) Meeting financial reserve needs and requirements,
- (4) Obtaining funds for capital projects, necessary to maintain service within existing service areas, or
- (5) Obtaining funds necessary to maintain such intra-city transfers as are authorized by city charter.

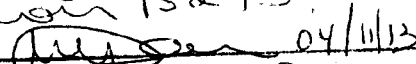
In this case, the proposed rate adjustments are being sought to enable Recology to "[meet] operating expenses, including employee wage rates and fringe benefits," "[purchase] or [lease] supplies, equipment, or materials," and "[o]btain funds for capital projects, necessary to maintain service within existing service areas," for the programs identified in the application. The specifics of how the proposed rate changes correspond to Recology's expenses and proposed expenditures are contained in the various schedules contained on the application.

Thank you for your assistance. Please contact me at (415) 554-4679 if I can provide you with any additional information or help in connection with this request.

Very truly yours,

DENNIS J. HERRERA
City Attorney


THOMAS J. OWEN
Deputy City Attorney

Not a project per
CEQA Guidelines
Section 15273.
 04/11/13
Approved Planning Dept. Monica Cristina Pereira,
Environmental Planner

CITY AND COUNTY OF SAN FRANCISCO

**Independent Accountant's Report
on Applying Agreed-Upon Procedures
Related to the Department of Environment
Impound Account**

For the Fiscal Year Ended June 30, 2008

Exhibit 74

Exh. 74



MACIAS GINI & O'CONNELL LLP
Certified Public Accountants & Management Consultants

WALNUT CREEK
2175 N. California Blvd., Suite 645
Walnut Creek, CA 94596
925.274.0190

SACRAMENTO

OAKLAND

LOS ANGELES

NEWPORT BEACH

SAN DIEGO

The Honorable Mayor Gavin Newsom
The Honorable Members of the Board of Supervisors
City and County of San Francisco, California

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the City and County of San Francisco (City) Department of Environment (Department), solely to assist management in evaluating whether the Department's usage of the Impound Account for the fiscal year ended June 30, 2008 is in compliance with the Department's Guidelines for the Use of Impound Account Funds, dated May 23, 2007. The Department's management is responsible for compliance with those guidelines. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

- 1) We obtained and reviewed the Department's impound account guidelines (Guidelines for the Use of Impound Account Funds, dated May 23, 2007), policies, and procedures related to expenditures.

Findings: No exceptions were noted as a result of our procedures.

- 2) We selected a sample of 45 non-payroll expenditure transactions (out of a population of 678 non-payroll expenditure transactions) incurred during the fiscal year ended June 30, 2008 to ascertain whether these expenditures complied with the Department's impound account guidelines, policies, and procedures by performing the following:
 - a) Reviewed supporting documentation to verify that the expenditures were for allowable activities included in the impound account guidelines
 - b) Verified that the expenditures were incurred during the fiscal year ended June 30, 2008
 - c) Verified that the expenditures were approved by a supervisor

Findings: We noted 5 transactions were not recorded in the proper period. The following expenditures incurred in fiscal year 2006/2007 were recorded in fiscal year 2007/2008:

- 1 disbursement for the purchase of recycling containers in the amount of \$36,660
- 2 disbursements to a drop-off recycling center community based organization totaling \$45,575
- 1 disbursement to a recycling site in the amount of \$5,000
- 1 disbursement to divert books from a landfill in the amount of \$754

Under generally accepted accounting principles, expenditures are to be recorded when liabilities are incurred. As such, the Department should record all expenditures related to the program in the period in which the liabilities are incurred.

- 3) We obtained and reviewed the Department's timekeeping process for adequate internal control designs related to payroll expenditures. The Department follows the City's timekeeping policies and procedures.

Findings: No exceptions were noted as a result of our procedures.

- 4) We selected a sample of 45 payroll expenditures (out of a population of 1,579 payroll transactions) incurred during the fiscal year ended June 30, 2008 to ascertain whether the expenditure complied with the Department's timekeeping policies and procedures by performing the following:
- a) Reviewed the signed Personnel Action Requests to verify the approved job classes and pay rates of the employees for the selected pay periods
 - b) Annualized the employees' approved salaries to verify whether the pay rates were within the specified ranges per the 2008 Compensation Manual
 - c) Verified timesheets were approved by a supervisor
 - d) Verified total hours worked per the timesheets agreed to total hours paid per the Payroll and Deduction Register
 - e) Verified hours worked relating to the Impound Account per the timesheet agreed to hours charged to the Impound Account
 - f) Verified payroll charged to the Impound Account is accurate
 - g) Compared actual sick and vacation accruals to the appropriate Memorandums of Understanding authorizations
 - h) Verified the payroll expenditures were in compliance with the impound account guidelines

Findings: No exceptions were noted as a result of our procedures.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion, on whether the Department is in compliance with the Department's Guidelines for the Use of Impound Account Funds, dated May 23, 2007. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Mayor, Members of the Board of Supervisors, and Department management and is not intended to be and should not be used by anyone other than those specified parties.

Macias Gini & Cunniff LLP
Certified Public Accountants

Walnut Creek, California
May 5, 2009



CITY AND COUNTY OF SAN FRANCISCO

**Independent Accountant's Report
On Applying Agreed-Upon Procedures
Related to the Department of Environment
Impound Account**

For the Fiscal Year Ended June 30, 2009

The Honorable Mayor Edwin M. Lee
The Honorable Members of the Board of Supervisors
San Francisco, California

INDEPENDENT ACCOUNTANT'S REPORT ON APPLYING AGREED-UPON PROCEDURES

We have performed the procedures enumerated below, which were agreed to by the City and County of San Francisco (City) Department of Environment (Department), solely to assist management in evaluating whether the Department's usage of the Impound Account for the fiscal year ended June 30, 2009 is in compliance with the Department's Guidelines for the Use of Impound Account Funds, dated May 23, 2007. The Department's management is responsible for compliance with those guidelines. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

- 1) We obtained and read the Department's impound account guidelines (Guidelines for the Use of Impound Account Funds, dated May 23, 2007), policies, and procedures related to expenditures.

Findings: Not applicable due to the nature of the procedure.

- 2) We selected a sample of 45 non-payroll expenditure transactions (out of a population of 764 non-payroll expenditure transactions) incurred during the fiscal year ended June 30, 2009 to determine whether these expenditures complied with the Department's impound account guidelines, policies, and procedures by performing the following:
 - a) Reviewed supporting documentation to verify that the expenditures were allowable activities included in the impound account guidelines;
 - b) Verified that the expenditures were incurred during the fiscal year ended June 30, 2009;
 - c) Verified that the expenditures were approved by a supervisor.

Findings: No exceptions were noted as a result of our procedures.

- 3) We obtained and read the Department's timekeeping process for adequate internal control designs related to payroll expenditures. The Department follows the City's timekeeping policies and procedures.

Findings: Not applicable due to the nature of the procedure.

- 4) We selected a sample of 45 payroll expenditure transactions (out of a population of 1,842 payroll expenditure transactions) incurred during the fiscal year ended June 30, 2009 to determine whether the expenditures complied with the Department's timekeeping policies and procedures by performing the following:
 - a) Reviewed the signed Personal Action Requests to verify the approved job classes and pay rates of the employees for the selected pay periods;
 - b) Annualized the employees' approved salaries to verify whether the pay rates were within the specified ranges per the City's 2009 Compensation Manual;
 - c) Verified timesheets are approved and signed by a supervisor;
 - d) Verified total hours worked per the timesheets agreed to total hours paid per the Payroll and Deduction Register;
 - e) Verified hours worked relating to the Impound Account per the timesheet agreed to hours charged to the Impound Account;
 - f) Verified payroll charged to the Impound Account is accurate;
 - g) Compared actual sick and vacation accruals to the appropriate Memorandums of Understanding authorizations;
 - h) Verified the payroll expenditures were in compliance with the impound account guidelines.

Findings: No exceptions were noted as a result of our procedures.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on whether the Department is in compliance with the Department's Guidelines for the Use of the Impound Account Funds, dated May 23, 2007. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Mayor, Members of the Board of Supervisors, and Department management and is not intended to be and should not be used by anyone other than those specified parties.

Macias Gini & Connell LLP
Certified Public Accountants

Walnut Creek, California
February 10, 2011



CITY AND COUNTY OF SAN FRANCISCO

Independent Accountant's Report
On Applying Agreed-Upon Procedures
Related to the Department of Environment
Impound Account

For the Fiscal Year Ended June 30, 2010

Certified Public Accountants.

The Honorable Mayor Edwin M. Lee
The Honorable Members of the Board of Supervisors
San Francisco, California

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

We have performed the procedures enumerated below, which were agreed to by the City and County of San Francisco (City) Department of Environment (Department), solely to assist management in evaluating whether the Department's usage of the Impound Account for the fiscal year ended June 30, 2010 is in compliance with the Department's *Guidelines for the Use of Impound Account Funds*, dated May 23, 2007. The Department's management is responsible for compliance with those guidelines. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

- 1) We obtained and read the Department's Impound Account guidelines (*Guidelines for Use of Impound Account Funds*, dated May 23, 2007), policies, and procedures related to expenditures.

Findings: Not applicable due to the nature of the procedure.

- 2) We selected a sample of 45 non-payroll expenditure transactions (out of a population of 801 non-payroll expenditure transactions) incurred during the fiscal year ended June 30, 2010 to determine whether these expenditures complied with the Department's Impound Account guidelines, policies, and procedures by performing the following:
 - a) Reviewed supporting documentation to verify that the expenditures were allowable activities included in the Impound Account guidelines;
 - b) Verified that the expenditures were incurred during the fiscal year ended June 30, 2010; and
 - c) Verified that the expenditures were approved by a supervisor.

Findings: We identified the following:

- The impound account guidelines indicate that administration costs are allocated based on program FTE counts for Impound Account staff. We noted 12 transactions totaling \$82,073 of allocated overhead expenses that were allocated based on 60% of actual costs incurred. However, the common department cost allocation for the fiscal year ended June 30, 2010, as provided by the Department, indicated an allocation percentage of 56% to the Impound Account.
- 1 transaction in the amount of \$66 was incurred for an employee's toastmaster membership, which did not appear to show a direct correlation to the administration of the City's solid waste management programs.

- For 5 transactions totaling \$501 of office supplies, we reviewed supervisory approval within the general ledger system, but we were not provided the supporting documents to verify whether these transactions were allowable activities under the Impound Account guidelines and were incurred during the fiscal year ended June 30, 2010.
- 3) We obtained and read the Department's timekeeping process for adequate internal control design related to payroll expenditures. The Department follows the City's timekeeping policies and procedures.

Findings: Not applicable due to the nature of the procedure.

- 4) We selected a sample of 45 employees whose salaries and benefits were allocated to the Impound Account (out of a population of 62 employees) during the fiscal year ended June 30, 2010 to determine whether those expenditures complied with the Department's timekeeping policies and procedures by performing the following:
- a) Reviewed the signed Person Action Requests to verify the approved job classes and pay rates of the employees for the selected pay periods;
 - b) Annualized the employees' approved salaries to verify whether the pay rates were within the specified ranges per the City's 2010 Compensation Manual;
 - c) Verified the employees' timesheets for the selected pay periods are approved and signed by a supervisor;
 - d) Verified total hours worked per the timesheets agreed to total hours paid per the Payroll and Deductions Registers;
 - e) Verified hours worked relating to the Impound Account per the timesheet agreed to hours charged to the Impound Account; and
 - f) Verified payroll charged to the Impound Account is accurate.

Findings:

We noted that 4 employees' hours as reported in their timesheets did not agree to actual hours paid as indicated in the Payroll and Deduction Registers. The Payroll Coordinator asserted that the discrepancies were due to corrections made in the time entry system during the payroll process after the timesheets were approved by supervisors. The City's policies and procedures require that incorrect timesheets be rejected and that employees resubmit revised timesheets for review and approval.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on whether the Department is in compliance with the Department's *Guidelines for the Use of the Impound Account Funds*, dated May 23, 2007. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Mayor, Members of the Board of Supervisors, and Department management and is not intended to be and should not be used by anyone other than those specified parties.

Macias Gini & Connell LLP
 Walnut Creek, California
 September 14, 2011



CITY AND COUNTY OF SAN FRANCISCO

**Independent Accountant's Report
On Applying Agreed-Upon Procedures
Related to the Department of Environment
Impound Account**

For the Fiscal Year Ended June 30, 2011

Certified Public Accountants.

Walnut Creek
2121 N. California Blvd., Suite 750
Walnut Creek, CA 94596
925.274.0190

Sacramento

Oakland

LA/Century City

Newport Beach

San Diego

Seattle

The Honorable Mayor Edwin M. Lee
The Honorable Members of the Board of Supervisors
San Francisco, California

**INDEPENDENT ACCOUNTANT'S REPORT
ON APPLYING AGREED-UPON PROCEDURES**

We have performed the procedures enumerated below, which were agreed to by the City and County of San Francisco (City) Department of Environment (Department), solely to assist management in evaluating whether the Department's usage of the impound account for the fiscal year ended June 30, 2011 is in compliance with the Department's *Guidelines for the Use of Impound Account Funds*, dated May 23, 2007. The Department's management is responsible for compliance with those guidelines. This agreed-upon procedures engagement was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of these procedures is solely the responsibility of those parties specified in the report. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

- 1) We obtained and read the Department's impound account guidelines (*Guidelines for Use of Impound Account Funds*, dated May 23, 2007), policies, and procedures related to expenditures.

Findings: Not applicable due to the nature of the procedure.

- 2) We selected a sample of 45 non-payroll expenditure transactions (out of a population of 712 non-payroll expenditure transactions) incurred during the fiscal year ended June 30, 2011 to determine whether these expenditures complied with the Department's impound account guidelines, policies, and procedures by performing the following:
 - a) Reviewed supporting documentation to verify that the expenditures were allowable activities included in the impound account guidelines;
 - b) Verified that the expenditures were incurred during the fiscal year ended June 30, 2011; and
 - c) Verified that the expenditures were approved by a supervisor.

Findings: No exceptions were found as a result of applying the procedures.

- 3) We obtained and read the Department's timekeeping process for adequate internal control design related to payroll expenditures. The Department follows the City's timekeeping policies and procedures.

Findings: Not applicable due to the nature of the procedure.

- 4) We selected a sample of 45 pay periods of employees whose salaries and benefits were allocated to the impound account (out of a population of 52 employees) during the fiscal year ended June 30, 2011 to determine whether those expenditures complied with the Department's timekeeping policies and procedures by performing the following:
 - a) Reviewed the signed Personnel Action Requests to verify the approved job classes and pay rates of the employees for the selected pay periods;
 - b) Annualized the employees' approved salaries to verify whether the pay rates were within the specified ranges per the City's 2010-11 Compensation Manual;
 - c) Verified the employees' timesheets for the selected pay periods are approved and signed by a supervisor;
 - d) Verified total hours worked for the selected pay periods per the timesheets agreed to total hours paid per the Payroll and Deductions Registers;
 - e) Verified hours worked relating to the impound account for the selected pay periods per the timesheet agreed to hours charged to the impound account; and
 - f) Verified payroll charged to the impound account for the selected pay periods is accurate.

Findings:

No exceptions were found as a result of applying the procedures.

We were not engaged to, and did not, conduct an examination, the objective of which would be the expression of an opinion on whether the Department is in compliance with the Department's *Guidelines for the Use of the Impound Account Funds*, dated May 23, 2007. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Mayor, Members of the Board of Supervisors, and Department management and is not intended to be and should not be used by anyone other than those specified parties.

Macias Gini & Cunnell LLP

Walnut Creek, California
March 12, 2013





Representing the public interest

San Francisco Ratepayer Advocate

c/o HF&H Consultants

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Walnut Creek, California 94596

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May 14, 2013

SUMMARY OF THE DRAFT APPLICATION FOR THE 2013 REFUSE RATE APPLICATION

On May 10th, the Department of Public Works (DPW) issued the "Staff Report on the 2013 Refuse Rate Application" (see link on website home page). Following is a brief, factual summary of key aspects of the Staff Report, with excerpts. See the Staff Report for additional information.

Overview

The following table is based on information provided on pages 3-4. The "average rate increase" is the total rate impact combining the activities of Recology Sunset Scavenger/Recology Golden Gate (RSS/RGG) which provides collection, and Recology San Francisco (RSF) which conducts processing and other non-collection activities, and pays for disposal.

	Draft Application – Proposed	Final Application – Proposed	Staff Report - Recommendation
Average Rate Increase	23.75%	21.51%	19.14%

DPW staff and staff from the Department of the Environment (SFE) have, in effect, reviewed the application twice. Based on City comments on the draft application, Recology's final application reduced the requested percentage increase. The Staff Report recommends the additional reduction as shown above.

For a typical residential household with three 32-gallon bins, the monthly rate would be \$33.87.

Changes to RSF's rate increases are shown in the following table based on information from page 3. These rates are reflected in the average rate increase shown above.

Item	Draft Application - Proposed	Final Application – Proposed	Staff Report - Recommendation
RSF Rate Increase (%)	13.26%	6.45%	4.60%
RSF Tip Fee (dollars per ton)	\$159.43	\$149.84	\$147.23

Summary of Staff Report

May 14, 2013

Page 2 of 6

The following is excerpted from pages 5 and 6 of the Staff Report.

“The Companies attribute fully 16.1% of the 21.5% proposed rate increase (or 75% of their request) to a revenue shortfall due to a combination of migration to diversion service and the economic downturn... To date, charges in the residential and apartment sectors have only been levied on trash, or black bin, service. Collection and processing of the other two material streams--recyclables and compostables--requires an equivalent level of effort, and therefore expenditure. As customers have been shifting away from larger trash containers, or to less frequent collection, in an effort to save money and to comply with the Mandatory Recycling and Composting Ordinance, revenues collected by the Companies have gone down...

...Staff wants to emphasize to all interested parties and the public that a revenue shortfall, caused in large measure by changes in the economy and behavior encouraged by adopted City policies, more than any cost increases, is driving the requested increase in refuse collection rates. Staff also notes that other jurisdictions throughout California are grappling with the issue of a shrinking rate base (i.e., trash volume) and are considering changes in refuse rate structures similar to those being proposed by the Companies.”

Rate Structure Changes

The Staff Report recommends approval of Recology's proposed changes to the residential rate structure and apartment rate structures (see pages 4-5), which include fixed charges for each residential unit and for each blue and green bin.

Key Adjustments to Revenues and Expenses

The following is a brief listing of key adjustments recommended by the Staff Report.

Increased Revenue

Adjustments that increase revenue help reduce the rate increase. For RSS/RGG the Staff Report recommends changes that increase revenues by \$1.96 million (see page 4). Key among these are the following.

Summary of Staff Report
 May 14, 2013
 Page 3 of 6

Staff Recommended Revenue Changes for RSS/RGG	Value of Change
Reduce Pay Per Setout test	\$139,661
Lower apartment migration assumption	\$548,701
Increase projected apartment revenues for new units	\$1,272,797

Reduced Expenses

Adjustments that reduce expenses help reduce the rate increase. The Staff Report recommends reducing expenses by \$2.8 million. Key reductions for RSS/RGG are shown below, based on a table from page 4.

Staff Recommended Expenditure Changes for RSS/RGG	Value of Change
Intercompany disposal (lower tip fee)	\$441,972
Intercompany processing (lower tip fee)	\$900,083
Reduce shops and clerical staffing (2 positions)	\$135,687
Lower price for CNG fuel	\$733,743
Reduce Pay Per Setout test	\$193,780

For RSF the Staff Report recommends reduced expenses totaling \$1.47 million (see page 3). Key reductions are shown on the following table from page 3.

Staff Recommended Changes for RSF	Value of Change
Remove Brisbane tax from operating ratio calculation	\$259,350
Reduce staffing at recycling facility (2 sorter/materials handlers)	\$137,574
Reduce compostables tip fee	\$568,060
Adjust lease terms from 7 to 10 years for stationary equipment	\$237,279

Role of Annual Rate Adjustments in Reducing Future Rate Increases

The Staff Report proposes changes in how cost of living adjustments (COLAs) are applied in future years that will help reduce the amount of annual adjustments that would have occurred based on the Final Application (see pages 15-17). The Staff Report also recommends that the COLA mechanism (a group of indices that track different types of costs) be reviewed, and modified as necessary during the next rate review to address key areas of rapid cost growth, and in particular labor-related costs for health and other benefits.

Summary of Staff Report
May 14, 2013
Page 4 of 6

The following text from page 7 addresses an additional means by which future rate increases will be at least partially mitigated.

“To mitigate rate increases and allow time for apartment owners to understand the new rate structure and right size their service levels, the Companies have proposed capping apartment rate increases for individual apartment customers at 25% in RY14 and 50% in RY15. The Companies state that the changes to service levels and configuration will offset any additional revenue generated by the removal of caps... But staff does not believe that all revenue from removal of the caps will be offset by service adjustments... To mitigate such a revenue windfall, staff recommends \$2,285,527, one-half of the total potential excess revenue, be returned to the rate base in the annual COLA adjustment process. This will mean that all classes of ratepayers will benefit from removal of the caps on apartment rates...”

Request to Approve Future Expenses

Recology's application includes two “contingent schedules”, and they are discussed on pages 22-23 of the Staff Report. One contingent schedule is for the “Zero Waste Facility Expansion”, which will require expansion of the Recology's Tunnel and Beatty site and facilities. The contingent schedule requests advanced approval of a mechanism for future compensation for acquisition of land in Brisbane. The Staff Report recommends against this request as excerpted below:

“Despite staff's support of the Brisbane land acquisition, we do not believe enough is known, or can be known, about the actual terms of the proposed acquisition at this time to justify approval of the contingent rate schedule. To begin with, the Companies don't know exactly how many of the targeted parcels will be acquired, or what the ultimate cost of the acquisition will be...”

In addition to the yet-to-be-determined price, the terms of financing for the acquisition are also unknown. The Companies stated that they have not determined how they would fund the property acquisition, either through a bank loan or other form of financing, or through shareholders equity...

Instead of basing their revenue needs for the proposed acquisition on actual costs, the Companies propose recovering their carrying costs for the property by applying a Weighted Average Cost of Capital (WACC) of 8.25% to the property acquisition price (Exh. 27, p. 1)...

Summary of Staff Report
May 14, 2013
Page 5 of 6

It is staff's view that Contingent Rate Schedule 1, and the Companies' proposed approach to recovering the cost of land acquisition in the rates, have too many contingencies and unknowns...

Staff expects that the Companies will need to submit a new rate application within two years to account for costs associated with new contracts for transportation and disposal at a new landfill (when the Altamont contract capacity is reached). Therefore, staff recommends that the Companies include costs for the land acquisition as part of that rate application...

In the meantime, staff recommends that the Companies engage with the City in investigating the possibility of having the City purchase the land on behalf of the rate payers. "

The second contingent schedule addresses the "West Wing" project, changes to the Tunnel and Beatty facility as a near-term facility-expansion opportunity to provide the building space for development of new processing technology. The Staff Report recommends approval of the revised contingent schedule contained in the Final Application, with rate impacts that are greatly reduced from those in the draft application.

The Next Rate Review(s)

Pages 24-25 discuss "future ratemaking procedures". The Staff Report agrees with Recology's request for a "streamlined process" as follows:

"Staff recommends that the Director adopt procedures that streamline the pre-application period, reducing the current requirement of 180 days to 60-90 days, depending on the number of issues and complexity of the Companies' request. Any future application would still be subject to the 150-day review period specified in the 1932 Refuse Collection and Disposal Ordinance."

As discussed during the April hearings, current projections indicate that the City will need a new landfill disposal agreement early in 2016. The exact timing depends on how much black bin material is generated over the next few years. Thus, the next review will likely be a more limited one focusing on any changes in disposal costs. As noted above regarding the Zero Waste Facility land purchases, the Staff Report recommends addressing land purchases, if necessary, as part of a review of disposal expenses.

Public Comments and City Responses

Pages 27-33 provide responses to forty-five comments received from the public during the April hearings, covering a broad range of topics. Among the key topics are:



Summary of Staff Report

May 14, 2013

Page 6 of 6

- The amount of the rate adjustment.
- Proposed changes in the rate structure.
- COLA adjustments.
- Profit levels.
- Loss of revenue from scavenging of recyclables.
- Guarantee of Impound Account funding levels.
- Transfer of abandoned materials collection.
- Rebate of refuse-related fines to ratepayers.
- Presentation of costs and revenues by program.
- Customers that generate very small amounts of black bin material.
- Compliance with Rate Board 2012 provisions and Prop J.
- Impartiality of DPW.
- Capturing efficiencies.

City vs. Recology Salary and Benefits information

WAGE RATES:

	1/1/2012	Annual Salary @ 2,080 hours	7/1/2013 COLA 3.0%-5.0%	Annual Salary @ 2,080 hours	% Change from previous	1/1/2014 COLA 3.0%-5.0%*	% Change from previous	1/1/2015 COLA 3.0%-6.0%*	% Change from previous	1/1/2016 COLA 3.0%-6.0%*	% Change from previous
Helper/Driver	39.01	\$ 81,140.80	40.16	\$ 83,574.40	3.00%	41.39	3.01%	42.63	3.00%	43.91	3.00%
Recycling Collector	39.01	\$ 81,140.80	42.23	\$ 87,838.40	8.25%	43.50	3.01%	44.80	2.99%	46.15	3.01%
Commercial Driver	41.00	\$ 85,280.00	42.23	\$ 87,838.40	3.00%	43.50	3.01%	44.80	2.99%	46.15	3.01%
Route Leadperson Fantastc 3	41.00	\$ 85,280.00	42.23	\$ 87,838.40	3.00%	43.50	3.01%	44.80	2.99%	46.15	3.01%
Shop Foreperson	44.10	\$ 91,728.00	45.42	\$ 95,743.68	2.99%	46.79	3.02%	48.18	2.97%	49.63	3.01%
Assistant Shop Foreperson	42.64	\$ 88,691.20	43.92	\$ 91,353.60	3.00%	45.24	3.01%	46.59	2.98%	47.99	3.00%
Mechanic/Truck Welder	42.00	\$ 87,360.00	43.35	\$ 89,980.80	3.00%	44.56	3.01%	45.89	2.98%	47.27	3.01%
Shop Person	39.36	\$ 81,868.80	40.57	\$ 84,932.80	3.00%	41.76	3.01%	43.01	2.99%	44.30	3.00%

Source: Collective Bargaining Agreement, 2012-2016, Between Recology Sunset & Recology Golden Gate and Sanitary Truck Drivers and Helpers Union Local 350, IBT (Section 5 - Job Classification and Wage Rates)

History of 216 Local 853, Building Materials & Construction Teamsters Budgeted Benefits

July COLA
 August COLA
 September COLA
 October COLA
 November COLA
 December COLA

	Ret. Contribution	HEALTH SERVICE- CITY MATCH	DEPENDENT COVERGE MISCELLANEOUS	DENTAL COVERAGE	UNEMPLOYMENT INSURANCE	LONG TERM DISABILITY INSURANCE	Hourly Rate - Beginning of Year	Hourly Rate - End of Year	Annualized Hourly Rate	July COLA	August COLA	September COLA	October COLA	November COLA	December COLA
FY 2006-07	6.24%	4,514.40	4,498.68	1,303.20	0.30%	0.64%	34.09	34.94	34.51	2.50%					
FY 2007-08	5.91%	4,892.68	5,253.76	1,253.04	0.20%	0.65%	34.94	35.64	34.94						
FY 2008-09	4.99%	5,180.96	5,843.33	1,283.64	0.20%	0.62%	35.64	36.89	36.26	3.50%					3.50%
FY 2009-10	9.49%	5,635.41	5,783.94	1,396.59	0.20%	0.62%	36.89	36.89	36.89						
FY 2010-11	13.56%	6,002.99	5,631.32	1,583.28	0.25%	0.59%	36.89	36.89	36.89						
FY 2011-12	18.09%	6,373.56	5,571.66	1,652.40	0.30%	0.56%	36.89	36.89	36.89						
FY 2012-13	18.13%	6,731.00	6,104.00	1,622.00	0.25%	0.56%	36.89	36.89	36.89						
FY 2013-14 Current Budget	25.40%	6,903.00	6,617.00	1,622.00	0.25%	0.56%	36.89	38.01	37.53	1.00%	1.00%	1.00%	1.00%	1.00%	1.00%
FY 2014-15 current budget	28.00%	7,470.00	7,023.00	1,622.00	0.25%	0.56%	38.01	38.01	38.01						
							\$ 79,051								

PENSION as a % of Payroll (2014 Projected)

RSS/RGG 20.18%
 RSF 34.78%

HEALTH & WELFARE as a % of Payroll (2014 Projected)

RSS/RGG 29.38%
 RSF 33.07%

Medical Plan Benefits-at-a-Glance

	blue of california	KAISER PERMANENTE*	CITY HEALTH PLAN (UnitedHealthcare Choice Plus)
		In-Network Providers	Out-of-Network Providers*
DEDUCTIBLES			
Deductible and out-of-pocket maximum	No deductible Plan year out-of-pocket maximum \$2,000/individual; \$4,000 family	No deductible Plan year out-of-pocket maximum \$1,500/person; \$3,000 family	\$250 deductible employees only \$500 deductible + 1 \$750 deductible + 2 or more Plan year out-of-pocket maximum \$3,750/person
PREVENTIVE CARE			
Routine physical	No charge	100% covered no deductible	100% covered no deductible
Immunizations and inoculations	No charge	100% covered no deductible	100% covered no deductible
Routine gynecologic wellness exam	No charge	100% covered no deductible	100% covered no deductible
Well baby care	No charge	100% covered no deductible	100% covered no deductible
PHYSICIAN & OTHER PROVIDER CARE			
Office and home visits	\$25 co-pay	\$20 co-pay	85% covered after deductible
Hospital visits	No charge	No charge	85% covered after deductible
PRESCRIPTION DRUGS			
Pharmacy: generic drugs	\$10 co-pay 30-day supply	\$5 co-pay 30-day supply	\$5 co-pay 30-day supply
Pharmacy: brand-name drugs	\$25 co-pay 30-day supply	\$15 co-pay 30-day supply	\$20 co-pay 30-day supply
Pharmacy: non-formulary drugs	\$50 co-pay 30-day supply	Physician authorized only	\$50 covered after \$45 co-pay; 30-day supply
Mail order: generic drugs	\$20 co-pay 90-day supply	\$10 co-pay 100-day supply	\$10 co-pay 90-day supply
Mail order: brand-name drugs	\$50 co-pay 90-day supply	\$30 co-pay 100-day supply	\$40 co-pay 90-day supply
Mail order: non-formulary drugs	\$100 co-pay 90-day supply	Physician authorized only	\$90 co-pay 90-day supply
Specialty drugs	20% up to \$100 co-pay 30-day supply	Same as all above	Same as 30-day supply above limitations apply; see EOC
OUTPATIENT SERVICES			
Diagnostic x-ray and laboratory	No charge	No charge	85% covered after deductible; may require prior notification
EMERGENCY			
Hospital emergency room	\$100 co-pay waived if hospitalized	\$100 co-pay waived if hospitalized	85% covered after deductible; if non-emergency 50% after deductible
Urgent care facility	\$25 co-pay within CA network	\$20 co-pay	85% covered after deductible
HOSPITAL/SURGERY			
Inpatient	\$200 co-pay per admission	\$100 co-pay per admission	85% covered after deductible; may require prior notification
Outpatient	\$100 co-pay per surgery	\$35 co-pay	85% covered after deductible

*This chart provides a summary of benefits. It is not a contract. For a detailed description of benefits and exclusions for each plan, please refer to the plan documents available on the Kaiser Permanente website. www.kaiserpermanente.org

Note: Out-of-pocket maximum does not include co-payments or deductibles. In some cases, deductibles apply before co-payments and such may result in higher out-of-pocket costs.

BI-WEEKLY PREMIUM CONTRIBUTION RATES: EMPLOYEE +2

MEDICAL PLAN RATES	BLUE SHIELD HMO		KAISER PERMANENTE HMO		CITY HEALTH PLAN PPO	
	Employer Pays	Employee Pays	Employer Pays	Employee Pays	Employer Pays	Employee Pays
Auto Machinists Local 1414	603.27	240.32	585.72	114.00	585.72	1,024.94
Bldg Inspectors, Classes 6331/6333	603.27	240.32	585.72	114.00	585.72	1,024.94
Bricklayers Local 3/Hodcarriers Local 36	603.27	240.32	585.72	114.00	585.72	1,024.94
Carpenters Local 22	603.27	240.32	585.72	114.00	585.72	1,024.94
Cement Masons Local 580	603.27	240.32	585.72	114.00	585.72	1,024.94
DA Investigators Association	603.27	240.32	585.72	114.00	585.72	1,024.94
Deputy Probation Officers Association	603.27	240.32	585.72	114.00	585.72	1,024.94
Deputy Sheriffs Association	603.27	240.32	585.72	114.00	585.72	1,024.94
Electric Workers Local 6	603.27	240.32	585.72	114.00	585.72	1,024.94
Firefighters Local 798	603.27	240.32	585.72	114.00	585.72	1,024.94
Glaziers Local 718	603.27	240.32	585.72	114.00	585.72	1,024.94
IFPTE Local 21/22	603.27	240.32	585.72	114.00	585.72	1,024.94
Institutional Police Officers Association	557.86	285.73	540.32	159.40	540.32	1,070.34
Ironworkers Local 377	603.27	240.32	585.72	114.00	585.72	1,024.94
Laborers International Union Local 261	603.27	240.32	585.72	114.00	585.72	1,024.94
Municipal Attorneys' Association	603.27	240.32	585.72	114.00	585.72	1,024.94
Operating Engineers Local 3	603.27	240.32	585.72	114.00	585.72	1,024.94
Painters Local 4	603.27	240.32	585.72	114.00	585.72	1,024.94
Physicians and Dentists Unit 8CC 17, 18	603.27	240.32	585.72	114.00	585.72	1,024.94
Pile Drivers Local 34	603.27	240.32	585.72	114.00	585.72	1,024.94
Plasterers Local 66	603.27	240.32	585.72	114.00	585.72	1,024.94
Plumbers & Pipefitters Local 38	603.27	240.32	585.72	114.00	585.72	1,024.94
Police Officers Association	603.27	240.32	585.72	114.00	585.72	1,024.94
Roofers Local 40	603.27	240.32	585.72	114.00	585.72	1,024.94
SEIU Local 1021 Miscellaneous	603.27	240.32	585.72	114.00	585.72	1,024.94
SEIU Local 1021 Staff Nurses	797.92	45.67	698.69	1.03	1,276.43	334.23
SEIU Local 1021 Per Diem Nurses 1	0	843.59	0	699.72	0	1,610.66
SEIU Local 1021 Fire Rescue Paramedics	603.27	240.32	585.72	114.00	585.72	1,024.94
Sheet Metal Workers Local 104	603.27	240.32	585.72	114.00	585.72	1,024.94
Stationary Engineers Local 39	603.27	240.32	585.72	114.00	585.72	1,024.94
Supervising Registered Nurses Local 856	797.92	45.67	698.69	1.03	1,276.43	334.23
Supervising Probation Officers	650.23	193.36	699.72	0	632.69	977.97
Teamsters Local 853	603.27	240.32	585.72	114.00	585.72	1,024.94
Teamsters Local 856	603.27	240.32	585.72	114.00	585.72	1,024.94
Theatrical Stage Employees Local 16	603.27	240.32	585.72	114.00	585.72	1,024.94
TWU Local 200 and 250A, Class 7410	603.27	240.32	585.72	114.00	585.72	1,024.94
TWU Local 250A, Class 9163	596.53	247.06	578.99	120.73	578.99	1,031.67
TWU Local 250A, Multi Unit	603.27	240.32	585.72	114.00	585.72	1,024.94
Unrepresented Employees (Misc.)	603.27	240.32	585.72	114.00	585.72	1,024.94
Superior Court Employees Local 21	772.54	71.05	699.72	0	755.00	855.66
Superior Court Employees Local 1021	653.54	190.05	636.00	63.72	636.00	974.66
Superior Court Judges	843.59	0	699.72	0	1,610.66	0
Superior Court Reporters	772.54	71.05	699.72	0	755.00	855.66
Superior Court Staff Attorneys	772.54	71.05	699.72	0	755.00	855.66
Superior Court Staff Attorneys Cash Back 2	675.62	167.97	658.08	41.64	658.08	952.58
Superior Court Unrepresented Professionals Commissioners 1	772.54	71.05	699.72	0	755.00	855.66
	264.36	579.23	246.83	452.89	246.83	1,363.83

DENTAL PLAN RATES

Most Unions 3	DELTA DENTAL		DELTACARE USA		PACIFIC UNION DENTAL	
	Employer Pays	Employee Pays	Employer Pays	Employee Pays	Employer Pays	Employee Pays
	80.97	6.92	29.28	0	31.32	0

1 Pursuant to the current collective bargaining agreement with SEIU Local 1021, Per Diem Nurses who enroll in HSS-administered health and dental benefits are subject to premium contributions. Some Commissioners are also required to pay dental plan premiums.

2 Attorneys with enrolled dependents who wish to elect the cashback rate must complete additional forms. Contact HSS for details.

3 Per collective bargaining agreements as of the date this guide was printed, all employees in the groups listed above, except SEIU Local 1021 Staff Nurses and all Superior Court employees, pay the employee share of dental premiums as indicated.

All rates published in this guide are subject to approval by the Health Service Board, the San Francisco Board of Supervisors and/or the respective employers. Rate updates are available on www.myhss.org.



City and County of San Francisco
Department of Human Resources

Proposition C (Nov. 2011):

**Pension and
Healthcare Benefits**



City and County of San Francisco
Department of Human Resources

**Proposition C:
Pension and Healthcare
Benefits**

New Hires
(Hired on or after 1/7/12)



City and County of San Francisco
Department of Human Resources

New Hires:

Pension Formulas

Miscellaneous

- Minimum: 1%@50 → 1%@53
- Maximum: 2.3%@62 → 2.3%@65

Safety

- Minimum: 2.4%@50 → 2.2%@50
- Maximum: 3%@55 → 3%@58

Final Compensation for Pension Calculations

- 2 years → 3 years



Proposition C:
Pension and Healthcare
Benefits

All Employees



City and County of San Francisco
Department of Human Resources

All Employees: Additional Retirement Contributions

Employer Contrib.	Misc. <\$50K	Misc. \$50-\$100K	Misc. >\$100K	Safety
0.00%	0.00%	-4.00%	-5.00%	-6.00%
0.00% - 2.50%	0.00%	-3.75%	-4.25%	-4.75%
2.50% - 4.00%	0.00%	-3.50%	-4.00%	-4.50%
4.00% - 5.50%	0.00%	-2.50%	-3.00%	-3.50%
5.50% - 7.00%	0.00%	-2.00%	-2.50%	-3.00%
7.00% - 8.50%	0.00%	-1.50%	-2.00%	-2.00%
8.50% - 10.00%	0.00%	-1.00%	-1.50%	-1.50%
10.00% - 11.00%	0.00%	-0.50%	-0.50%	-0.50%
11.00% - 12.00%	0.00%	0.00%	0.00%	0.00%
12.00% - 13.00%	0.00%	0.50%	0.50%	0.50%
13.00% - 15.00%	0.00%	1.00%	1.50%	1.50%
15.00% - 17.50%	0.00%	1.50%	2.00%	2.00%
17.50% - 20.00%	0.00%	2.00%	2.50%	3.00%
20.00% - 22.50%	0.00%	2.50%	3.00%	3.50%
22.50% - 25.00%	0.00%	3.50%	4.00%	4.50%
25.00% - 27.50%	0.00%	3.50%	4.00%	4.50%
27.50% - 30.00%	0.00%	3.75%	4.25%	4.75%
30.00% - 32.50%	0.00%	3.75%	4.25%	4.75%
32.50% - 35.00%	0.00%	4.00%	4.50%	5.00%
35.00%+	0.00%	4.00%	5.00%	6.00%

FY12-13
Projection



City and County of San Francisco
Department of Human Resources

All Employees:
Retiree Healthcare Trust Fund Contributions

■ **Hired on or after 1/10/09:** (*status quo*)

- Employee: 2%
- Employer: 1%

■ **Hired before 1/10/09:** (*new*)

- Employee and Employer: (*each*)
 - FY16-17: 0.25%
 - FY17-18: 0.5%
 - FY18-19: 0.75%
 - FY19-20 & thereafter: 1%



Recent Pension and Healthcare Charter Measures

PENSION					
Pension Formula					
Miscellaneous					
<i>maximum</i>	2%@60	2.3%@62	-	-	2.3%@65
<i>minimum</i>	1%@50	-	-	-	1%@53
Safety					
<i>maximum</i>	3%@55	-	-	-	3%@58
<i>minimum</i>	2.4@50	-	-	-	2.2%@50
Final Compensation	1 year	-	2 years	-	3 years
Regular Employee Contribution					
<i>miscellaneous</i>	7.50%	-	-	-	-
<i>safety</i>	7.50%	-	9%	-	-
Additional Employee Contribution					
<i>miscellaneous (<\$50K)</i>	none	-	-	-	-
<i>miscellaneous (\$50K-\$100K)</i>	none	-	-	-	-4% to 4%
<i>miscellaneous (>\$100K)</i>	none	-	-	-	-5% to 5%
<i>safety</i>	none	-	-	-	-6% to 6%

* Items in blue affect actives as well as new hires

** Items in green only affects actives hired pre-1/10/09



City and County of San Francisco
Department of Human Resources

Recent Pension and Healthcare Charter Measures

PENSION		HEALTH	
Cap on Pensionable Salary			
<i>miscellaneous</i>	none	-	85% IRS Cap
<i>safety</i>	none	-	75% IRS Cap
COLAS			
Basic			
<i>amount</i>	2% simple	2% comp.	-
Supplemental			
<i>amount</i>	1%	1.50%	-
SFERS fully funded requirement	no	-	yes
fully ends once excess earnings end	no	-	yes
Vested Retirement			
	100% match	-	50% match
Fully Vested Retiree Health Care	5 years	20 years	-
Retire Health Care Trust Fund			
<i>employee</i>	-	2%	0.25%-1%
<i>employer</i>	-	1%	0.25%-1%

* items in blue affect actives as well as new hires

* items in green only affects actives hired pre- 1/10/09



City and County of San Francisco
Department of Human Resources

RECOLOGY ORGANICS GROUP

CUSTOMERS WITH THE LARGEST PERCENTAGE OF FOOD WASTE

<u>Customer</u>	<u>Rate</u>	<u>Annual Tons</u>
Vacaville Correctional Medical Facility	\$50.20	1,150
Vallejo	\$50.20	160
Safeway	\$49.88	23,600
San Francisco	\$49.18	148,630
South Bay Waste Mgmt Authority	\$46.55	0
Redwood Empire Disposal	\$45.81	860
Costco	\$45.00	250



SF Recycling & Disposal, Inc.
 Rate Application, Schedule J.3

Disposal to Hay Road Landfill for the Rate Years ending June 30,

	Rate Per Ton	RY2007	RY2008	RY2009	RY2010	RY2011
Tons						
/MRF Sort line (Inerts)		2,012	2,019	2,019	2,018	2,018
/MRF Sort line (Sheet Rock)		3,177	3,188	3,188	3,188	3,187
Transfer Station Brush		3,999	4,017	4,029	4,028	4,020
Transfer Station Xmas Trees		434	453	454	436	417
Transfer Station Inerts From Sunset		1,524	1,515	1,514	1,501	1,509
Transfer Station Inerts From Golden Gate		2,251	2,240	2,238	2,237	2,231
Transfer Station MSW (non-SF)		1,546	1,553	1,549	1,548	1,548
Transfer Station Inerts\Sheet Rock from PDRA		10,034	10,521	11,330	11,712	12,094
Transfer Station Organics From Sunset		60,836	62,744	64,456	66,181	67,871
Transfer Station Organics From Golden Gate		38,725	38,870	38,876	38,874	43,566
Total Tons to Hay Road Landfill		124,539	127,119	129,652	131,723	138,461
I/C Disposal Costs						
/MRF Sort line (Inerts)	\$ -	-	-	-	-	-
/MRF Sort line (Sheet Rock)	\$ 21.00	66,719	66,951	66,955	66,941	66,929
Transfer Station Brush	\$ 21.00	83,978	84,356	84,605	84,595	84,417
Transfer Station Xmas Trees	\$ 21.00	9,112	9,520	9,537	9,152	8,747
Transfer Station Inerts From Sunset	\$ -	-	-	-	-	-
Transfer Station Inerts From Golden Gate	\$ -	-	-	-	-	-
Transfer Station MSW (non-SF)	\$ 36.75	56,832	57,075	56,934	56,873	56,890
Transfer Station Inerts\Sheet Rock from PDRA	\$ 21.00	210,719	220,938	237,926	245,947	253,980
Transfer Station Organics From Sunset	See Notes	2,250,939	2,364,193	2,464,137	2,567,828	2,648,329
Transfer Station Organics From Golden Gate	See Notes	1,432,842	1,464,608	1,486,212	1,508,314	1,699,955
Other I/C Disposal Costs						
Hazardous Waste		1,200	1,200	1,200	1,200	1,200
Safe Needle Program						
SF R&D I/C Disposal		4,112,342	4,268,839	4,407,505	4,540,849	4,820,446
Total Intercompany Disposal (Net)		\$ 4,112,342	\$ 4,268,839	\$ 4,407,505	\$ 4,540,849	\$ 4,820,446

Intercompany disposal rate for organics is \$37.00/ton in RY07, \$39.00/ton in RY08, \$41.00/ton in RY09, \$43.00/ton in RY10 and \$45.00/ton in RY11. For calculation purposes, the rates used in this schedule are deflated by the Fixed COLA Factor beginning in RY08 such that the inflation calculation on Schedule D is not double counted.



Residential Development Pipeline - December 2012

Site	Number of Units	Name	Earliest Estimated Completion	RSS/RGG Account Type	RSS/RGG Account Start Date
435 China Basin St.	329	The Madrone	2012	A	8/1/2012
150 Otis. St.	76	Veterans Commons	2013	A	11/25/2012
2235 Third St.	196	Potrero Launch	2012	C	11/1/2012
220 Golden Gate Ave.	174	220 Golden Gate Ave.	2012	C	1/4/2013
1401 Market St.	754	Crescent Heights	2013	C	
1169 Market St.	418	Trinity Plaza, phase II	2013	C	
701-725 Golden Gate Ave.	100	Mary Helen Rogers Senior Community	2012	New A	
1155 4th St.	147	Venue	2013	New A	
25 Essex St.	120	Rene Cazenave Apartments	2013	New A	
1844 Market St.	113	1844 Market St.	2013	New A	
227 West Point Road	107	Hunters View phase I	2013	New A	
6600 Third St.	73	6600 Third St.	2013	New A	
474 Natoma St.	60	474 Natoma St.	2013	New A	
1266-70 9th Ave	15	1266-70 9th Ave	2013	New A	
1415 Mission St.	165	1415 Mission St.	2013	New A	
	<u>2,847</u>				

Estimated Additional Revenue based on minimum trash services

New Units	2,847			
Existing Apartment Units	(405)			
Commercial Units	(1,542)			
Additional Apartment Units	<u>900</u>			
Minimum Service (Gallons)	16			
Total Gallons	14,400			
Minimum Size of Bins	32			
No. of 32-gal bins	450			
Current 32-gal bin rate	\$27.91			
Additional Monthly Revenue	\$12,560			
No. of Month/Year	12			
Additional Annual Revenue - 900 new units	\$150,714			
Annualize Revenue from 601 new units		Monthly Rate	# of Months	
435 China Basin		\$ 4,855	6	29,130
150 Otis. St.		\$ 1,079	10	10,789
Total Additional Annual Revenue - 1,305 Units	\$190,633			



Recology Sunset \ Recology Golden Gate
 Apartment Revenue Analysis
 Impacts of Apartment Cap

Increase Distribution	No. of Accounts	Monthly Increase	% of Accounts	Average Recycling %	Average Change in \$/Account
No Change	10				
0.01 - 9.9%	133	16,914	0.12%	1%	\$127
10 - 19.9%	855	140,412	1.54%	13%	\$164
20 - 25.0%	1,353	175,900	9.92%	33%	\$130
25.1 - 29.9%	1,367	167,559	15.70%	45%	\$123
30 - 39.9%	2,301	282,885	15.86%	49%	\$123
40 - 49.9%	1,289	177,254	26.70%	54%	\$138
50 - 59.9%	538	119,462	14.96%	56%	\$138
60 - 69.9%	284	81,302	6.24%	62%	\$222
70 - 79.9%	94	34,696	3.30%	66%	\$286
80 - 89.9%	68	24,585	1.09%	66%	\$369
90 - 99.9%	64	15,577	0.79%	69%	\$362
100 - 109.9%	102	13,319	0.74%	57%	\$243
110% & Above	159	54,146	1.18%	54%	\$131
	8,617	1,304,011	100.00%	57%	\$341

Staff Report Revised Notes

Increase apartment revenue without caps or migration	15,648,131	13,925,233	1
Increase apartment revenue per rate application	11,077,076	10,101,075	2
Additional potential revenue before migration	4,571,055	3,824,157	
Projected migration as per Staff Report @ 1.4% from projected revenue base		(738,846)	3
Total Removal of Caps at 19.14% Rate Increase	3,085,312		
% to be returned to the rate base in the annual COLA adjustment process	50.00%	50.00%	
Amount proposed for FY 2015 COLA adjustment	2,285,528	1,542,656	

	Revenue Base (Schedule B.2)	Proposed Rate Increase	Increase Apartment Revenue
Draft Rate Application	51,501,892	21.51%	11,077,076
Staff Report - Proposed Change	1,272,797		
Staff Report - Proposed Apartment Base Revenue	52,774,689	19.14%	10,101,075

Notes

1. Reduction in Rate Increase - from 21.51% to 19.14%
2. Reduction in Rate Increase from projected revenue base of \$52,774,689 (Schedule B.2)
3. 1.4% of projected revenue base of \$52,774,689 (Schedule B.2)



IMPACT OF INCREASED APARTMENT UNITS

	Black	Blue	Green
Generation Per Unit (Gallons/Week)	16	16	4
New Units	900	900	900
Total Additional Generation (Gallons/Week)	14,400	14,400	3,600
Total Additional Generation (Gallons/Year)	748,800	748,800	187,200
Total Additional Generation (Cubic Yards/Year)	3,707	3,707	927
Density (Pounds/Cubic Yard)	225	150	750
Total Additional Generation (Pounds/Year)	834,183	556,122	695,153
Total Additional Generation (Tons/Year)	417	278	348
Total Additional Generation (Tons/Day-5)	1.6	1.1	1.3

IMPACT OF DECREASED APARTMENT MIGRATION TO RECYCLING AND COMPOSTING

	Black	Blue	Green
2.5% Apartment Migration (Tons/Day-5)	(8.0)	2.0	6.0
1.4% Apartment Migration (Tons/Day-5)	(4.5)	1.1	3.4
Change in Apartment Migration (Tons/Day-5)	3.5	(0.9)	(2.6)
Change in Apartment Migration (Tons/Year)	915.2	(228.8)	(686.4)

SUMMARY OF TONNAGE CHANGES

	Black	Blue	Green
Fan 3 Tonnage			
Additional Apartment Units (Tons/Year)	417	278	348
Reduced Migration to Recycling & Composting (Tons/Year)	915	(229)	(686)
Total Changes (Tons/Year)	1,332	49	(339)
Total Changes (Tons/Day-5)	5.1	0.2	(1.3)



Management Fee

	Staff Report	Revised	Note
Adjustment	98,151	98,151	
Allocation Factor	37.6%	40.1%	1
Reduction to Management Fee (SF Companies)	36,905	39,329	
Allocation %			
RSS/RGG	82.17%	82.25%	2
RSF	17.83%	17.75%	
Reduction to Management Fee			
RSS/RGG	127,484	32,348	
RSF	6,581	6,981	3

Note

1. Exhibit 70, Table 1 - Percent of Total Expenses Allocated to SF Companies - Finance
2. Exhibit 70, Table 2 - SSC and GGD as a % of Total
3. Revised rate model for average residential rate increase of 19.14% included a reduction of \$127,484 to Management Fee



ABANDONED MATERIALS PROGRAM - 5/22/13

Program Goals. Recology proposed the following performance goals in its rate application.

- Collection within 4 business hours of 311 call on weekdays and within 8 business hours of 311 call on weekends.
 - Business hours: 7:30 a.m. to 4:30 p.m., seven days a week, including holidays.
- Goals assume number of 311 calls and tonnage remain at historic levels reflected in City records — approximately 440 calls per week (an average 63 per day) and approximately 3,000 tons of abandoned materials per year (an average of 10 tons per day).

Performance Penalties. City staff has proposed performance penalties. Recology does not believe performance penalties are necessary in view of its historic performance and its cooperative partnership with City staff on numerous programs. Recology is also concerned that calls and tonnages will be higher than historic averages and that the proposed funding will be insufficient to handle increased volumes. If the Director determines that performance penalties are nonetheless required, Recology asks that the following changes be made to the staff's proposal:

- Program *goals* remain the same as Recology proposed. However, performance *standards* for purposes of determining possible penalties would be collection within 8 business hours of 311 call on weekdays and within 12 business hours of 311 call on weekends.
- No penalty will be imposed for a failure to meet the performance standard on any day when calls *or* tonnage exceed 20% of historic averages — i.e., if there are more than 75 calls to 311 *or* more than 12 tons collected on a given day.
- If calls and tonnages exceed historic averages on a regular basis, the City could raise the no-penalty threshold an additional 20% — to 90 calls and 14.5 tons per day — by authorizing Recology to deploy an additional truck and associated labor. Recology estimates the additional cost to be approximately \$535,000. The funds could be approved in the current rates and maintained in the impound account. If not needed, the funds could later be returned to the rate base at the next rate proceeding.



ON-SITE CNG FUEL COST

Component	Cost		Source
	Per Therm	Per Gallon	
Procurement Charge	\$0.42891	\$0.55758	PG&E Schedule G-NGV1
Transportation Charge	\$0.14207	\$0.18469	PG&E Schedule G-NGV1
Subtotal (Schedule G-NGV1 Charge)	\$0.57098	\$0.74227	
Public Purpose Program Surcharge	\$0.02408	\$0.03130	PG&E Schedule G-PPPS
Total PGE&E Charge	\$0.59506	\$0.77358	
Electrical Cost to Operate Fueling Station		\$0.25400	Calculation from Compressor Specs
Subtotal (Less Compressor Lease Costs)		\$1.02758	
Compressor Lease Cost		\$1.15385	
Total Cost		\$2.18142	

Notes:

1. Per gallon costs are based on diesel gallon equivalent (DGE).
2. DGE/Therm = 1.3
3. Compressor Lease Cost = \$132,000 per year.
4. Diesel-Gallon-Equivalents Per Year = 114,400 Gallons.



Natural Gas Vehicle Rates

The Schedule G-NGV1 and G-NGV2 rates shown below are effective April 1, 2013, through April 30, 2013.

Natural Gas Service For Compression On Customer's Premises: Schedule G-NGV1 (Rates change monthly)

Schedule G-NGV1 applies to the sale of uncompressed natural gas for the sole purpose of compressing it for use as a motor-vehicle fuel. Compression of natural gas to the pressure required for its use as motor-vehicle fuel will be performed by the Customer's equipment at the Customer's designated premises only.

	PER DAY	PER THERM
Customer Charge	\$0.44121	
Procurement Charge		\$0.42891
Transportation Charge		\$0.14207
Total G-NGV1 Schedule Charge		\$0.57098
Schedule G-PPPS (Public Purpose Program Surcharge) ^{1/}		\$0.02408

Note: The gas procurement charge and total rates generally change on the 1st day of each month. (Transportation rates do not change monthly.) See Schedule G-NGV1 for further details.

Compressed Natural Gas Service on PG&E's Premises: Schedule G-NGV2 (Rates change monthly)

Schedule G-NGV2 applies to the sale of compressed natural gas (CNG) at PG&E-owned natural gas fueling stations to customers who use CNG as a motor fuel.

	PER MONTH	PER THERM
Procurement Charge		\$0.42891
Transportation Charge		\$1.39658
Total G-NGV2 Schedule Charge		\$1.82549
Per Gasoline Gallon Equivalent		\$2.232933
Schedule G-PPPS (Public Purpose Program Surcharge) ^{1/}		\$0.02408

Note: The gas procurement charge and total rates generally change on the 5th business day of each month. (Transportation rates do not change monthly.) See Schedule G-NGV2 for further details.

^{1/}Schedule G-PPPS needs to be added to the Total Charge for bill calculation.



From: Jim Mendoza [JMendoza@recology.com]
Sent: Tuesday, May 21, 2013 12:21 PM
To: John Glaub; Jon Braslaw; Stella Lui
Subject: Fw: Power costs for CNG stations

FYI.

----- Original Message -----

From: Sean Wine <swine@cleanenergyfuels.com>
To: Jim Mendoza
Sent: Tue May 21 12:17:06 2013
Subject: Power costs for CNG stations

Jim,

Without knowing the exact electrical rate schedule your facility is on, I can't estimate with certainty what the cost per DGE will be for power. However, a similar operation to yours typically runs between \$0.20 - \$0.30 per DGE during summer months. We can work on firming up the numbers once we look over the rate schedule.

Thanks,

Sean



CNG COMPRESSOR SPECIFICATIONS

Horsepower	150
Voltage	480
Amps	194
Phase	3
Frequency (Hz)	60



CNG COMPRESSOR ELECTRICAL COST

POWER

Voltage	480
Amps	194
3-Phase Factor	1.732
Power Factor	0.9
Kilowatts	145.2

ELECTRICITY COST

Kilowatts Hours (kWh)	145.2
Cost Per kWh	\$0.154
Cost Per Hour	\$22.35
Diesel-Gallon-Equivalents Per Hour (DGE)	88
Cost Per DGE	\$0.254



RECOLOGY ELECTRICITY COSTS

Service Dates	Meter #	Rate Schedule	Total Charge	Usage (Kwh)	Unit Cost (\$/Kwh)
3/22/13 - 4/22/13	1003867779	A1X Small General Time-of-Use Service	\$47.99	188	\$0.25595
3/22/13 - 4/22/13	1007272510	A1X Small General Time-of-Use Service	\$165.50	980	\$0.16884
Average					\$0.21239
2/20/13 - 3/20/13	19T093	A10S Medium General Demand-Metered Service	\$1,093.59	6,360	\$0.17195
3/21/13 - 4/3/13	19T093	A10S Medium General Demand-Metered Service	\$573.65	3,520	\$0.16297
3/21/13 - 4/19/13	1003717893	A10S Medium General Demand-Metered Service	\$3,398.30	27,200	\$0.12494
4/4/13 - 4/18/13	1009508148	A10S Medium General Demand-Metered Service	\$671.20	4,339	\$0.15471
Average					\$0.15364



Recology Sunset Scavenger/Recology Golden Gate
Rate Application, Schedule L-3
Fuel Expenses

Type	RY 2012			RY 2013			RY 2014			Final Rate Application RY 2014		
	Amount	Gallons	\$/Gallons	Amount	Gallons	\$/Gallons	Amount	Gallons	\$/Gallons	Amount	Gallons	\$/Gallons
Bio Diesel	\$ 5,228,237	1,352,172	\$ 3.87	\$ 4,565,958	1,159,772	\$ 3.95	\$ 4,474,213	1,131,512	\$ 3.95	\$ 4,113,037	1,040,172	\$ 3.95
Unleaded	36,234	10,078	3.79	37,097	10,078	3.68	37,097	10,078	3.68	37,097	10,078	3.68
CNG/Natural Gas - Off-Site Station	27,666	12,177	2.27	470,937	203,071	2.32	667,623	281,667	2.37	(610,978)	(257,787)	2.37
CNG/Natural Gas - On-Site Station							249,554	114,400	2.18	249,554	114,400	2.18
LNG	75,658	47,690	1.59	51,724	47,690	1.29	61,724	47,690	1.29	61,724	47,690	1.29
Subtotal	\$ 5,369,815	1,422,117	\$ 3.78	\$ 5,155,716	1,420,611	\$ 3.63	\$ 5,490,211	1,585,367	\$ 3.46	\$ (248)	(52,047)	\$ 5,490,459
Oil & Propane Gas	260,392			266,076			272,907			272,907		
Total	\$ 5,630,207	1,422,117		\$ 5,421,792	1,420,611		\$ 5,763,118	1,585,367		\$ (248)	(52,047)	\$ 5,763,366

2.2%

2.0%

Type	Amount	Gallons	\$/Gallons	Amount	Gallons	\$/Gallons	Amount	Gallons	\$/Gallons
Bio Diesel	1,352,172			1,352,172			1,352,172		
Less 27 Trucks at 5,200-gal/truck	(140,400)			(140,400)			(140,400)		
RY 2013	1,211,772			1,211,772			1,211,772		
Less 19 Trucks at 5,200-gal/truck	(98,800)			(98,800)			(98,800)		
Abandoned Materials Collection - 5-24' MEA Vans	18,540			18,540			18,540		
RY 2014	1,131,512			1,131,512			1,131,512		
RY 2012	12,177			12,177			12,177		
Add 27 Trucks at 6,118-gal/truck*	165,176			165,176			165,176		
Add 1 Composting Route	6,118			6,118			6,118		
Add 3 City Can Routes (effective Jan 2013)	19,600			19,600			19,600		
RY 2013	203,071			203,071			203,071		
Add 19 Trucks at 6,118-gal/truck*	116,235			116,235			116,235		
Add 2 Composting & 1 Recycling Routes	18,353			18,353			18,353		
Add 3 City Can Routes (effective Jan 2013)	19,600			19,600			19,600		
Abandoned Material Collection	36,827			36,827			36,827		
RY 2014	396,087			396,087			396,087		

* CNG - 15% lower efficiency than Bio Diesel



IMPRACTICALITY OF MAINTAINING GOLDEN GATE CNG VEHICLES AT SUNSET SHOP

1. Golden Gate vehicles need to be dispatched out of the Golden Gate yard at the start of the collection route, because that is where the Golden Gate employees report and where dispatching operations are managed for Golden Gate's collection system.
2. Sunset and Golden Gate run the majority of their maintenance operations at night, when the fleet is in the yard. Maintaining Golden Gate trucks at Sunset would require shuttling vehicles back and forth between the two yards during the maintenance shift. Consequently, one to two additional headcount would be required to perform the shuttling activities. The process would take 30 to 45 minutes per truck and incur labor and fuel expense. In the case of a truck that cannot be driven, a tow truck would also be required with additional expenses.
3. The number of CNG trucks will soon exceed the capabilities of the Sunset shop to maintain all CNG vehicles, as the roll out of CNG vehicles increases. While we could potentially accommodate the Staff Report request for a relatively short period of time, it would not be much beyond our current fleet and especially not over the next two years.
4. In the event that a Golden Gate truck comes off the route and back to the Golden Gate yard for a quick repair, additional inefficiencies are incurred. Instead of the Golden Gate shop making the repair and sending the truck back out to complete the route, the truck must be parked until taken later to Sunset and another truck must be found and repurposed for completing the route.
5. The two companies do not have completely interchangeable fleets. Golden Gate still has a majority of the rear loaders and the commercial fleet, while Sunset has the majority of residential split-collection vehicles.
6. As the number of Golden Gate trucks shifted for maintenance at Sunset grows, there may also be some associated union issues (including mechanic work levels at each site, the type of mechanics used at each site, and employee seniority, which is company-specific).



CNG Vehicles Requiring Maintenance

Year	RSS	RGG	Total
RY2014	30	16	46
RY2015	41	24	65
RY2016	49	32	81



SUMMARY OF FACILITY SAFETY MODIFICATIONS REQUIRED TO MAINTAIN CNG VEHICLES

FACILITY SAFETY FEATURES REQUIRED

- Methane gas detectors
- Gas detection system controller
- Emergency gas alarm manual pull-stations
- Automatic offsite alarm notification (Network Security)
- Gas alarm horns and strobes
- Roof-mounted exhaust fans and motor starters
- Explosion-proof garage door motor operators
- Door seals, closers, and electromagnetic release/holders (doors open automatically upon gas detection)

APPLICABLE CODE REQUIREMENTS

- International Code Council's International Fire Code (IFC 2012)
- International Mechanical Code (IMC 2012)
- International Building Code (IBC 2012)
- National Fire Protection Association's NFPA 30A (2012) Code for Motor Fuel Dispensing Facilities and Repair Garages
- NFPA 52 (2010) Vehicular Gaseous Fuel Systems Code
- NFPA 88A (2007) Standards for Parking Structures



Natural Gas Vehicle Facility Modification Code Overview for Maintenance Garages

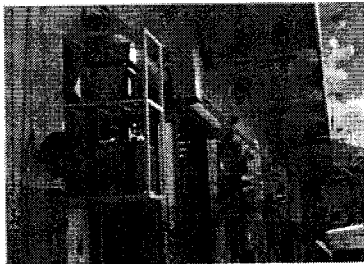
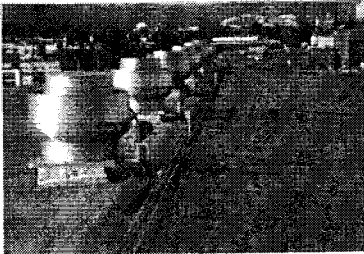
Description	Fuel Type	
	CNG	LNG
Class 1 Division 2 designated classified zone 18" beneath ceiling	✓	✓
Class 1 Division 2 designated classified zone 18" from floor surface	✓	✓
No equipment which could potentially spark within the designated classified zones, electrical components, lighting etc...	✓	✓
Make-up air (supply air), to allow dilution of potential gas plume, options include supply fans, louvers or motorized roll up bay doors	✓	✓
No open flame appliances or appliances with surface temperatures in excess of 750°F in maintenance area	✓	✓
Floors shall be liquid tight with floor drains constructed of noncombustible material		✓
No hot works within 35 feet of NGV, no smoking, open flames, welding, grinding or spark generating process, type of work only permitted in designated areas with NGV present	✓	✓
Sprinklers required if two (2) story and any one (1) level over 10,000 sq-ft or One (1) story over 12,000 sq-ft	✓	✓
All access doorways from within the repair garage to adjacent spaces shall have fire rated vapor boundary and self closing mechanical mechanisms on doors	✓	✓
Parking ventilation requirement 1 cubic-foot-minute per 1 square-foot of floor area, ventilation shall be continuous operation during vehicle presence	✓	✓
Methane Detectors within 18" of floor surface		✓
Methane Detectors within 18" of ceiling	✓	✓
Mechanical ventilation flow rate of 1 cubic-foot-minute per 12 cubic-feet of room volume activated upon detector detection	✓	✓
Pits, below grade work areas ventilated and classified		✓

References:
 National Fire Protection Association
 International Code Council*
 British Columbia Code
 Canadian Standards Association
 CNGVA Guidelines*

*The ICC and the Canadian CNGVA guidelines both refer to the NFPA for repair garage and parking code requirements.

Clean Energy:

Your connection to NGV facility modifications.



Why are natural gas vehicle (NGV) facility modifications needed?

NGVs are one of the safest categories of vehicles available, and natural gas (methane) is actually safer than gasoline or diesel. Natural gas is odorized prior to distribution to provide for easy leak detection. Certified NGV repair and service centers are required to meet local and national building codes that govern the safe repair and storage of NGVs.

As the deployment of natural gas vehicles continues to accelerate, the need for certified NGV facilities is expanding in parallel. Many of these service centers and fleet maintenance facilities will need to be modified or upgraded to standards that ensure a safe working environment.

What is included in a facility modification?

Mechanical ventilation, annunciation, monitoring and detection, automatic communications, equipment relocation, and electrical improvements are among typical modifications, in addition to establishing classification boundaries and providing for customer training. The codes that dictate these specific requirements include, but aren't limited to, National Fire Protection Association (NFPA) guidelines, plus local area building codes, standards, and best engineering practice guides.

Who needs NGV facility modifications?

Modifications may be needed by: public and private fleet owners, operators of fleet and vehicle maintenance centers, OEMs and dealers, vehicle lease companies, shippers, and NGV service centers.

What is Clean Energy's NGV facility modification service?

Clean Energy's Facility Design Division is a resource designed to help fleet operators secure the full range of benefits provided by NGVs. Our dedicated team brings 15 years of experience to the task of assessing and modifying existing service facilities to accommodate NGV requirements. For public and private agencies across the nation, Clean Energy has developed more than 200,000 square feet of code-compliant NGV service facilities, greatly expanding opportunities for our fleet customers to secure the full benefits of natural gas fuel. We guide

our fleet customers through the complexities of local and national code requirements. We discuss and clarify code compliance, and describe

the gap between present conditions and needed improvements. Without over-engineering the process, we create realistic project completion timelines, and establish budget parameters that meet our customers' needs.

How do customers benefit from Clean Energy's facility design capabilities?

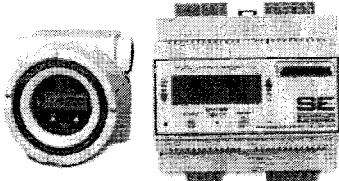
Clean Energy offers three distinct options to better enable our customers to implement NGV fueling. First, we can provide consulting service to evaluate your existing facility; review relevant local and national codes; provide proven, professional conceptual design; discuss alternative improvements; and supply a qualified cost estimate and schedule. We package the information, and submit it to the customer in the form of a code compliance report/gap assessment.

As a second option, the customer can contract with Clean Energy to first assess the facility, and then progress directly to design development, which includes assessment and coordination of the design, and providing details to support permitting and construction. When the design development stage is complete, the customer has the option to select the contractor that will execute the construction project, using the permitted drawings supplied by Clean Energy.

Lastly, with our turnkey option, Clean Energy can take your project from concept through construction, delivering a code-compliant facility that can supply full NGV service support.

For more information contact

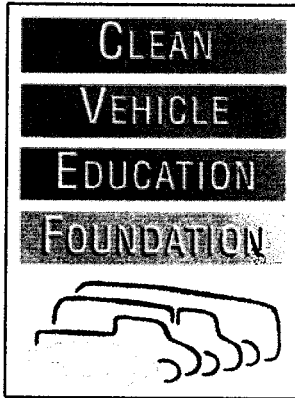
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North America's leader in clean transportation

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Guideline for Determining the Modifications Required for Adding Compressed Natural Gas and Liquefied Natural Gas Vehicles To Existing Maintenance Facilities

Prepared by
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Clean Vehicle Education Foundation

www.cleanvehicle.org

August 31, 2012

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Acronyms

ACH	Air Changes per Hour
AHJ	Authority Having Jurisdiction
ASE	Automotive Service Excellence
CFD	Computational Fluid Dynamics
CFM	Cubic Feet per Minute
CNG	Compressed Natural Gas
cuft	cubic feet
CVEF	Clean Vehicle Education Foundation
°F	Degrees Fahrenheit
IBC	International Building Code
ICC	International Code Council
IFC	International Fire Code
IMC	International Mechanical Code
LCNG	Compressed Natural Gas made from vaporized Liquefied natural gas
LNG	Liquefied Natural Gas
LPG	Liquefied Petroleum Gas
NFPA	National Fire Protection Association
NGV	Natural Gas Vehicle
OEM	Original Equipment Manufacturer
PRD	Pressure Relief Device
QRA	Qualitative Risk Assessment
RLM	Refrigerated Liquid Methane
sqft	square foot

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Guideline for CNG and LNG Maintenance Facility Modifications

Background

The growth of natural gas vehicle (NGV) fleets in recent years, especially for those vehicles in interstate commerce, has increased the need for additional gaseous fuel friendly maintenance facilities across the country. The NGV industry has largely focused its efforts on development of vehicles and fueling infrastructure, while leaving issues dealing with the design and operation of maintenance facilities to fleet owners. The fleet owners have used their internal staff and/or consultants to interpret the intent of the applicable codes to develop a facility design for liquefied natural gas (LNG) and/or compressed natural gas (CNG) applications that will be approved by the authority having jurisdiction (AHJ). This is sometimes a difficult process since the codes are “performance” documents (provide little design guidance) and use language such as, “areas subject to ignitable concentrations of gas”, which requires expert evaluation of expected hazardous conditions. Guidance that provides a better understanding of the intent of the code committee when the language was drafted is needed in order to apply those requirements to the diverse (ceiling height, layout, roof construction, heating, ventilation electrical etc.) design of maintenance facilities.

This document looks at the modifications necessary for existing liquid fuel maintenance facilities to service both CNG and LNG vehicles.¹ The basic national codes are outlined and the rational and/or assumptions used to develop the codes are discussed. It is important to note that an individual existing maintenance facility must be evaluated to determine any necessary modifications since the building design and activities performed in the facility can have a significant impact on the modifications required.

This document does *not cover* the indoor fueling facility requirements addressed in NFPA 52.

¹ In 2008, the Clean Vehicle Education Foundation completed a study on new NGV-friendly transit bus garages. While the study was developed for new bus maintenance facilities, the guidance provided is applicable to any new NGV maintenance facility. That study is available at: http://www.cleanvehicle.org/committee/pdfs/CVEF_FUEL_FLEXIBLE.pdf. Another resource is a set of guidelines for CNG maintenance facilities produced by the Federal Transit Authority in 1996. Those guidelines go beyond the codes requirements, but may have set precedence in some jurisdictions. Those guidelines may be viewed at <http://ntl.bts.gov/lib/34000/34600/34684/DOT-VNTSC-FTA-96-03.pdf>.

Overview of Existing Codes

Existing National Code Requirements

The national codes that cover vehicle maintenance facilities are the:

- International Code Council's International Fire Code (IFC 2012)
- International Mechanical Code (IMC 2012)
- International Building Code (IBC 2012)
- National Fire Protection Association's NFPA 30A (2012) Code for Motor Fuel Dispensing Facilities and Repair Garages
- NFPA 52 (2010) Vehicular Gaseous Fuel Systems Code
- NFPA 88A (2007) Standards for Parking Structures.

It is important to note that the ICC code series and NFPA 30A, 52 and 88A are codes that, if adopted, are adopted voluntarily by states (they usually do not adopt the latest edition) and enforced by the local Authority Having Jurisdiction (AHJ). The local AHJ may enforce additional requirements beyond the national codes and, therefore, they should at least be consulted directly before final design of any modifications, preferably they should be part of the initial evaluation discussions. The codes summarized in this report can be found at:

http://www.nfpa.org/aboutthecodes/list_of_codes_and_standards.asp?cookie%5Ftest=1 and
<http://www.iccsafe.org/Store/Pages/Category.aspx?cat=ICCSafe&category=330&parentcategory=Store%20Products>.

Code Development Process and Hazard Analysis

The codes discussed in this report were developed over a number of years beginning in the late 1990s. The codes are written as performance documents, not design documents, and the performance requirements are based on assumed hazards. These hazards are determined by the expert knowledge and any actual field experience of the members of the code committees that developed the codes.

- For CNG systems, the basic hazard is the unintended release and ignition of the natural gas while the vehicle is in the repair garage. In the 1990s, some first generation pressure relief devices (PRD) installed on natural gas cylinders had either a design flaw or were improperly selected for the design working pressure. The result was a number of incidents where there was premature release of the cylinder contents. This full release of the cylinders contents led to the assumption by the code committees that the reasonable level of hazard for CNG vehicles was a release of 150% of the largest cylinder (see Note 4 in section on electrical classifications) on the vehicle, where the extra 50% was a safety factor. Since PRDs on CNG cylinders are designed to only release the fuel in the event of a fire, and not due to pressure increases in the cylinder, a redesign of the PRDs was made and the safety design standards were revised. Since that time (over 10 years ago), PRDs

have not experienced a premature failure and have performed as expected to protect the cylinder during a fire. The quantification of the level of hazard for CNG vehicles is part of an ongoing study and will be submitted to the relevant code committees for reconsideration of existing requirements.

- For LNG vehicles, the existing codes do not define a specific release scenario but assume two types of releases. The basic hazard for LNG systems is the possible ignition of gas released from the LNG tank relief valve due to pressure building as the contents warm over a period of time. The vacuum insulated LNG tanks are designed to have a 'hold time' up to several days before the pressure builds to the relief valve setting. Typically an LNG tank's pressure would build at a rate of about 15 psig per day giving a 'hold time' of about seven days for a typical design (contact tank manufacturer for specific information). This is a normal operating parameter of LNG tanks. There are operating procedures that can greatly reduce the probability of a LNG tank relief valve release during planned maintenance/repair operations, such as operating the vehicle to reduce the pressure in the tank, and monitoring the pressure and rate of pressure rise in the tank before entering the repair garage. The codes also have requirements that address possible liquid LNG releases in the facilities. Based on historical incident records, there has not been a reported case of a liquid LNG release in a maintenance facility.

Once the all of the probable hazards have been identified, including those discussed above, and the risks have been quantified, a best practices document will be developed that will provide specific mitigation strategies to reduce or eliminate those hazards. Physical or engineering solutions to mitigate a specific hazard may be cost effective in actually eliminating it where procedural mitigation techniques may only reduce the risk associated with the hazard since they are subject to the additional risk of human error.

Existing Code Requirements by Facility Activity

The codes discussed below *only apply* to major repair facilities. Both NFPA 30A and the IFC exempt minor repair facilities from all of the code requirements specific to CNG and LNG.

- IFC 2211.7 exempts garages that do not work on the vehicle fuel system or do not use open flames or welding from all additional requirements.
- By definition NFPA 30A exempts garages that do not perform engine overhauls, painting, body and fender work and any repairs requiring draining vehicle fuel tanks from all additional requirements. The maintenance work that can be done without any modifications to the facility include lubrication, inspection, engine tune-ups, replacement of parts, fluid changes, brake system repairs, tire rotation and similar routine maintenance work

When a maintenance facility is considering adding CNG and /or LNG vehicles to their operations, an analysis of maintenance tasks by type as a percentage of the overall activities should be done. The analysis can help determine if the facility could be divided into 'major repair' and 'minor repair' areas. With proper physical separation, the codes require only that those areas of the facility designated as 'major repair' areas to be subject to the additional requirements for CNG and LNG.

Existing Code Requirements by Category

The sections below discuss the existing national code requirements for liquid and gaseous fuels (CNG and LNG) repair garages or maintenance facilities. There are seven main areas to consider when reviewing the existing codes: ventilation, pits or basement ventilation, gas detection, heating equipment (sources of ignition), electrical classification, vehicle preparation for entering repair garage and maintenance, and decommissioning of fuel containers. In each area, the requirement for each fuel will be shown side by side for comparison.

Table 1 – Code References by Category

Modification Category	Code References
Ventilation	IMC (2012) Table 403.3; NFPA 88A (2007) 5.3.2; IFC (2009) 2211.7.1, 2211.1.1, 2211.7.1.2; NFPA 30A (2012) 7.5.1, 7.5.2, 7.5.3, 7.5.4, 7.4.7.2, 7.4.7.3
Ventilation in Pits	IFC (2009) 2211.3; NFPA 30A 7.4.5.4
Gas Detection	IFC (2009) 2211.7.2, 2211.7.2.1, 2211.7.2.2, 2211.7.2.3; NFPA 30A (2012) 7.4.7, 7.4.7.1, 7.4.7.2, 7.4.7.3, 7.4.7.4
Sources of Ignition	NFPA 30A (2012) 7.6.6
Electrical Classification	NFPA 30A (2012) 8.2.1
Preparation of vehicles for Maintenance	IFC (2009) 2211.5
Maintenance and decommissioning of containers	NFPA 52 (2010) 6.13, 6.14

NOTE: While the various codes have similar requirements, there are a few discrepancies that should be considered. They are noted in the tables for each area.

Ventilation - Code Requirements

The International Mechanical Code (IMC 2012) Table 403.3 requires all vehicle repair garages, regardless of fuel type or maintenance performed, to have a ventilation rate of 0.75 cfm/sqft of floor area. Any ventilation rates required for CNG or LNG maintenance facilities would simply increase this base rate. As noted above, there are no requirements for ventilation rates over-and-above the base rate for CNG or LNG minor repair garages (see “Existing Code Requirements by Facility Activity” above)

NFPA 88A 5.3.2 requires a ventilation rate of 1 cfm/sqft of floor area for enclosed parking garages housing liquid and gaseous-fueled vehicles. ***Based on this requirement, it should be considered that the base rate for all repair garages would be at least 1 cfm/sqft since even in minor repair garages vehicles could be parked waiting repair for a period of time.***

Where mechanical ventilation is required by IFC 2211.7.1, it must operate continuously except when it is either interlocked with a gas detection system for LNG or electrically interlocked with the lighting circuit for CNG applications.

The codes state the ventilation rate using three different formats. Conversions for each format are shown in Table 2.

Table 2 – Ventilation Rate Conversions

Rates	CFM/sqft	CFM/12 cuft	Air changes/hour
CFM/sqft	1	1/12ft	60/room height ft
CFM/12 cuft	12ft	1	5
Air changes/hour	Room height ft/60	1/5	1

There is a discrepancy between NFPA 30A and IFC 2211.7.1 in the requirements for mechanical ventilation (see footnote 2). NFPA requires mechanical ventilation for fuel dispensing areas but the IFC requires it for the CNG maintenance areas as well. Since the codes are so similar in other areas, CVEF will look into the rationale for the IFC requirements to determine if the actual requirement should be limited to the dispensing area as stated in NFPA 30A.

Table 3 below provides the codes requirements for garage ventilation by fuel type.

Table 3 – Ventilation – General

Subject	Liquid Fuels	CNG	LNG
Ventilation – General	<p>NFPA 30A 7.5.1, 7.5.2, 7.5.3 and 7.5.4 Provides for ventilation systems serving a fuel dispensing area inside a building or a repair garage. Fuel dispensing is not part of this guideline.</p> <p>IFC – No specific requirements for liquid fuels but does reference the IBC for general ventilation requirements.</p> <p>IMC 2012 Table 403.0 Has general <u>ventilation requirements for all</u></p>	<p>NFPA 30A – No specific requirements for CNG</p> <p>IFC- 2211.7.1, 2211.7.1.1 and 2211.7.1.2 – Require approved mechanical ventilation systems for CNG repair garages at 1 cfm per 12 cuft of room volume (5 air changes per hour). There are two exceptions to these requirements: (1) Work is not performed on the fuel system and is limited</p>	<p>NFPA 30A – 7.4.7.2 & 7.4.7.3 only require that the operation and failure of gas detection systems be interlocked with an existing mechanical ventilation system for garages repairing LNG engine fuel systems.</p> <p>IFC- 2211.7.1, 2211.7.1.1 and 2211.7.1.2 – Require approved mechanical ventilation systems for LNG repair garages at 1 cfm per 12 cuft of room</p>

	<p><u>repair garages of 0.75 cfm per sqft of floor area.</u> NFPA 88A 5.3.2 Has a ventilation requirement for enclosed parking garages during hours of operation set at 1cfm per sqft of floor area. ²</p>	<p>to exchange of parts and maintenance requiring no open flame or welding. (2) Repair garages with AHJ approved natural ventilation.²</p>	<p>volume (5 air changes per hour). There are two exceptions to these requirements: (1) Work is not performed on the fuel system and is limited to exchange of parts and maintenance requiring no open flame or welding. (2) Repair garages with AHJ approved natural ventilation.²</p>
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² There seems to be a discrepancy between NFPA 30A and IFC in that: NFPA 7.5.1 – 7.5.4 only requires ventilation for fuel dispensing areas within the maintenance facility, where IFC 2211.7.1 – 2211.7.1.2 uses similar language for CNG repair facilities assuming that indoor fueling will always be part of the repair facility even to the point of requiring the **“system shall shut down the fueling system”** if the ventilation fails. CVEF will look at getting a clarification of these requirements from IFC since it appears that IFC has assumed that fuel dispensing will always take place in the repair garage. NFPA separates indoor dispensing from repair facility requirements.

Ventilation in Pits Code Requirements:

Ventilation requirements for pits, below grade and subfloor work areas are part of the basic requirements for liquid fuels where flammable vapors may accumulate. This requirement should already be met by the existing maintenance facility. However, the codes are not harmonized as to the ventilation rate. IFC requires 1.5 cfm/sqft while NFPA requires 1.0 cfm/sqft. The local AHJ should specify the rate for each facility. The codes have no requirements specific to CNG or LNG. While experience has shown that there is a very low probability of a release of LNG liquid, the release of a cold vapor may initially be heavier than air and migrate to a subgrade area where it would quickly become buoyant and rise as a CNG release. The existing ventilation requirement for liquid fuels should be adequate for the addition of LNG to major repair facilities with approval of the local AHJ.

Table 4 – Ventilation of Pits

Subject	Liquid Fuels	CNG	LNG
Ventilation of Pits, Below-grade Work Areas and Subfloor Work Areas	IFC 2211.3 and NFPA 30A 7.4.5.4 Require ventilation rates of 1.5 to 1 cfm/sqft respectively for repair garages having a pit or basement where flammable vapors may accumulate.	IFC and NFPA 30A – No requirements specific to CNG	IFC and NFPA 30A – No requirements specific to LNG

Gas Detection Code Requirements

There are no requirements for gas detection in repair garages (major or minor) where odorized CNG or LCNG vehicles are maintained. However, IFC 2211.7.2 and NFPA 30A 7.4.7 both require approved gas detection systems for major repair garages servicing LNG vehicles. Specific requirements under these codes for gas detection installation and operation are similar and may require the expertise of a gas detection design engineer for optimal performance.

Table 5 – Gas Detection

Subject	Liquid Fuels	CNG	LNG
Gas Detection	IFC and NFPA 30A –No requirements	IFC and NFPA 30A – Have no requirements for gas detection for odorized CNG or odorized LCNG.	IFC 2211.7.2, 2211.7.2.1, 2211.7.2.2, and 2211.7.2.3 Require an approved gas detection system for major repair garages for LNG vehicles where (work is done on the fuel system and the work may require use open flames or welding) NFPA 30A 7.4.7,7.4.7.1, 7.4.7.2, 7.4.7.3 and 7.4.7.4 The requirements are essentially the same in NFPA except that it is limited to facilities where “repair of vehicle engine fuel systems” takes place

Sources of Ignition Code Requirements

The IFC does not have any specific requirements for CNG and LNG repair garages with respect to sources of ignition. IFC does provide requirements for liquid fuels in section 2211.3 restricting ignition sources from the space within the 18 inches of the floor. This is the standard requirement in the IBC, IMC and NFPA 70. These requirements already should be met by the existing facility.

In NFPA 30A 7.6.6 (see Note 2 below), the restrictions on heating equipment in major repair garages only apply to areas where ignitable mixtures may be present. The accepted practice at this time is to assume that there will be an ignitable mixture present in some areas of major repair garages. The identification of these areas is based on the expected volume of fuel released and its concentration in the facility. The quantification of a creditable release of both CNG and LNG should be done and representative computational fluid dynamic (CFD) modeling of those releases in various facility geometries is needed to determine if ignitable mixtures will be present. This is a time consuming and expensive process that is not usually done for individual maintenance facilities. The proposed research project discussed in the last section of this report

will address this issue and provide data for developing guidelines for determining the actual hazard.

Table 6 – Sources of Ignition

Subject	Liquid Fuels	CNG	LNG
<p>Sources of Ignition – Heat Producing Appliances –</p>	<p>IFC 2211.3 – Multiple requirements on sources of ignition, primarily dealing with the type and placement of heating equipment – please see document. NFPA 30A 7.6 – Multiple requirements on heat producing appliances – please see document</p>	<p>IFC – No specific requirements NFPA30A 7.6.6* Where major repairs are conducted on CNG-fueled open flame heaters or heating equipment with exposed surfaces having a temperature in excess of 750°F shall not be permitted in areas subject to ignitable concentrations of gas. Note 1: Minor repair garages are facilities where work is not performed on the fuel system and work is limited to exchange of parts and maintenance requiring no open flame or welding. All other garages are defined as major repair garages. Note 2: Determining ‘areas subject to ignitable concentrations of gas’ requires understanding what a creditable release of CNG (the hazard) in the facility and then determining the probability of where an ignitable may be present.</p>	<p>IFC – No specific requirements. NFPA 30A 7.6.6* Where major repairs are conducted LNG-fueled vehicles, open flame heaters or heating equipment with exposed surfaces having a temperature in excess of 750°F shall not be permitted in areas subject to ignitable concentrations of gas. Note 1: Minor repair garages are where work is not performed on the fuel system and work is limited to exchange of parts and maintenance requiring no open flame or welding. All other garages are defined as major repair garages. Note 2: Determining ‘areas subject to ignitable concentrations of gas’ requires understanding what a creditable release of LNG or LNG vapor (the hazard) in the facility and then determining the probability of where an ignitable may be present.</p>

Electrical Classification Code Requirements

The IFC does not have any specific requirements on electrical classifications for CNG and LNG repair garages. NFPA 30A Chapter 8 includes requirements for electrical classification areas for liquid fuel vehicles that primarily address electrical classifications for pits and the space within 18 inches from the floor of the repair garage. NFPA 30A 8.2.1 classifies the area 18 inches from the ceiling for major garages that repair CNG vehicles as Class 1, Division 2. The exception to this classification is that, when an area below the ceiling has ventilation of at least 4 air changes per hour, the area is considered unclassified. While NFPA 30A is silent on classified areas for LNG in major garages, in practice LNG would see the same requirements as liquid fuels in pits and the same requirements as CNG in the 18-inch space below the ceiling.

As noted in the previous section on 'Hazard Analysis', the existing code requirements for CNG were based on the release of 150% of the contents (NFPA 30A - Annex A.8.2.1) of the largest cylinder of the vehicles in the repair facility. This release hazard was selected because of the failure of specific PRDs in service in the 1990s. The PRDs have been through several design generations since then and the last cases of premature release were over ten years ago.

A proposal has been submitted by CVEF to review the requirements in NFPA 30A 8.2.1 based on an analysis of creditable releases of CNG and LNG to determine the extent of any hazardous areas in maintenance facilities of various geometries.

The research project covered in section **Proposed Research for Code Development** will use a risk-informed process with input from quantitative risk assessment (QRA) techniques to determine what constitutes a creditable release of CNG/LNG based on experience and today's NGV technology.

Table 7 – Electrical Classifications

Subject	Liquid Fuels	CNG	LNG
Electrical Installations	IFC Section 2211 – No specific requirements. NFPA 30A Chapter 8 - Multiple electrical classifications for liquid fuel repair garages.	IFC Section 2211 – No specific requirements. NFPA 30A 8.2.1* In major repair garages where CNG vehicles are repaired or stored, the area within 18 in. of the ceiling shall be designated a Class I, Division 2 hazardous location. Exception: This requirement shall not	IFC Section 2211 – No specific requirements. NFPA 30A 8.2.1* Only covers CNG but would expect the AHJ to extend the requirement to LNG as well. See note in CNG column on assumption made for extent of hazard.

		<p>apply where the ventilation rate is not less than 4 air changes per hour.</p> <p>Note 3 The assumption made by the code committee, as stated in Annex A.8.2.1, was that the release of CNG in the facility would be equal to 150% of the largest CNG cylinder. Since the assumption defines the hazard expected, any change in this assumption may result in future code changes.</p>	
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Preparation of Vehicle for Repair - Code Requirements

IFC 2211.5 is the only code requirement that addresses mitigation of the assumed hazards from releases of natural gas by:

- Isolating the CNG cylinders and LNG tanks from the balance of the fuel system by valve closures prior to maintenance. This reduces the quantity of fuel that could be released in fuel system piping and components due to damage or error during maintenance operations.
- Operating the NGV until it stalls due to low fuel pressure in the system can further reduce the possible release volume with the cylinder valves closed.
- IFC 2211.5 also requires that the fuel system on the NGV be tested for leakage by appropriate methods if there is a concern that the fuel system has experienced any damage. If damage is suspected the vehicle may need to be de-fueled prior to any maintenance.

Table 8 – Preparation of Vehicles For Repair

Subject	Liquid Fuels	CNG	LNG
Preparation of vehicles for repair	IFC and NFPA 30A - No requirement	IFC 2211.5 Close cylinder valve prior to repairing any portion of the vehicle fuel system. Where the fuel system has	IFC 2211.5 Close LNG tank valve prior to repairing any portion of the vehicle fuel system. Where the fuel system has been

		<p>been damaged it shall be inspected and evaluated for fuel system integrity prior to being brought into the repair garage. Test the entire fuel system for leakage.</p> <p>NFPA 30A - No requirement</p>	<p>damaged it shall be inspected and evaluated for fuel system integrity prior to being brought into the repair garage. Test the entire fuel system for leakage.</p> <p>NFPA 30A - No requirement</p>
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Maintenance and Decommissioning of Vehicle Fuel Containers

These code requirements are not found under repair garages but are part of the maintenance requirements for vehicle mounted fuel storage containers. NFPA 52 (2010) should be consulted for the specific requirements. The 2013 edition of NFPA 52 is in the final stages of approval and incorporates several critical safety related changes for CNG cylinder maintenance. These changes are lessons learned from incidents involving CNG cylinder maintenance operations and are included in the table below. These requirements require development of written maintenance procedures along with certain modifications to the maintenance facility to accommodate defueling of fuel containers for fuel system maintenance and end of life decommissioning of CNG cylinders.

Table 9 – Maintenance and Decommissioning of Vehicle Fuel Containers

Subject	Liquid Fuels	CNG	LNG
Fuel System Maintenance	No specific requirements	<p>NFPA 52 – 2012 6.13 Repair facilities should have specific written procedures for inspection and decommissioning CNG cylinders. This set of requirements depends on properly trained personnel and the use of procedures as recommended by the cylinder and/or cylinder valve manufacturer.</p>	<p>The codes do not provide specific requirements for maintaining or venting LNG fuel tanks. It is recommended that the repair garage develop written procedures and training material based on the LNG tank manufacturer's instructions.</p>
Decommissioning and defueling of fuel cylinders/tanks	No specific requirements	<p>NFPA 52 - 2012 6.14 Each major repair garage should install the proper defueling facility as outlined by this section of NFPA 52. Designs for fuel recovery systems and direct atmospheric</p>	<p>The codes do not have specific requirements for decommissioning LNG fuel tanks. It is recommended that the repair garage develop written procedures</p>

		venting systems should be approved by the AHJ as required. If the CNG cylinders have reached their end of life or are damaged, the cylinder should be purged with an inert gas, made unusable and scrapped according to the cylinder manufacturer's instructions.	and training material based on the LNG tank manufacturer's instructions.
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Proposed Research for Code Development

Responding to the issues noted in the previous sections, CVEF, along with its partner in the proposal Sandia National Laboratory, will use their collective expertise in code interpretation, CFD modeling, sensitivity studies, hazard analysis, LNG and CNG fuel systems and facility operations to develop guidelines for modification and construction of maintenance facilities. We will analyze the existing codes, quantify the potential hazards, and develop best practices to mitigate these hazards, develop design guidance based on facility configurations and propose potential code changes. Recognizing that the existing codes were developed based on experience and 'rule of thumb' and did not use a quantitative analysis of potential hazards nor an analysis of ignitable mixtures based on leak size and facility design, Sandia will perform research in this areas as well as recommending follow on work on risk assessment.

A risk-informed process, as opposed to a risk-based process, utilizes risk insights obtained from qualitative risk assessments (QRAs) combined with other considerations to establish code requirements. The QRAs are used to identify and quantify scenarios for the unintended release of CNG/LNG, identify the significant risk contributors at different types of maintenance facilities, and to identify potential accident prevention and mitigation strategies to reduce the risk to acceptable levels. Other considerations used in this risk-informed process include the results of deterministic analyses of selected accident scenarios, the frequency of leakage events at maintenance facilities, and the use of safety margins to account for uncertainties. Please contact CVEF for additional information dbhorne@cleanvehicle.org

Guideline for Modifications

This section will discuss those steps that should be considered when determining the modifications that might be required for maintenance facilities to service CNG and /or LNG vehicles. It is important to note that each individual existing maintenance facility must be evaluated to determine any necessary modifications since the building design and activities performed in the facility can have a significant impact on the modifications required. Just as the codes are performance, not design documents, this document does not provide specific design guidelines but does provide the steps needed for basic decisions on the modifications required to meet code and provide for safe operations.

NOTE: If the garage is designed to accommodate LNG vehicles then no additional modifications should be needed to also service CNG vehicles. If the garage is modified specifically for CNG vehicles meeting the basic code requirements, then additional modifications may be required to service LNG vehicles.

Plan Development and Coordination with AHJs

There are a number of basic questions that should be answered in order to begin development of the facility modification plan. They are:

- Does the facility meet existing code requirements for liquid fuels?
 - If not, what remedial action may be required? (i.e. ventilation etc.)
- What type of NGV will the facility maintain; CNG, LNG or both?
- Will the facility provide minor repairs, major repairs or both?
- Will the minor repair area be physically separated from the major repair area?
 - If not the entire facility may be classified as a major repair facility.
- Will the facility procedures include the venting and decommissioning of cylinders?
- Will the facility include an indoor or outdoor fueling station?
 - Note: this document does not include guidelines for fueling stations but if a station will be installed at the same times as the facility modifications then the overall plan should include that design and its possible interconnection with cylinder defueling.
- Will the facility include indoor parking for NGVs?

The answers to the questions above will help determine the scope of the potential facility modifications and the operating procedures for the facility. Before taking the next step in plan development, an inquiry should be made to the local AHJ(s) to determine the specific code documents that have been adopted and will be enforced. ICC's International Fire Code (IFC) has been adopted or is in use by 43 states, the District of Columbia and New York City. In 13 of those states, the IFC may have only been adopted by some local AHJs and not used statewide. Also, each state may adopt and enforce different editions of the respective code (IFC 2006 or IFC 2009 etc.). The codes are generally revised on a three-year cycle and AHJ adoption is usually several cycles out of date. General information on state and local adoption can be found at the ICC web site <http://www.iccsafe.org/gr/pages/adoptions.aspx> .

To be sure that the correct code and code edition is used the local AHJ is the best source of information.

Establishing a working relationship with the local AHJ at the beginning of the project is an important step in determining the extent of the modifications that may be required including any local concerns that may not be in the national codes. When first approaching the AHJ there are several items to consider:

- Have a completed project scope for the maintenance facility that includes the fuel types, list of maintenance activities, outline operational procedures specific to the fuel types and outline of training by fuel type for all personnel.
- Meet as early as possible with the appropriate AHJ(s) to make them aware of your project plans.
 - If AHJ is experienced with CNG/LNG installations and maintenance facility modifications, they can provide important input to the final plan development.
 - If the AHJ has no experience with NGVs or just no experience with maintenance facility modifications for CNG/LNG, you should use this as an opportunity to provide the AHJ with the background material they will need to determine the proper code requirements to enforce.
- Provide a project timeline to the AHJ(s) and add any required inspection dates as part of the timeline.
- Set up a meeting to review the final project plan and be sure to reference proposed modifications to the specific code and/or AHJ requirement.

The final plan development should, at a minimum, consider the steps discussed in the sections below in order to meet the basic code requirements.

Analysis of Existing Maintenance Facility

When modifications are anticipated for existing maintenance facilities, a review of the facilities compliance with the existing codes may be necessary. Since the existing maintenance facilities may have been built under older editions of the codes, and codes are generally not retroactive, any new modifications may require bringing the facility up to the codes now enforced for liquid fuels.

Code Compliance of Maintenance Facility for Class I and Class II Fuels

The primary concerns for code compliance for existing facilities are:

- Ventilation rate in general garage area should be between 0.75 (IMC) and 1.0 (NFPA) cfm/sqft with inlet at least 18" above the floor.
- Ventilation rate for below grade areas (pits or basement) should be between 1.0 (NFPA) and 1.5 (IFC) cfm/sqft with exhaust air taken within 12" of the floor.
- Review the IFC and NFPA documents for requirements for sources of ignition including heating appliances since their design and placement may have a significant influence on the modifications for the CNG/LNG garage.
- When the AHJ tours the facility in the initial review process, they may determine that some remedial modifications are needed to the existing facility to come into compliance with the code editions now in place.

Minor vs. Major Repair Garages

The codes discussed in the sections above *only apply* to major repair facilities. Both NFPA 30A and the IFC exempt minor repair facilities from all of the code requirements specific to CNG and LNG. There may be significant savings in the cost of modifications if the maintenance facility can be divided into separate designated areas for minor and major repair activities. This can be accomplished by either having separate buildings or separated areas within one facility. The codes are not specific in how to separate major from minor repair areas but using some of the same requirements for separating indoor fueling rooms from the repair areas may be appropriate. The codes provide some guidance for separating the minor and major repair areas within a facility, such as:

- Interior walls or partitions shall have a 2-hour fire rating and be continuous from floor to ceiling.
- For the major repair area at least one wall shall be an exterior wall and primary access shall be from the outside through the exterior wall.
- Interior access between the major and minor repair areas shall be through self-closing fire doors with the appropriate rating for the location installed as approved by the AHJ.
- The major and minor repair areas shall have separate ventilation systems as required by the codes.

If the major and minor repair areas cannot be separated, the entire maintenance garage should be modified as required to perform major repairs on CNG and/or LNG as needed.

Analysis of Maintenance Activities

An analysis of existing and anticipated maintenance activities by type and quantity may be helpful to determine if the facility can be configured into separate major and minor repair areas. Table 8 below provides guidance on classifying repairs by type. Consideration should also be given to defining additional areas that may be required for inspection and preparation of vehicles prior to entering the repair facility. Also a designated location for defueling vehicle fuel cylinders for maintenance or decommissioning should be identified.

Table 10 – Major vs. Minor Garage Activities

Code	Major Repair Activities	Minor Repair Activities
IFC 2211.7	Work on the vehicle fuel system or use of open flames or welding	All other repairs
NFPA 30A 3.3.12	Work including engine overhauls, painting, body and fender work and any repairs requiring draining vehicle fuel tanks	All work including lubrication, inspection, engine tune-ups, replacement of parts, fluid changes, brake system repairs, tire rotation and similar routine maintenance work.

Minor Repair Garages – Requirements for CNG or LNG

As noted in the sections above, the codes do not have any additional requirements for minor repair garages as a stand-alone facility or as part of a larger garage. The code requirements for the existing Class I and Class II liquid fuel garages are considered sufficient for adding both CNG and LNG vehicle minor repair operations. As covered in the section on preparation of CNG and LNG vehicles for repair, there are some precautions that are recommended to mitigate any potential hazard of a natural gas release during minor repair operations. It is also recommended that the design of existing ventilation system for the liquid fuel garage be reviewed to make sure that it meets the existing code requirements.

Ventilation

Although the codes do not require any modifications to the ventilation system, the 1cfm/sqft rate should be verified. In addition, the inlet for outside air should be at least 18” above the floor of the garage for both liquid and CNG/LNG fuels. Even though it is not required by the codes, consideration should be given to configuring the exhaust ports of the ventilation system to the highest points of the exterior walls or roof.

Major Repair Garages – Requirements for CNG

When adding CNG maintenance operations to a major repair garage, the code requirement must be evaluated to determine what types of modifications are necessary. For some code requirements, there may be more than one method to meet the requirements so an engineering analysis may be called for to determine the optimum solution. The basic difference between the minor and major repair garages is that in a major repair garage there may be a release of natural gas due to the nature of the maintenance operations. The code requirements set performance criteria to either reduce the presence of a flammable mixture and/or eliminate potential sources of ignition. For this set of requirements, it is assumed that only properly odorized CNG is present on the vehicles to be serviced. Un-odorized CNG is addressed in the section on LNG maintenance facilities.

Ventilation

NFPA 30A has no requirements for general ventilation rates for CNG major repair garages beyond the exception allowed under ‘Electrical Classifications’ that is covered in that section below.

The IFC has a specific requirement for continuous mechanical ventilation of CNG major repair garages of 5 air changes per hour (ACH). In garages where natural ventilation may be used, it must be approved by the AHJ as an exception to the stated requirements. The operation of the mechanical ventilation is required to be continuous, but there are two exceptions to this requirement: 1) ventilation system interlocked and controlled by a continuously monitoring natural gas detection system, or 2) ventilation system electrically interlocked with the lighting circuit for the garage.

As stated in the section on code requirements for ventilation of liquid fuel repair garages, the base ventilation rate is conservatively 1 cfm per sqft or floor area. Table 1 gives the conversion from cfm/sqft to air changes per hour (ACH) as 60/room height in feet. So for a garage with a ceiling height of 12ft, the base ventilation rate of 1cfm/sqft equals the required 5 ACH. For a ceiling height of 24ft, the cfm/sqft rate would have to increase to 2 cfm/sqft in order to maintain the same 5 ACH rate.

There are a number of decisions that must be made concerning ventilation when adding CNG to the existing liquid fuel repair facility:

- Evaluation of existing ventilation system for code compliance.
- Separation of ventilation systems for minor repair area and major repair area if in same building.
- Ventilation rates required based on building geometry and codes.
- Operate ventilation system continuously or
 - Control ventilation system by interlocking with continuously operated natural gas detection system or
 - Control ventilation system by electrically interlocking with the lighting circuit.

Note 1: There seems to be a discrepancy between NFPA 30A and IFC in that: NFPA 7.5.1 – 7.5.4 only requires ventilation for fuel dispensing areas within the maintenance facility, where IFC 2211.7.1 – 2211.7.1.2 uses similar language for CNG repair facilities assuming that indoor fueling will always be part of the repair facility even to the point of requiring the “**system shall shut down the fueling system**” if the ventilation fails.

Ventilation in Pits

There are no additional code requirements for major repair garages that add CNG maintenance operations. The ventilation already required for liquid fuel garages for pits or below grade areas are still required for continued maintenance of liquid fuel vehicles.

Gas Detection

There are no requirements for natural gas detection systems for major repair garages that add CNG maintenance operations as long as the CNG is properly odorized. The garage should predetermine that all CNG vehicles that enter the facility have been fueled with odorized natural gas. There may be some stations that supply non-odorized CNG from LNG (LCNG) or from renewable natural gas (Biogas) but they are restricted by code to only fueling CNG vehicles that have on board methane detection systems. Those vehicles should only be maintained in a garage designed for non-odorized natural gas as detailed in the section below on LNG major repair garages.

As noted above in the section on ventilation, the major repair garage may choose to install and use a natural gas detection system to control the operation of the ventilation system. If a natural gas detection system is deployed, the following should be taken into account:

- The natural gas detection system should be designed by an engineer with expertise in natural gas detection system design.

- The natural gas detection system should be *listed* in accordance with UL 2075 or *approved* by the AHJ.
- The natural gas detection system shall activate at 25% of the lower flammability limit (LFL).
- Upon activation the natural gas detection system shall:
 - Activate the mechanical ventilation system
 - Deactivate tall heating systems located in the major repair garage
 - Initiate a distinct audible and visual alarm in the garage
- The failure of the natural gas detection system shall:
 - Activate the mechanical ventilation system
 - Deactivate all heating systems located in the major repair garage
 - Initiate a trouble alarm in an *approved* location
- NFPA 72 National Fire Alarm and Signaling Code provide information on monitoring the detection systems for integrity.
- The natural gas detectors should be tested and calibrated as recommended by the manufacturer and approved by the AHJ.

Sources of Ignition

Both the IFC and NFPA 30A have a number of requirements addressing sources of ignition for liquid fuel garages. Only NFPA 30A has additional requirements for CNG vehicle major repair garages. The requirement is directed at restricting open flame heaters and any heating equipment with exposed surfaces with temperatures above 750 °F from any area subject to ignitable concentrations of natural gas.

The conservative approach would be to eliminate heating equipment of these types from the major repair garage. It would take an analysis of the potential credible natural gas releases and modeling of the possible concentrations of ignitable gas within the facility in order to safely place these types of heaters in safe areas. This analysis is typically beyond normal heating design work and would be subject to approval by the AHJ on a case-by-case basis.

Electrical Classification

The codes have a number of requirements on classified locations for electrical equipment in typical liquid fuel garages. Only NFPA 30A requires that the space within 18 inches of the ceiling of a major CNG garage be classified as a Class 1, Division 2 classified location. This means that all electrical equipment within that area must be suitable for that classification as set forth in NFPA 70, National Electrical Code. The code does provide an exception to the requirement in that it does not apply to a facility that has a ventilation rate of at least 4 ACH.

It is important to take into account the design of the ceiling support structure to determine what modifications may be necessary for the classified location. One example would be a concrete 'T' beam design that may not be easily ventilated at the required rate to eliminate the classified location thus requiring modification of any electrical equipment in the 18-inch space below the ceiling. Conversely an open web steel joist structure may achieve the proper 4+ ACH eliminating the classified location.

If the classified location cannot be eliminated by ventilation, then the choice may be to either modify the electrical installation to meet Class 1, Division 2 requirements or move the electrical equipment below the 18-inch classified location, which in most cases would be to attach the system to the bottom of the support structure as opposed to the ceiling.

Preparation of CNG Vehicle for Maintenance

The IFC is the only code that has requirements for vehicle preparation prior to performing maintenance operations. For CNG vehicles, the procedure is to limit the quantity of natural gas that could be accidentally released by valving off all the fuel storage cylinders on the vehicle once it enters the repair garage. Vehicles that have cylinder-mounted solenoid valves that are tied to the ignition system of the vehicle will automatically close the valves when the engine is shut down. Vehicles that have manual valves on the cylinders must be closed by hand. A procedure to double check that all valves are closed as required should be established as part of the facilities normal operations.

The IFC also requires that if there is any suspected damage to the CNG fuel system the entire system should be checked for leaks and evaluated for fuel system integrity prior to bringing the vehicle into the repair garage. While not noted in the IFC, if there is any suspected damage to the CNG cylinder it should be inspected by a certified cylinder inspector to determine its proper disposition based on the findings of the inspection.

Maintenance and Decommissioning of Vehicle Fuel Containers

NFPA 52 requires that repair facilities have specific written procedures for inspection and decommissioning CNG cylinders. This set of requirements depends on the existence of properly trained personnel and the use of procedures as recommended by the vehicle OEM, cylinder and/or cylinder valve manufacturer. In order to properly perform maintenance on a cylinder, the cylinder must be safely vented (defueled) either returning the compressed gas back into a closed system or by atmospheric venting, both of which require making modification to the major repair garage.

NFPA 52 requires that each major repair garage install the proper defueling facility and provides specific requirements in section 6.4 of the 2010 edition of the code. Designs for fuel recovery systems and direct atmospheric venting systems should be approved by the AHJ as required. If the CNG cylinders have reached their end of life or are damaged, the cylinders should be defueled, purged with an inert gas, made unusable and scrapped according to the cylinder manufacturer's instructions.

While not covered in this set of guidelines, a CNG refueling station may be part of the overall modifications needed by the major repair garage in order to return the vehicles to service. Consideration should be given to add a natural gas recovery system to the refueling station design in order to reduce the amount of natural gas that is released to the atmosphere.

Major Repair Garages – Requirements for LNG

To add LNG maintenance operations to a major repair garage, certain code requirements should be evaluated to determine what modifications might be necessary. For some of the modifications, there may be more than one method to meet the requirements so an engineering analysis may be called for to determine the optimum solution. The basic difference between the minor and major repair garages is that in a major repair garage there may be a release of natural gas due to the nature of the maintenance operations. The code requirements set performance criteria to either reduce the presence of a flammable mixture and/or eliminate potential sources of ignition. For this set of requirements, it is assumed that LNG and /or un-odorized CNG is present on the vehicles that will be serviced. LNG and Un-odorized CNG major repair garages have additional requirements above those for odorized CNG. Proper ventilation of pits and below grade areas is required along with a continuously operating natural gas detection system. These requirements are discussed below.

Ventilation

NFPA 30A has no specific requirements for general ventilation rates for LNG major repair garages but does require that the natural gas detection system (see section below) be interlocked with the major repair garage's ventilation system.

The IFC has a specific requirement for continuous mechanical ventilation of LNG major repair garages of 5 air changes per hour (ACH). In garages where natural ventilation is used, it must be approved by the AHJ as an exception to the stated requirements. The operation of the mechanical ventilation is required to be continuous but there are two exceptions to this requirement: 1) ventilation system interlocked and controlled by a continuously monitoring natural gas detection system, or 2) ventilation system electrically interlocked with the lighting circuit for the garage.

As stated in the section on code requirements for ventilation of liquid fuel repair garages, the base ventilation rate is conservatively 1 cfm per sqft of floor area. Table 1 gives the conversion from cfm/sqft to air changes per hour (ACH) as 60/room height in feet. Therefore, for a garage with a ceiling height of 12ft, the base ventilation rate of 1 cfm/sqft equals the required 5 ACH. For a ceiling height of 24ft, the cfm/sqft rate would have to increase to 2 cfm/sqft in order to maintain the same 5 ACH rate.

With the respect to ventilation, the following factors or steps should be considered when adding LNG to the existing liquid fuel repair facility:

- Evaluation of existing ventilation system for code compliance.
- Separation of ventilation systems for minor repair area and major repair area if in same building.
- Ventilation rates required based on building geometry and codes.
- Operate ventilation system continuously or
 - Control ventilation system by interlocking with continuously operated natural gas detection system or
 - Control ventilation system by electrically interlocking with the lighting circuit.

Ventilation in Pits

There are no additional code requirements for major repair garages that add LNG maintenance operations. The ventilation already required for liquid fuel garages for pits or below grade areas should be maintained and used for LNG. If it is released, LNG vapor is heavier than air at temperatures below -160⁰ F. As the LNG vapor quickly warms above -160⁰ F and would dissipate similar to a CNG release.

Gas Detection

There are specific requirements for natural gas detection systems for major repair garages that add LNG and/or un-odorized CNG. There may be some stations that supply non-odorized CNG from LNG (LCNG) or from renewable natural gas (Biogas) but they are restricted to only fueling CNG vehicles that have on board methane detection systems. Those vehicles should only be maintained in a garage designed for non-odorized natural gas as detailed below.

The natural gas detection system design should consider including some of the following:

- The natural gas detection system should be designed by an engineer with expertise in natural gas detection system design.
- The natural gas detection system should be *listed* in accordance with UL 2075 or *approved* by the AHJ.
- The natural gas detection system shall activate at 25% of the lower flammability limit (LFL).
- Upon activation the natural gas detection system shall:
 - Activate the mechanical ventilation system
 - Deactivate all heating systems located in the major repair garage
 - Initiate a distinct audible and visual alarm in the garage
- The failure of the natural gas detection system shall:
 - Activate the mechanical ventilation system
 - Deactivate all heating systems located in the major repair garage
 - Initiate a trouble alarm in an *approved* location
- NFPA 72 National Fire Alarm and Signaling Code provides information on monitoring the detection systems for integrity.
- The natural gas detectors should be tested and calibrated as recommended by the manufacturer and approved by the AHJ.

Sources of Ignition

Both the IFC and NFPA 30A have a number of requirements addressing sources of ignition for liquid fuel garages. Only NFPA 30A has additional requirements for LNG vehicle major repair garages. The requirement is directed at restricting open flame heaters and any heating equipment with exposed surfaces with temperatures above 750 °F from any area subject to ignitable concentrations of natural gas.

The conservative approach would be to eliminate heating equipment of these types from the major repair garage. It would take an analysis of the potential credible natural gas releases and modeling of the possible concentrations of ignitable gas within the facility in order to safely place these types of heaters in safe areas. This analysis is typically beyond normal heating design work and would be subject to approval by the AHJ on a case-by-case basis.

Electrical Classification

The codes have a number of requirements on classified locations for electrical equipment in typical liquid fuel garages. Only NFPA 30A requires that the space within 18" of the ceiling of a major repair garage for CNG be classified as a Class 1, Division 2 classified location. LNG is not included in this requirement but it is expected that the AHJ would apply this requirement to the LNG facility as well. This means that all electrical equipment within that area must be suitable for that classification as set forth in NFPA 70, National Electrical Code. The code does provide an exception to the requirement in that it will not apply to a facility that has a ventilation rate of at least 4 ACH. Since the natural gas detection sensors would most likely be placed in this classified location, the effectiveness of the ventilation system should be factored into the system design.

It is important to take into account the design of the ceiling support structure to determine what modifications may be necessary for the classified location. One example would be a concrete 'T' beam design that may not be easily ventilated at the required rate to eliminate the classified location thus requiring modification of any electrical equipment in the 18-inch space below the ceiling. Conversely an open web steel joist structure may achieve the proper 4+ ACH eliminating the classified location.

If the classified location cannot be addressed by ventilation, then the choice may be to either modify the electrical installation to meet Class 1, Division 2 requirements or move the electrical equipment below the 18-inch classified location, which in most cases would be to attach the system to the bottom of the support structure as opposed to the ceiling.

Preparation of LNG Vehicle for Maintenance

The IFC is the only code that has requirements for vehicle preparation prior to performing maintenance operations. For LNG vehicles, the procedure is to: 1) Operate the LNG vehicle to reduce the pressure in the on-board LNG tank to increase the 'hold time' of the LNG tank thus extending the time that would have to expire before the pressure relief valve would need to open and, 2) limit the quantity of natural gas that could be accidentally released by valving off all the fuel storage tanks on the vehicle once it enters the repair garage. Vehicles that have tank-mounted solenoid valves that are tied to the ignition system of the vehicle will automatically close the valves when the engine is shut down. Vehicles that have manual valves on the cylinders must be closed by hand. Operate the LNG vehicle after the valves are closed to make sure there is no liquid LNG trapped in the system; this also reduces the amount of natural gas that could be released by accident. A procedure to double check that all valves are closed as required should be established as part of the facilities normal operations.

The IFC also requires that, if there is any suspected damage to the LNG fuel system, the entire system should be checked for leaks and evaluated for fuel system integrity prior to bringing the vehicle into the repair garage. The LNG tank manufacturer should be able to provide detailed instructions for leak testing, maintenance and repair of the LNG tank.

Maintenance and Decommissioning of Vehicle Fuel Containers

NFPA 52 requires that repair facilities have a specific written record of inspection and maintenance of LNG tanks. This set of requirements depends on the existence of properly trained personnel and the use of procedures as recommended by the vehicle OEM and LNG tank manufacturer. In order to properly perform maintenance on LNG tank, it must be safely defueled either returning the LNG back into a closed system at a fueling station or by atmospheric venting, both of which require modification to the major repair garage

Although the codes do not require such systems, each major repair garage should install an engineered defueling facility. Designs for fuel recovery systems and direct atmospheric venting systems should be approved by the AHJ as required. If the LNG tanks must be serviced, they should be defueled and purged with an inert gas according to the LNG tank manufacturer's instructions.

While not covered in this set of guidelines, an LNG refueling station may be part of the overall modifications needed by the major repair garage in order to return the vehicles to service. Consideration should be given to adding a natural gas recovery system to the refueling station design in order to reduce the amount of natural gas is released to the atmosphere.

Training

*The facility modifications will be of no avail
Without properly trained personnel*

While physical modifications to the maintenance facility will help mitigate any potential hazard from adding CNG and LNG vehicles to facility operations, proper training of personnel is critical to maintaining a safe work environment. The training program should, at a minimum, cover the following:

- The physical properties of compressed natural gas
- The physical properties of liquefied natural gas
- Hazards associated with CNG
- Hazards associated with LNG
- Operation and use of hand held flammable gas detectors
- Manufacturer's instructions for maintenance, operation and calibration natural gas detection systems installed in the garage
- OEM instructions, and recommended maintenance procedures for the onboard fuel storage system and engine fueling components for both CNG and LNG vehicles
- OEM, cylinder manufacturer and /or cylinder valve manufacturer's instructions for defueling and valve maintenance/removal for CNG cylinders

- OEM and /or LNG tank manufacturer’s instructions for maintaining and defueling of LNG tanks
- OEM and/or manufacturer’s instructions for maintenance and calibration of on board LNG vehicle natural gas detection systems
- CNG cylinder inspection certification by CSA Standards of at least one maintenance technician
- Consider ASE certification of CNG vehicle technicians (F1 Test)

Appendix A

Physical Properties of CNG and LNG

The Table 11 below compares some of the basic properties of typical fuels that might be found in maintenance facilities.

Table 11 – Physical Properties of Fuels

Property	Pure Methane	LNG	CNG	LPG	Diesel	Gasoline
Formula of the major chemical component(s)	CH ₄	CH ₄	CH ₄	C ₃ H ₈	C ₈ to C ₂₅	C ₄ to C ₁₂
Boiling Temperature, °F	-259	-259	-259	-44	370-650	80-437
Fuel Density <i>α</i> 60°F [excluding RLM, LNG] (lb/gal)	1.07 (at atmospheric pressure) RLM: 3.54	3.53	1.58 (at 3500 psi)	4.22	6.7-7.4	6.0-6.5
Autoignition Temperature, °F	1202	1004	1004	850-950	600	495
Flammability Range, vol.	5% - 15%	5% - 15%	5% - 15%	2.2% - 9.5%	1% - 6%	1.4% - 7.6%
Lower Heating Value (BTU/lb)	21500	20200-21500	20200-21500	19800	18000-19000	18000-19000
Lower Heating Value (BTU/gal)	23005 RLM: 76100	72700-77400	31900-33800	84500	128400	115000
Specific Gravity <i>α</i> 60°F	0.129 (at atmospheric pressure) RLM: 0.428	0.435	0.192	0.508	0.81-0.89	0.72-0.78

RLM - Refrigerated liquid methane

Source: Alternative Fuel Data Center, A.I.T. and Battelle

Natural Gas Properties

CNG and LNG share the same physical properties as natural gas at ambient temperatures.

- Natural gas is a mixture of hydrogen carbon and other gasses with the primary constituent being methane.
- Natural gas is a colorless and odorless gas that has odorant added by the natural gas distribution company for safety.
- Natural gas is supplied to over 70,000,000 homes and businesses in the United States and its odor (often described as smelling like rotten eggs) is familiar to a large portion of the population.
- Natural gas is non-toxic and is a simple asphyxiant that in sufficient concentrations may displace oxygen in air.
- Natural gas is lighter than air (specific gravity 0.55 to 0.65) and quickly dissipates when released.
- Natural gas has a flammability range of 5% to 15% by volume in air.
- Natural gas has an ignition temperature of 1004 ° F.

CNG Properties

- CNG in the United States has typical storage pressure of 3,600 psig.
- CNG is normally compressed from natural gas supplied by a distribution company and is therefore normally odorized to the appropriate level for safety.

LNG Properties

- LNG is a cryogenic liquid made by cooling natural gas to about -260 ° F at atmospheric pressure.
- LNG normally has a higher percentage of methane than the natural gas it is made from since a number of constituents in natural gas are removed such a CO₂ and odorant.
- LNG is not odorized and methane detectors are used on LNG vehicles, stations and maintenance facilities for leak detection.
- LNG vapor when released usually forms a white cloud of water vapor and becomes lighter than air at @ -160 ° F and dissipates like natural gas.

Hazards Associated with Natural Gas, CNG and LNG

Natural Gas Hazards

- Natural gas is a flammable gas that will ignite in concentrations between 5% and 15% in air.
- Natural has a higher ignition temperature (1000° F) than most fuels but ignition sources must be controlled in areas where an ignitable may be present.
- Natural gas should not be allowed to accumulate in an enclosed space because if ignited it would cause a rapid deflagration with significant overpressure.

- Natural gas is a simple asphyxiant that can displace air (oxygen) in enclosed spaces.

CNG Hazards

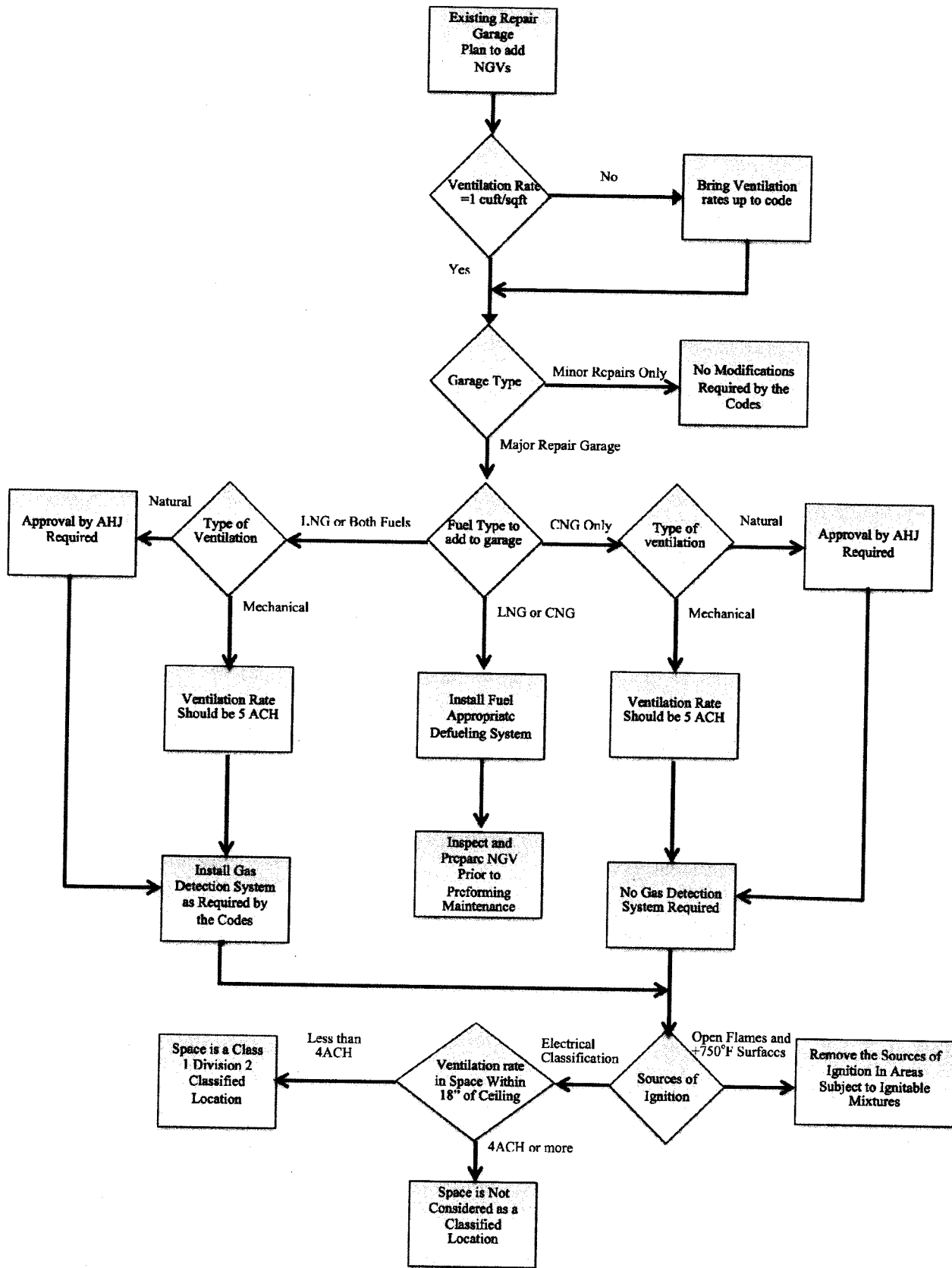
- High pressure gas releases from CNG systems may cause injury from:
 - Entrained particles in the gas stream
 - Ignition by static discharge at the leak source causing a jet or torch fire
 - High intensity noise generated by the high velocity gas stream

LNG Hazards

- Cryogenic burns to exposed skin from exposure to LNG liquid spills or cold vapor releases and direct contact to piping or fittings exposed to cryogenic temperatures.
- Since the initial release of LNG vapor is heavier than air, there is a potential that the vapor could displace air (oxygen) in pits and act as an asphyxiant.

Flow Chart for Modification Analysis

The flow shown on page 33 indicates the basic decisions that need to be made in order to determine what modifications may be required to add CNG and/or LNG vehicles to an existing maintenance facility. The decision points are discussed in more detail in the balance of the document.





Site	Number of Units	Name	Type	Market Position	Earliest Estimated Completion	RSS/RGG Account Type	RSS/RGG Account Start Date
435 China Basin St.	329	The Madrone	for-sale	market rate	2012	A	8/1/2012
150 Otis. St.	76	Veterans Commons	rental	affordable	2013	A	11/25/2012
2235 Third St.	196	Potrero Launch	rental	market rate	2012	C	11/1/2012
220 Golden Gate Ave.	174	220 Golden Gate Ave.	rental	affordable	2012	C	1/4/2013
1401 Market St.	754	Crescent Heights	rental	market rate	2013	C	
1169 Market St.	418	Trinity Plaza, phase II	rental	market rate	2013	C	
701-725 Golden Gate Ave.	100	Mary Helen Rogers Senior I	rental	affordable	2012	New A	
1155 4th St.	147	Venue	rental	market rate	2013	New A	
25 Essex St.	120	Rene Cazenave Apartment	rental	affordable	2013	New A	
1844 Market St.	113	1844 Market St.	for-sale	market and afford.	2013	New A	
227 West Point Road	107	Hunters View phase I	rental	affordable -public	2013	New A	
6600 Third St.	73	6600 Third St.	rental	affordable	2013	New A	
474 Natoma St.	60	474 Natoma St.	rental	affordable	2013	New A	
1266-70 9th Ave	15	1266-70 9th Ave	for-sale	market rate	2013	New A	
1415 Mission St.	165	1415 Mission St.	TBD	market rate	2013	New A	
2299 Market	18	The Castro	for-sale	"boutique" condo	Complete	A	
1998 Market St.	114	Linnea	for-sale	market rate	Fall 2013	A	
1190 Mission	860	864-3333	rental	market rate	August. 2013	C	
300 Ivy	63	543-3000 -Laura Ledel	for-sale	market rate	Fall 2013	A	
1600 Market	20	Pacific Terrace 359.9335	rental	affordable	Fall 2013	A	
1998 Polk at Pacific	41	The Pacific	for-sale	market rate	Complete	A	
1645 Pacific	39		for-sale	market rate	Fall 2013	A	
	4,002						

Estimated Additional Revenue based on minimum trash services

New Units	4,002		
Existing Apartment Units	(405)		
Additional Apartment Units	3,597		
CHANGE Minimum Service (from 16 to 30 Gallons) - see attached calculation			
Total Gallons	107,910		
Minimum Size of Bins	32		
No. of 32-gal bins	3,372		
Current 32-gal bin rate	\$27.91		
Additional Monthly Revenue	\$94,113		
No. of Month/Year	12		
Additional Annual Revenue - 900 new units, plus 2,697 more units	\$1,129,350		
Annualize Revenue from 601 new units		Monthly Rate	# of Months
435 China Basin	6	\$ 4,855	
150 Otis. St.	10	\$ 1,079	
Total Additional Annual Revenue - 1,305 Units, plus 2,697 more units			

Apartment Gallons

From Exhibit 52:

Number of apartment customers 8,649
Number of customers with service in excess of minimums 7,516
Percentage of customers with more than minimum service 86.89%

For 7,516 Customers: Gallons Average per Customer Average per Unit *

Trash	3,451,176	399	30
Recycling	3,003,738	347	26
Composting	362,898	42	3

* 13.22 units per building based on 113,929 units in Exhibit 68 and 8,617 customers in revised RSS/RGG Schedule F.1.



sf ratepayer advocate

Representing the public interest

San Francisco Ratepayer Advocate

C/O HF&H Consultants
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Walnut Creek, California 94596

Phone: (415) 554-6921

Email: ratepayeradvocatesf@hfh-consultants.com

Website: www.ratepayeradvocatesf.org

May 21, 2013

Mr. Mohammed Nuru
Director
Department of Public Works
City and County of San Francisco

Subject: Update of Public Comment Received by the Rate Payer Advocate

Attached is an update of an earlier summary of website views, phone calls and emails, and responses through April 23rd. The earlier summary was entered into the record at the Director's Hearing of April 24th and can be found on the Rate Payer Advocate website home page. Through May 20th, the Rate Payer Advocate (RPA) has received, and responded as appropriate to, the following.

1. Website – The website has received 1,203 views cumulative through May 17th. The highest one-day total was 111 views on April 18th. See attached summary.
2. Phone Calls – A cumulative total of 25 calls from 15 individuals, with responses as requested. See attached phone log.
3. Emails – We have received a cumulative total of 35 emails or other comments from 29 individuals and have responded as requested. The attached includes emails received between April 24th and May 21st, 2013. Emails received prior to April 24th were entered into the record at the Director's Hearing of April 24th as described and are available as described above.

1. RPA Website – Summary of Views



May 17, 2013, 9:18 pm

Report ID: 5123

Months and Years

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Total
2013		48	586	515	253								1203

Average per Day

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Overall
2013		5	12	17	15								14

Recent Weeks

Mon	Tue	Wed	Thu	Fri	Sat	Sun	Total	Average	Change
Apr 1	Apr 2	Apr 3	Apr 4	Apr 5	Apr 6	Apr 7			
26	36	30	24	15	5	0	142	20	
Apr 8	Apr 9	Apr 10	Apr 11	Apr 12	Apr 13	Apr 14			
10	19	40	111	31	25	7	244	35	+71.50%
Apr 15	Apr 16	Apr 17	Apr 18	Apr 19	Apr 20	Apr 21			
4	25	7	23	11	3	10	64	10	-65.57%
Apr 22	Apr 23	Apr 24	Apr 25	Apr 26	Apr 27	Apr 28			
6	9	10	50	31	13	7	128	18	+62.00%
Apr 29	Apr 30	May 1	May 2	May 3	May 4	May 5			
7	6	6	17	13	10	5	65	9	-43.22%
May 6	May 7	May 8	May 9	May 10	May 11	May 12			
11	12	19	25	6			75	17	+50.00%

2 - RPA Phone Log
RPA Phone Number: 415-554-6921

Date	Name	Phone Number	Message Summary	Response Required	Response Status
5-Jan	Kathleen Catton		Peter Deibler spoke with Kathleen Catton, Finance Director, Presidio Trust. She was interested in discussing the application and its effect on residential and commercial accounts since they have a mix of the two. Call occurred prior to initiation of RPA phone line.	n/a	Complete. RPA left voicemail messages on 1-25-13 and 2-14-13
19-Jan	David Pipel	415 977 5578	Testing out the voice mail. Number currently on the message for Recology is incorrect. 1st workshop was relatively good, but would like to get together and talk soon.	Return Call	Complete
22-Jan	Ann Carey	415 306 1800	Testing out the voicemail, please call back to confirm receipt.	Return Call	Complete
23-Jan	None				
24-Jan	None				
25-Jan	None				
28-Jan	None				
29-Jan	None				
30-Jan	None				
31-Jan	None				
1-Feb	None				
4-Feb	None				
5-Feb	None				
6-Feb	None				
7-Feb	None				
8-Feb	None				
11-Feb	None				
12-Feb	None				
13-Feb	None				
14-Feb	None				
15-Feb	David Pipel	415 977 5578	He's been sick for the past month and hasn't had a chance to call you back. He hopes to catch up soon. You're on his list of people to contact as soon as he's feeling better.	None	Complete
19-Feb	None				
20-Feb	None				
21-Feb	None				
26-Feb	None				
27-Feb	None				
28-Feb	None				
1-Mar	None				
4-Mar	None				
5-Mar	None				
6-Mar	None				
7-Mar	None				
8-Mar	None				
11-Mar	None				
12-Mar	Hang-up				
13-Mar	None		No message, no indication who called.	None	Complete
14-Mar	AI	303 907 9141	Requests a phone response. Against the 23.75% rate hike by Recology. Wishes someone will stop it. The price of everything is going up in the City. Driving out the middle class by nickle and diming citizens. To increase rates every time you turn around, its not even affordable anymore. Totally against the rate increase. Would like a phone response.	Return Call	Complete - left voice message 3/15/13
14-Mar	Unintelligible	None	(Recology) can't increase the price.... (Unintelligible - very difficult to hear message)	None - No name or contact information provided	Complete
15-Mar	None				
18-Mar	Hang-up		No message, no indication who called.	None	Complete
19-Mar	AI	303 907 9141	Recology is the only game in town- they have a monopoly, and they are already charging too much. The floodgates are opening, water rates, PG&E rates, now garbage rates. San Francisco is getting too expensive to live in. Somebody's got to stop it. Opposes the rate increase.	Return Call	Complete - phone discussion 3/21/13
20-Mar	None				

2 - RPA Phone Log
RPA Phone Number: 415-554-6921

Date	Name	Phone Number	Message Summary	Response Required	Response Status
21-Mar	None				
22-Mar	None				
25-Mar	David	415 977	Contacting Douglas Legg about meeting with him to talk about a few things. When he hears back from him regarding times to talk, he will let Peter know. That might not be until over the weekend or next week. Thanks everyone did the best they could yesterday (at the 2nd workshop), and will do more in the future.	n/a	Complete
26-Mar	None				
27-Mar	None				
28-Mar	None				
29-Mar	None				
1-Apr	None				
2-Apr	None				
3-Apr	None				
4-Apr	None				
8-Apr	None	415 648	It seems to me that if you are going to start charging for the compost and recycling containers, that will encourage people to start putting everything in the garbage container. You are also going to have, which has happened to us, people walking down the street, and they just dump their stuff in our container. I don't know - I got a larger container for a tenant who had a lot of junk to get rid of, but it has our address on it, simply because she was the one who called.	Return Call	Complete
9-Apr	David	415 977	Message for Peter regarding issues for coverage at the 1st hearing.	Return Call	Complete
10-Apr	None				
11-Apr	David	415 977	Message for Peter regarding 2nd day of hearings.	Return Call	Complete
12-Apr	Hang-up		No message, no indication who called.	None	Complete
15-Apr	Bob	415 378	Curious to know whether there is going to be a continuation of the hearings today, Monday (April 15, 1pm, room 416 - Supervisors Chambers). Just want to be sure that that is still going to be on the schedule. And I do have a few questions related to the proposed increase, and the way things are currently being conducted as well. If someone could give me a call back, I would appreciate it.	Return Call	Complete - Peter called, and talked with that afternoon at the hearing
16-Apr	None				
17-Apr	None				
18-Apr	None				
19-Apr	Tom	415 264	I own a building in SF, a nine-unit. I am interested in knowing how to interpret the information we got in the mail regarding new ways to charge fees. I would like someone to call me back. And to please call my cell phone. Call notes: Mr. Schmidt is frustrated by the complexity of the rate calculations and feels as though communications sent by Recology are unclear and potentially misleading.	Return Call	Complete - phone discussion 4/19/13
19-Apr	Martin	415 585	Received an email from Legislative Aide to Supervisor Yee asking to follow-up with this individual. He was interested in the process and the rate payer advocate's role.	Return Call	Complete - phone discussion 4/19/13
22-Apr	None				
23-Apr	None				
24-Apr	Bob	415 378	Interested in whether scavenging issue would be discussed at that day's hearing. Would try to come to hearing.	Return Call	Complete - Peter returned call
25-Apr	None				
26-Apr	None				
29-Apr	William	415 814	I live in San Francisco. I'd like the rate payer advocate to please call me. I'd like some information on the pending refuse collection and disposal rate increase. Thank you. Notes from return call: he believes that the 21% increase must be egregious, and the 51% threshold to overturn the rate increase via Prop 218 is not appropriate for a city the size of San Francisco.	Return Call	Complete - phone discussion 4/29-13
29-Apr	Bob	415 378	Called to get summary of April 24th hearing, and to get info on next steps.	Return Call	Complete - Peter returned call
30-Apr	Betty	415 931	Received information about Proposition 218 in the mail, she has the address, but wants to know if there is a specific form that she should use to protest the rate increase, or if she should just write a letter saying that she doesn't want her garbage bill increased. Email is dooney@pacbell.net.	Return Call or email	Complete - sent email response 5/1/13

2 - RPA Phone Log
RPA Phone Number: 415-554-6921

Date	Name	Phone Number	Message Summary	Response Required	Response Status
1-May	Bruno Zambone		I have a complaint about the Recology bit. I am going to be out of the country for a month, so I thought I'd decide to try to save a buck by telling them not to pick up my garbage because there won't be any, and it costs me \$10 to do it, when I am doing them a favor. The other complaint I got - I'll be damned if I'm going to pay a higher rate to have a blue bin, a green bin, and a black bin, after I sort out the garbage they want to charge us for these bins. It is too much, and it's not fair. I am not happy about it, and I won't pay for it. And I can just put all my garbage in one bin and they can do their job just like they used to do in the old days. I know costs have gone up, but services could sure be better. Thank you for listening to me.	None - no phone number left.	Complete
1-May 2-May	Katherine Roberts None	415 387	5435 If you could give me a call back, I would appreciate it. Thanks. Notes from return call: Ms. Roberts is very frustrated by the fact the increase will be supposedly be so high, however it is nearly impossible to establish how high it will actually be for each ratepayer. She is also disappointed because at the meeting that she attended, she states that she received information from a Recology spokesperson that the increase will be potentially 10 times less than it actually will be for her building. She feels that information is grossly misleading. She is also upset because she has exhausted the resources available to MFD property owners, but ultimately can not prevent her tenants from producing a small amount of garbage (black bin), and passing rates through to her tenants is nearly if not entirely impossible.	Return Call	Complete - Call attempted 5/2/13. Phone discussion 5/21/13
3-May 6-May 7-May	Nancy Barsotti None None	415 518	4851 I would like a call back, or you may email me, its concerning the rate hike. nbarsotti@aol.com	Return Call	Complete - sent email response
8-May 9-May 10-May 13-May 14-May 15-May 16-May 17-May	Nancy Barsotti None None Hang-up None None None Hang-up	415 518	4851 I would like a call back, or you may email me, its concerning the rate hike. nbarsotti@aol.com. Notes from return call: Ms. Barsotti was interested in learning if there were any organizations that had been established in opposition of the rate application. She is frustrated in general with the rapidly increasing cost of living in San Francisco, and needing to pay for things that she believes provide no benefit to most ratepayers. She is particularly frustrated with the idea that Recology will be picking up an increased share of abandoned waste, which she feels should be subsidized and/or managed entirely by DPW. No message, no indication who called. No message, no indication who called.	Return Call None None	Complete - phone discussion 5/10/13 Complete Complete
17-May	Frank Wade	415 424	5396 Can you send me all the literature at PO 12332 San Francisco, 94112, and also all the literature that you have on the issue to Wade, Frank, Henry@hotmail.com, and also, if you could please get back to me on the phone, and I want to attend the ratepayer hearing at 1pm on the wednesday the 22nd, if you could tell me what issues will be discussed there. Thank you very much.	Call back to discuss what information we can provide	Complete
17-May	No Name		Well you haven't been very helpful, I have wanted someone to answer the phone, answer some questions, you haven't answered the phone, I have already looked at the website, there isn't any information on the website, I can't find any information on Recology's website. So, I assume the thing will just past. This is very frustrating, ok well, nevermind.	None - left no name of contact information	Complete
17-May 20-May 21-May	Frank Wade None None	415 424	5396 I want to attend the meeting on the 22nd, if you can give me all the literature or tell me where you can get it, can you give me a call and describe to me your effort, tell me what you are trying to accomplish. And please send me all the literature by mail at PO 12332 San Francisco, 94112, and all the electronic literature to Wade, Frank, Henry@hotmail.com.	Call back to discuss what information we can provide	Complete



████████████████████
Sent from my iPad

From: Lauren Barbieri
To: [REDACTED]
Subject: RE: Garbage Rate Increase Proposal
Date: Monday, April 29, 2013 10:45:00 AM

Dear Ms. Parodi,

Thank you for contacting us regarding Recology's refuse rate application. For information regarding official Proposition 218 Protests please follow the directions on the "Notice of Public Hearing on Proposed Changes to Residential Refuse Collection and Disposal Rates" available here: <http://www.sf.gov/finance/department-of-public-works>. For information on the rate application itself, please visit the Department of Public Works' website at <http://www.sfdph.org/dph/epi/ehc/> or our website at www.sf.gov/finance/department-of-public-works.

San Francisco Ratepayer Advocate
Representing the Public Interest
1075 4th St. Consultants
201 North Civic Drive, Suite 230
Walnut Creek, California 94596

Phone: (415) 554-6921
Email: ratepayeradvocate@sfdph.org
Website: www.sfdph.org/dph/epi/ehc/

Please consider the environment before printing this email

From: Betty Parodi [REDACTED]
Sent: Sunday, April 28, 2013 1:57:05 PM
To: RatepayerAdvocateSF
Subject: Garbage Rate Increase Proposal
Auto forwarded by a Rule

April 27, 2013

Dear Sir or Madam,

I would like to send a written protest to increasing the garbage rates. Is there a specific format I need to follow in the communication to the hearing officer? Or do I merely state that I do not wish to have my garbage rates increased? Do I need to state a reason for my protest?

Thank you,
Betty Parodi

From: Lauren Barberi

To: [REDACTED]

cc: [REDACTED]; [REDACTED]

Subject: RE: Questions RE Rate Increases

Date: Monday, April 29, 2013 9:49:00 AM

Talia-

We appear to have received your email twice- we originally responded on April 23, but since we received it again, I am resending to make sure you get our response. I have pasted our original response below, and for additional information, I encourage you to please visit the website at www.dpw.org/dpw/04/29/13/qn or call us at (415) 554-6921. Thank you for your input and interest in the rate application process.

-SF Ratepayer Advocate

Dear Talia,

Thank you for contacting us. The last hearing is tomorrow (Wednesday, April 24) from 1-5PM in Room 400 of City Hall. Public comment will be at some point after 4PM and speakers are allowed 5 minutes each. We encourage you to come if you can, and also to visit the website at www.dpw.org/dpw/04/29/13/qn for more information.

The Rate Payer Advocate (RPA) is entering an exhibit of public comments tomorrow which will become part of the official hearing record, and we will include your email (without the personal information). He will be noting that both City staff and Recology staff should review the comments to see the types of concerns that are being expressed.

Here are responses for some of the issues you've raised:

1. Regarding "reasonable rate of return", the company receives an "operating ratio" of 91%. In effect this is a little less than 10% profit. This is generally reasonable and follows past practice.
2. On the abandoned materials and other City programs, the RPA cross-examined Department of Public Works (DPW) staff on this topic at yesterday's hearing. We're comfortable at this point that the transfer makes sense in general, and at the May hearings will be asking about how they will monitor Recology's performance.
3. We understand you concern about the fixed charge, but practically speaking it will apply **per account**, not by household.
4. We're comfortable that the fixed charge does not represent double-counting. The RPA will be asking Recology and City staff a series of questions about the rate structure changes tomorrow.
5. The discount is for the relative amount of blue and green bin volume, vs that for the black bin, minus 10%. For example, if you have 1 32-gallon black bin, 2 32-gallon blue bins (or 1 64-gallon), and 1 32-gallon green bin, 75% of your total volume capacity of 128 gallons is for blue and green service. So, you would receive a discount of 75%-10% = 65%. The \$2.00 charges and the discounts are logical, albeit confusing. As black bin volumes decline with

higher levels of diversion from landfill, it makes sense to begin to charge for the blue and green bins. Recology has provided some example calculations in the following document that you may be interested in: <http://www.dpw.org/dpw/04/29/13/qn>

www.dpw.org/dpw/04/29/13/qn
Application Presentation Second Workshop with City Sustainability Initiative. In addition, Recology has committed to develop an online calculator for ratepayers to use so that they may see the effect of new rates at their current or adjusted service level. Recology's goal is to provide methods for customers to minimize the impact of any increase, and in many cases to change service in a way that allows them to pay a rate that is lower than today's.

6. The City is reviewing audited financial statements as part of reviewing the rate application, and specific areas of projected costs and revenues are topics for the hearings. When rates are set, there are agreed-upon COLA adjustments (subject of quite a bit of testimony and cross-examination at the hearings). Until rates are re-set, rate payers and the company share the risk that actual COLAs will be greater (or less) and that revenues will be higher or lower than anticipated. In this case, the company received no COLA's for the past two years and revenues were substantially below projections for the past 3-4 years. So, rate payers have actually done fairly well over the past few years. As we understand it, at other times in the past, the company has benefitted more. Sharing these risks is a trade-off with doing complex and expensive rate reviews more often.

7. The recycling services provided by Recology legitimately do cost money. Why? Because the cost of collection is greater than the net revenue that is made from processing and selling the material. This is true throughout the country. Recycling generally makes money if there is no need for collecting from dispersed locations, e.g., individual customers. The RPA will be making the point during the hearings that Recology (and the City) need to more effectively get out this message. As we approach zero waste, there will still be costs for both the blue and green bins.

8. Theft deterrence has been raised several times in the hearings and the RPA will be asking Recology and the City a series of questions on this tomorrow. The key focus probably needs to be on how to deter large-scale organized pilfering of materials which has sharply increased over the past few years.

We hope to see you at the hearing if you can make it. There will also be hearings on May 20 and 22nd once DPW has issued its draft recommendation.

Regards,

San Francisco Ratepayer Advocate

Barbara Eisenberg, Ph.D. 2013

2254586, 6508250656

201 Legittia Park Drive, Suite 200

Walton Creek, Colma, CA 94026

Phone: (415) 554-6921

Fax: (415) 554-6922

Mobile: (415) 554-6922

Website: www.sfdpw.org/advocacy

Please consider the environment before printing this email

\$83.02 Total
(Special reserve surcharge ???)

From: Tam [REDACTED]
Sent: Friday, April 26, 2013 11:18:01 PM
To: RatePayerAdvocateSF
Subject: Questions RE Rate Increases
Auto forwarded by a Rule

I suspect that residential owners will be in a similar position if this recycling rate "discount" applies to these accounts also. It is **not** clear if this "discount" applies to all customers. It is **not** clear what this discount is. How is it calculated? This needs clarification. It needs to be clearly stated for the record. It is unconscionable that Recology has led us to believe that recycling would reduce our rate costs & benefit the ratepayer. With this rate proposal, it is clear that residents of San Francisco are being charged for recycling. Why is Recology not able to make a profit? They need to explain this business deficit. Ratepayers should not subsidize private business incompetence.

Dear Rate Payer Advocates,

I am very concerned about the Recology San Francisco rate increases. While I appreciate the questions & answers you have requested to date, I have some additional questions to put forward.

1. What is the "reasonable return rate on investment" that is proposed? This is the basis for the rate increase but I cannot find a declared amount. What is this amount and how does it compare to previous years and other counties?

2. How does the transfer of city abandoned waste & street container collection benefit the ratepayer? This seems to be to be double dipping, where ratepayers are paying for services already paid by the taxpayers. The city container collection cost alone was identified as being in excess of \$1.5 million so these costs are not insignificant.

3. Why does the proposed "household" fixed charge have no provision for granny units or in-law units? These units can be identified by mailing addresses & often the building records. Proposition 218 is clear that ratepayers should pay equal rates. Indeed, these units greatly contribute to street litter, abandoned waste & street refuse container usage. It is only fair that if adopted, the proposed fixed charge is applied equitably to all household dwelling units.

4. What is the rational (other than greed) to impose a fixed charge? Proposition 218 court decisions already impose an "availability" rate charge guarantee for services. It is unconscionable that the ratepayer is double charged with both a household unit charge & a bin charge regardless of usage. Once again, where is the justification for a "reasonable investment return rate"?

5. I do not understand the "discount" for apartment recycling. Where can ratepayers get an explanation and information on the rate change amount for the nebulous description of these proposed discounts? This is my most poignant concern. As the owner of an owner-occupied four-unit residential building, we have reduced solid waste pick-up to 64 gallons a week. The actual usage can now be reduced to 32 gallons. This has been done with significant tenant education, motivation & my time expense. My current bill (less "special reserve surcharge") is \$55.10. Under the proposed rate plan, my bill would escalate to \$83.00 per month. This is a 51% increase based upon the proposed rate increases as follows:

\$20.00 unit fixed charge (4 units @\$5.00/unit)
\$12.00 bin charge (96 gal X 2 bins-1 blue/1 green)
\$51.02 64 gal solid waste bin disposal charge).

6. Why are ratepayers charged for "bins" that recycle & not charged for a solid waste bin? This represents a clear loophole for a future "bin" fee in addition to the proposed disposal fee making a duplicate fee increase in the future. Additionally, a bin fee for Zero waste would be inappropriate. Bin fees should NOT be a set refuse or recycle expense. A zero solid waste bin fee should be a credit.

7. What will the volume special reserve surcharge be based on? The proposed rate increases for recycling are volume based. Why is this not discussed detail? With the current proposals, everyone can be charged 1.3% for all materials disposed both waste & recycling. This creates a loophole of immense proportions based upon volume disposal fees. This loophole needs to be closed.

8. Please help me understand these Recology rate increases. The inflation rate for San Francisco has not been over 3% for the past 4 years (Bureau of Labor Statistics). COLA is at a current high of 3% (<http://www.bls.gov/iif/whdln1/dln1.htm>). It is my opinion that an independent audit of ratepayers' payment and Recology business expenses should be performed before there is a ratepayer increase. The present review is flawed & certainly, an outside professional audit is indicated. At the very least, the tip transfer fee charged by the same parent company represents a monopoly rate. How is this rate determined? Ratepayers should be assured that this is not an inflated rate compared to other counties. Projections at this point do not reflect monies saved in previous or future years. What is the projected rate of return please? What is the average return rate over 5 years? If these questions cannot be answered, an outside audit should be performed.

9. A contract exceeding 1 year should not be entered into. The residential cap is for 1 year & appears to have a built in 25% increase for 2014. Superficially, Recology has been less than honest with the residents of San Francisco. I truly thought that we were making money with our recycling efforts & voted against any change. To see the proposed rate increases demonstrates that non-competition results in excessive monopoly-type rate increases beyond inflation or the cost of living. I find it unreasonable that we will be charged for our positive modified behaviors which resulted in recycling beyond the national precedent. These efforts represent both personal action & inconvenience. If these desired behavior changes results in a cost increase, it will not be successful. I for one will let the recycle thieves seal all the valuable materials to reduce my volume. I will not separate my tenants mixed debris. Why should I? I will be billed for it anyway. Most important, I have been BETRAYED by the Recology "success" stories. I have always recycled, I have always been concerned with the environment. Setting a precedent that citizens must pay for recycling is something that I cannot support. Recycling is big money. If this is not the case, we need a success driven

company to provide service & not a monopoly, which cannot make money from ratepayer recycling efforts.

10. Why has a comprehensive recycle theft deterrent not been implemented? This is the crux of recycling revenue. Unsecured separate bins support criminal recycling theft. This company has never been effectively concerned with recycle theft. They have never prosecuted, nor provided effective theft deterrents for the recycling component of company property/assets. This is a waste of ratepayer's resources. There are elements that do not have the ratepayers' interest in mind. Certain board of Supervisors view recycling theft as "entrepreneurship". To me it is just like dealing drugs, a neighborhood blight & safety issue. The SFPD & DA see this as a property crime & not worth the bother. This is a clear message to Recology that they propose to safeguard the customers' interest & their revenue without city support. What do they need to prevent recycle theft? Deterrents to date are not effective & city agencies are adversarial. What is the proposed plan to prevent recycle theft & increase recycling profits? It is not ratepayer's responsibility to protect private business property. Likewise, what do they do to protect their property? Answer, NOTHING. No rate increase should be allowed until a comprehensive plan is developed to protect the ratepayers recycling efforts against theft and secure both Recology's & the ratepayers' recycling effort benefits. I do not wish to support criminal recycling and be billed by Recology for my recycling effort while providing thieves sorted bins.

11. What is the 16.7% "shortfall" & a 4% loss in recycling revenue reported in Recology's rate application? https://sfdpw.org/modules/showdocument.aspx?documentid_2931. Perhaps it is time for an audit or find another company to meet our needs better. Again, no bailouts!

12. Recology needs to be transparent in their requests for rate increases to the ratepayers. Recology needs to respond to inquiries in a manner that ratepayers can understand. We do not want to see appendices nor clever accounting. Again, what is the rate of return on investment that Recology is demanding by this rate increase? This is the question that needs to be answered and both the ratepayers' advocate & DPW are responsible to answer to this question by mandate.

Thank you for your attention. I want to conclude by stating that I received my notice of Public Hearing on April 17th. How is this possible? Informational hearings began in March. Surely, this after-the-fact-notice is not in the interest of all concerned parties. Recology must comply with the law and justify a rate increase with a reasonable rate of return on investment. Please let me know what this is. My 51% rate increase is neither just nor reasonable from the ratepayer perspective. I look forward to the responses to my questions.

Thank you,
Tala Montoya
[Redacted]

P.S. How long is a speaker allowed for public comment please?

From: Lauren Barbieri
To: [Redacted]
Subject: RE: Garbage Rate Increase Proposal
Date: Wednesday, May 01, 2013 11:34:00 AM

Hi Ms. Parodi,

I received your recent message. Thanks again for your interest in this process. The Ratepayer Advocate is not managing the Proposition 218 process. That is not understanding that to submit an official Proposition 218 protest to the rate increase, you need to include your address on your waste receipt number, a statement indicating that you oppose the rate increase, and your signature. I believe it also needs to be a letter from you, and that there is not an official form that you must complete. You may want to contact a "Refuse Collect and Rate Hearing Officer, 250 Department of Public Works, City Hall, J. D. Canton B. Campbell Plaza, Room 448, San Francisco, CA 94102," by June 14, 2013. You may also call DPW at 415.554.6829 for more detailed information. Also, I mention that the link to the Prop 218 notice has changed - you may now find it here: http://sfdpw.org/modules/showdocument.aspx?documentid_2128. Before this is helpful, please read how to file my protest here: http://www.sfdpw.org/modules/showdocument.aspx?documentid_2128. Please let me know if you have any additional questions, and I will do my best to provide assistance. Thanks again!

Lauren Barbieri

San Francisco Ratepayer Advocate

Representing the Public Interest
739 Market Street, Suite 200
201 North Van Ness, Suite 200
Walton Street, Apartment 6656
Phone: 415.554.1927
Email: lbarbieri@sfdpw.org
Website: www.sfdpw.org/ratepayeradvocate

Please consider the environment before printing this email

From: Lauren Barbieri
Sent: Monday, April 29, 2013 10:45 AM
To: [Redacted]
Subject: RE: Garbage Rate Increase Proposal

Dear Ms. Parodi,

Thank you for contacting us regarding Recology's refuse rate application. For information regarding official Proposition 218 Protests please follow the directions on the "Notice of Public Hearing on Proposed Changes to Residential Refuse Collection and Disposal Rates" available here: http://www.sfdpw.org/modules/showdocument.aspx?documentid_2128. For information on the rate application itself, please visit the Department of Public Works' website at <http://www.sfdpw.org> or our website at www.sfdpw.org/ratepayeradvocate.

San Francisco Ratepayer Advocate

Representing the Public Interest

C/O HF&M Consultants

201 North Civic Drive, Suite 230

Walnut Creek, California 94596

Phone: (415) 554-6921

Email: ratepayeradvocate@hfandm.com

Website: www.ratepayeradvocate.org

Please consider the environment before printing this email

From: Betty Parodi
Sent: Sunday, April 28, 2013 1:57:05 PM
To: RatePayerAdvocateSF
Subject: Garbage Rate Increase Proposal
Auto forwarded by a Rule

April 27, 2013

Dear Sir or Madam,

I would like to send a written protest to increasing the garbage rates. Is there a specific format I need to follow in the communication to the hearing officer? Or do I merely state that I do not wish to have my garbage rates increased? Do I need to state a reason for my protest?

Thank you,

Betty Parodi

Sent from my iPad

From: Lauren Barbieri
To: RatePayerAdvocateSF
Subject: RE: nice trick to keep the amount formal protests low
Date: Thursday, May 02, 2013 5:14:00 PM

Dear Mr. Thurler,

Thank you for contacting us regarding Ratepayer Advocate (RPA) to file a request for a hearing. The San Francisco Refuse Ratepayer Advocate (RPA) is an independent body that assists the public in understanding and commenting on changes to residential refuse rates proposed by Refuse. Please visit our website at www.ratepayeradvocate.org for more information on the rate respite evaluation process, hearing date, etc.

The Department of Public Works (DPW) is now reviewing the rate application. DPW conducted workshops in January and March, and has held days of public meetings in April. The RPA will continue to actively participate in the hearings and workshops. Public participation is encouraged via email, phone, and in person testimony at the hearings. In early May DPW will release a staff recommendation regarding the Ratepayer Advocate's application, and we will post a link to it on the RPA website. The website and link to DPW hearings will be held May 20 and 27, see <http://ratepayeradvocate.org/index.php/calendar/> for details.

The Proposition 218 process is required to not separate from the City's evaluation of the rate application request. For information on the Proposition 218 hearing schedule for June 14th at City Hall, please follow the directions stated in the "Notice of Public Hearing on Proposition 218 on Residential Refuse Collection and Disposal Rates" available here:

<http://sfdpw.org/prop218/prop218document.aspx?documentid=3128>, as well as more general information on the Department of Public Works website at <http://sfdpw.org/index.aspx?page=237>. The Proposition 218 hearing is held solely to count the number of written protests received to determine if the 50% threshold for denying the rate request has been met.

Please note that calls and emails directed to the San Francisco Refuse Ratepayer Advocate do not qualify as official protests under Proposition 218.

Thanks again,

San Francisco Ratepayer Advocate

Representing the Public Interest

C/O HF&M Consultants

201 North Civic Drive, Suite 230

Walnut Creek, California 94596

Phone: (415) 554-6921

Email: ratepayeradvocate@hfandm.com

Website: www.ratepayeradvocate.org

Please consider the environment before printing this email

From: Peter Thoen
Sent: Wednesday, May 01, 2013 6:00:02 PM
To: RatePayerAdvocateSF
Subject: nice trick to keep the amount formal protests low
Auto forwarded by a Rule

Dear,

I received the written notification of the prop. 218 rate increases through the waste collector (Recology). I find that in this modern paperless information age the reliance on written protests only ironic. It sure is a nice way to keep the formal protests by the tax & rate payers to an absolute minimum. The city government should (and has an obligation) to invest in an electronic government so that the communication to and from the citizens is enhance, not the opposite. Kind regards,
Peter

Peter Thoen
[Redacted]
[Redacted]
[Redacted]

From: Lauren Barber
To: Kim Erwin
Subject: RE: Bill
Date: Thursday, May 02, 2013 5:18:00 PM

Dear Mr. and Mrs. Erwin,

I think you've contacted the agency's phone rate application. The call rate also reflects the agency's adjustable (IRA), an unpublished party that sets the path in order to allow full compliance for changes to residential rates. rates imposed by the utility. Please see our website at www.sfdwaterutilities.org for more information on the rate request evaluation process, hearing board, etc.

The Department of Public Works (DPW) is now reviewing the rate application. DPW could not work before in January 2011. March, and then half-day of public hearings in April. The IRA has been with the utility to actively participate in the hearing and work with DPW. Public hearings and participation is encouraged for both, public, and in person testimony at the hearing. In early May, DPW will release a draft rate application regarding the utility application, and we will need a copy of it on the IRA website. The second and final set of public hearings will be held May 20 and 21, 2013. <http://sfdwaterutilities.org/218> by noon.

The Proposition 218 process is referred to by many as the "tax" resolution of the rate application request. It is not a referendum on the application. The hearing is held in June 2013 at 10:00 AM. The utility will follow the instructions stated in the "Notice of Public Hearing" to request changes to the proposed rates and other information. Complete the <http://sfdwaterutilities.org/218> with a copy of the rate application on the Department of Public Works website or email dpw@sfwaterutilities.org. The proposed 218 hearing is held only to inform the utility of public hearings, subject to the instructions of the State Board of Pesticide Control, the rate request, the hearing.

Please note that calls and emails directed to the San Francisco Refuse Ratepayer Advocate do not qualify as official protests under Proposition 218.

Thank you!
San Francisco Ratepayer Advocate
Phone: (415) 774-1000
Fax: (415) 774-1001
Email: advocate@sfdwaterutilities.org
Website: www.sfdwaterutilities.org

Please consider the environment before printing this email

From: Kim Erwin
Sent: Wednesday, May 01, 2013 5:24 PM
To: Lauren Barber
Subject: FW: Bill

From: Marion Hoover
Sent: Wednesday, May 01, 2013 9:25:47 PM
To: RatePayerAdvocateSF
Subject: Bill
Auto forwarded by a Rule

We have been paying our Recology Sunsal Scavenger bill for over 60 years and have never complained, but this raise of 21.51% is quite a bit more than our Social Security raise ? this year. We protest.

Marion Howden
Charles Howden

From: Lauren Barbler
To: [REDACTED]
Bcc: [REDACTED]
Subject: RE: Request for Recology Rate Structure Information
Date: Friday, May 03, 2013 4:54:00 PM
Attachments: [REDACTED].doc

Thank you for contacting us regarding Recology's refuse rate application. Please visit our website at www.sfdpc.org for more information on the rate request evaluation process, the next hearing dates (May 20th and 22nd), etc.

The Department of Public Works (DPW) is now completing its evaluation of the rate application. DPW conducted workshops in January and March, and four half-days of public hearings in April. The Rate Payer Advocate (RPA) has participated, and will continue to actively participate in the hearings and workshops. Public comment and participation is encouraged via email, phone, and in-person testimony at the hearings. In early May, DPW will release a staff recommendation regarding the Recology application, and we will post a link to it on the RPA website. The second and final set of DPW hearings will be held May 20 and 22, see: <http://www.sfdpc.org> for details.

With regard to your specific requests:

For item 1, our website has information on the rate structure changes and links to additional info. Note that Recology's request is for an average of 21.5%. See the examples regarding how individual rate payers can reduce the rate impact by modifying their service. We are not aware of a comparative study of similar increases, and it is not within our mandate or resources to conduct one. DPW staff and its consultants are charged with conducting a detailed evaluation of the Recology request. During the April hearings, there was much testimony and cross examination regarding all of the assumptions behind the requested rate increase. The RPA conducted a more limited review of the application, and was active in cross-examining the company, its expert witnesses, and City staff. At the April 24th hearing the RPA requested, among other things, that DPW take into account the fact that for many San Franciscans the recession is not over, and that steep increases in a range of type of utilities is a real issue for many rate payers.

Regarding item 2, refuse rates in San Francisco are governed by City ordinance set by a voter-approved initiative from 1932 -- see the attached. Under the ordinance, these services are provided exclusively by Recology, and the Director of Public Works is charged with reviewing applications and determining whether the rates are "just and reasonable". The 1932 ordinance does not provide a mechanism for determining that a request is "excessive". The June 2012 ballot contained an initiative, which failed, to allow other companies to provide service.

Regarding item 3, Mohammed Nuru, DPW Director, is the hearing officer. His report is filed with the Chair of the Rate Board, Naomi Kelly, who is the City Administrator. Mr. Nuru doesn't "report" to her, but as noted below the 1932 ordinance provides that the Rate Board receive the rate application and hear objections to the hearing officer's report.

For item 4, oversight of the Department of Public Works is vested in the Independent Rate Board, comprised of the City Administrator, City Controller, and the Manager of Utilities. If DPW's final decision following the May hearings is protested (see Order 180,851 noted below), the Rate Board will hold a hearing(s) to review the DPW decision, and to receive public and RPA comment. (FYI, State Proposition 218 provides for a separate appeal process, under which protests must be in writing. The June 14th Proposition 218 hearing will not include an opportunity for public comment.)

Please see DPW's rate page at <http://www.sfdpw.org/RatePage.aspx?orderid=117> for related information on the rate setting process in San Francisco, including "DPW Order #180,851" which provides the best overall description of the process.

San Francisco Ratepayer Advocate

Representing the public interest
City of San Francisco
201 North Van Ness, Suite 200
Walnut Creek, California 94596
Phone: (415) 774-3643
Email: ratepayeradvocate@sfdpw.org, advocate@sfpc.org
Website: www.sfdpw.org/ratepayeradvocate.org

Please consider the environment before printing this email

From: Andrew Nygard
Sent: Tuesday, April 30, 2013 4:56:46 PM
To: RatePayerAdvocateSF
Subject: Request for Recology Rate Structure information
Auto forwarded by a Rule

According to the City of San Francisco Refuse Rate Hearing Notice (<http://www.sfdpw.org/RatePage.aspx?orderid=117>), you have been appointed as the "ratepayer advocate" to assist the public during the Recology rate increase review process:

"The role of the ratepayer advocate is to: provide the public with clear and accurate information regarding the proposed new rate structure; help individuals and organizations formulate comments and questions; and represent the views of the ratepayers during public workshops and hearings."

I'm requesting

1. clear and accurate information regarding the proposed new rate structure, specifically, I'd like to see a comparative study of similar rate increases on a regional or national level – it strikes me that a 21.51% rate increase during a period of lower than average inflation seems an egregious request.

2. Clarification of the contractual obligations the City and County of San Francisco has to Recology, and the rationale as to why, when faced with a 20% rate increase, the overall contract is not being put back out to competitive bid.
3. The name of the Refuse Collection Rate Hearing Officer, and to whom they report.
4. Any filed statements of conflict of interest in this matter.

Identification of any and all State Agencies that may have oversight pervue over the San Francisco Department of Public Works and / or the Refuse Collection Rate Hearing Officer in this case.

Please either provide the above information, or your rationale as to why the information I've requested is either outside your mandate as the "ratepayer advocate". Given the timing of the public hearings, the requirement to protest in writing in advance of the hearing, and the fact that I just received notice of these hearings today, I'd request the information in the next week in order to be able to prepare thoughtful, data driven and factual input into the rate hearing process.

Thank you in advance.

Andrew Nygard
[REDACTED]

From: Lauren Barber
To: [REDACTED]
CC: Kim Juvilly; Peter Juvilly
Subject: RE: New Rate Proposals
Date: Tuesday, May 07, 2013 3:10:00 PM

How do you suggest I make my concerns known?

P. G. Prapuolenis
[REDACTED]

Dear Patrimpas,

Thank you for contacting us regarding Recology's refuse rate application. There are a few ways for you to become involved. First, we encourage you to attend one or both of the Director's Hearings on May 20 or May 22 and provide your comments in person. For specific hearing details and room assignments please visit this link: http://ratepayeradvocate.org/index.php?option=com_content&view=article&id=107. Second, we will ensure the views and comments that you have expressed in your email are represented during the application review process by submitting it (with your personal information redacted) at the hearing so that it becomes part of the official record. We also encourage you to visit our website at www.ratepayeradvocate.org for more detailed information.

Again, thank you for your interest, please do not hesitate to call us at (415) 554-6921 or send us another email if you have any further questions.

San Francisco Ratepayer Advocate

Representing the Public Interest
475 Baker Capistrano
200 North Civic Drive, Suite 210
Walnut Creek, California 94595

Phone: (925) 948-6121
Email: ratepayeradvocate@ratepayeradvocate.org
Website: www.ratepayeradvocate.org

Please consider the environment before printing this email

From: Patrimpas Prapuolenis
Sent: Monday, May 06, 2013 12:53:04 PM
To: RatePayerAdvocateSF
Subject: New Rate Proposals
Auto forwarded by a Rule

Greetings! Regarding the Proposed Changes to Residential Refuse Collection and Disposal Rates, I would like your suggestions as to how best to make my concerns known and counted.

At present, I have a 20-gallon black bin that I manage to fill perhaps once a month. I also have 32-gallon blue and green containers each of which I could easily submit once every two weeks for pick up since they aren't filled on a weekly basis. Consequently, I feel if anything, my rates should be lowered by at least 50% rather than increased.

From: Lauren Barbieri
To: Kibi Diwani, Javier Durbier, SF Ratepayer Advocate - Response to Voice Mail
Bcc:
Subject:
Date: Tuesday, May 07, 2013 3:19:00 PM

Hi Nancy,
Thank you for contacting the San Francisco Refuse Ratepayer Advocate. We received your voice message and understand that you may have some questions regarding Recology's refuse rate application. Please feel free to call my direct line at 925-977-6958, or respond to this email with whatever questions you may have, and we will do our best to get you the information you are looking for. I also encourage you to attend one or both of the Director's Hearings on May 20 or May 22 to provide your comments in person, and to visit our website at www.sfdpwa.org for more information. For specific hearing details and room assignments please visit this link: <http://www.sfdpwa.org/advocacy/faq/index.php/california/>.

Thanks again for your interest in the process.

-Lauren Barbieri

San Francisco Ratepayer Advocate

Empowering the Public Interest
1000 NE 4th Avenue
201 North Civic Drive, Suite 230
Walnut Creek, California 94596
Phone: (415) 554-6921
Email: ratepayeradvocate@sfdpwa.org | lanbar@sfad.org
Website: www.sfdpwa.org/advocacy/

Please consider the environment before printing this email

From: Lauren Barbieri
To: [REDACTED]
Subject: RE: registration of protest rate increase
Date: Friday, May 10, 2013 2:29:00 PM

Dear Mr. Schenone,

Note that calls and emails directed to the San Francisco Refuse Ratepayer Advocate do not qualify as official protests under Proposition 218

The Proposition 218 process is separate from the City's evaluation of the rate application request. For information on the Proposition 218 hearing scheduled for June 14th at City Hall, please follow the directions stated in the "Notice of Public Hearing on Proposed Changes to Residential Refuse Collection and Disposal Rates" available here: <http://www.sfdpwa.org/advocacy/faq/index.php/california/>. Please visit our website at www.sfdpwa.org/advocacy/faq/index.php/california/ or the Department of Public Works' website at <http://www.sfdpwa.org/advocacy/faq/index.php/california/> for more detailed information on the rate application and review process. Please note that the Proposition 218 hearing is held solely to count the number of written protests received to determine if the State threshold for denying the rate request has been met.

San Francisco Ratepayer Advocate

Empowering the Public Interest
1000 NE 4th Avenue
201 North Civic Drive, Suite 230
Walnut Creek, California 94596
Phone: (415) 554-6921
Email: ratepayeradvocate@sfdpwa.org | lanbar@sfad.org
Website: www.sfdpwa.org/advocacy/

Please consider the environment before printing this email

From: Johnny schenone [REDACTED]
Sent: Friday, May 10, 2013 2:06:56 PM
To: RatePayerAdvocateSF
Subject: hearings concerning proposed refuse rate gouge Auto forwarded by a Rule

At these hearings various documents have been introduced as various "exhibits". I have received the agendas for these (yawn) hearings, these expenditures of hot air, these distributions of bull [REDACTED]. As the paid ratepayer advocate, your job, theoretically is to "facilitate public input". In order to develop factual input, I need to see the detail found in these "exhibits". Forward the exhibit information to me.

From: Lauren Barberi
To: [REDACTED]
Cc: [REDACTED]
Subject: FW: Opposed to rate increase Recology Sunset Scavenger CO
Date: Tuesday, May 14, 2013 4:03:00 PM

Dear Mr. Hampel,

*** Please note that calls and emails directed to the San Francisco Refuse Ratepayer Advocate do not qualify as official protests under Proposition 218***

Thank you for contacting us regarding Recology's refuse rate application. We will ensure your views and comments are expressed during the application review process. In 1932, a voter initiative modified the City's charter to provide the company that is now called Recology the exclusive right to collect waste materials. As you mentioned, there was a challenge to the initiative on the June, 2012 ballot, however it did fail. In terms of the amount of the proposed increase, the Rate Payer Advocate will be working to help ensure that Recology and City staff justify the amount of any final approved increase in order to ensure it is "just and reasonable". We encourage you to attend one or both of the Director's Hearings on May 20 or May 22. For specific hearing details and room assignments please visit this link: <http://RatePayerAdvocate.org/links.php?category=> . We also encourage you to stay tuned to our website at www.ratepayeradvocate.org for more detailed information.

Thanks again for your interest in the process.

San Francisco Ratepayer Advocate

1001 North Van Ness Avenue, Suite 200
San Francisco, California 94109
Phone: 415.398.4642
Email: info@ratepayeradvocate.org, lauren@ratepayeradvocate.org
Website: www.ratepayeradvocate.org

Please consider the environment before printing this email

From: A [REDACTED]
Sent: Tuesday, May 14, 2013 9:51:04 AM
To: RatePayerAdvocateSF
Subject: Opposed to rate increase Recology Sunset Scavenger CO
Auto forwarded by a Rule

From: Johnny schenon [REDACTED]
Sent: Friday, May 10, 2013 1:55:02 PM
To: RatePayerAdvocateSF
Subject: registration of protest rate increase Auto forwarded by a Rule

Refuse Collection Rate Hearing Officer
c/o Department of Public Works
City Hall, Room 348
San Francisco Cal. 94102

TO WHOMEVER IT MAY CONCERN,
10 May, 2013

subject premises : [REDACTED]
According to your "Notice of Hearing . . .", "All written comments, including protests, will also become part of the record of the rate hearing process."

For the record, when it comes to this bull [REDACTED] rate increase let me register my disagreement, my PROTEST concerning this annual increase of over 7 %, or \$72 by simply forwarding the following sentiment :

[REDACTED] YOU, EAT [REDACTED] THEN DROP DEAD !

If there is any question concerning my sentiment over this contrivance, this Machiavellian machination of city government and private enterprise please do, let me know.

If absolutely necessary, I can and will expend my un-reimbursed time and expense to travel down there to those hollowed halls of rarified air and paint a vivid picture for you overpaid, underworked, incompetent bureaucratic bozos that propose this kind of nonsense to their employers, the citizens of the city and county.

If the city really wanted to know what public sentiment was on the question it would simply be placed on the next city wide election ballot.

Let me admonish you ahead of time, if it comes down to my having to make this extra effort to register my PROTESTATION, I will arrive prepared to make myself abundantly clear with common everyday language/ terms that come right off of the streets of the beautiful Bayview/ Hunters Point ; like it or not.

Get it ?

I am very opposed to the rate hike increase proposed by Sunset Scavenger Co. As a resident of San Francisco for many years, just in the last couple of years I been hit with increases from the San Francisco Water Dept, PGE, sales tax increase, no parking for free on Sundays anymore, no more free bags in stores, etc., etc. I see no end in sight or any relieve from these increases. Is there no shame anymore! And now this greedy company Sunset Scavenger wants a rate increase for over \$6 a month. This company is nothing more than a monopoly and never had to worry about a competition. Last year the people of San Francisco could have voted to allow other companies to compete with Sunset Scavenger, but the fix was in and the initiative failed Sunset Scavenger remains status quo. In most cities trash companies have competition. For example Denver Co, trash pickup for instance is free! free! free!. Aurora Co, has two to three trash pickup companies competing against each other.

Sunset Scavenger Co. is over charging on their current rates and should not be allowed to increase fees any further but if there is a rate increase (like I suspect there will be) give the people a choice and open the doors for other trash companies to do business in San Francisco.

Regards,

Al Hampel

Confidential Notice: This communication may contain privileged or confidential information. If you are not the intended recipient or an agent or authorized responsible for delivering this communication to the intended recipient, or believe that you have received this communication in error, please do not print, copy, retransmit, disseminate or otherwise use the information. Also, please advise me in the subject that you have received the communication in error and delete the copy you received. Thank you.

From: Lauren Barblen
To: [REDACTED]
Cc: Edin Lybil, Blair Phillips
Subject: RW: Recology rate increase application
Date: Wednesday, May 15, 2013 9:09:00 AM

Dear Ms. Leeds,

Thank you for contacting us regarding Recology's refuse rate application. We appreciate your interest in the process, and have provided answers to your questions below:

Q: What contribution will businesses make (especially hotels/restaurants) to pay for SF Recology's refuse collection from public receptacles/public areas?

A: The cost of collecting refuse from public litter cans and public areas is borne by both commercial and residential customers, proportionally to each share of the total operating costs of the collection companies. The only change in current practice regarding litter cans is that Recology will take over the management of about 200 bins, at no added cost.

Q: What is the funding source for the City of San Francisco to currently provide refuse collection from public areas and how much will the city save by shifting these expenses to account holders?

A: Our understanding is that current costs include the General Fund and other tax Recology's costs for additional seasonal collection will be somewhat more than the current costs, but their expense there will be not to pay. City staff's recommendation is to have litigation for Recology failure to meet these tender response times.

Q: Refuse collection is traditionally a once/week event. What is the minimum interval mandated by law?

A: Under State law, unless the contract specifically mandates that collection only once a public health hazard is not collected at once weekly.

Q: How will households be compensated for their reduction of generated refuse?

A: See the BPA website for the details of the bid application and the link to BPA's webpage which then has a link to the "Rate application presentation - final" under "Public Workbooks". Customers that can decrease from 12 gallons, or refuse to 20 gallons, may actually experience a rate reduction.

Q: If the rate increase is not approved will Recology abandon their participation?

A: We cannot speculate on how Recology would react to a denied request.

Q: Has the City of San Francisco solicited for and/or received any bids to acquire this service from any other vendor?

A: No. Recology provides refuse service as specified in a 1042 year agreement with the City of San Francisco. There have been several unsuccessful highly efforts, most recently in June 2012, to modify the 1042 agreement.

Thanks again for your email. Please visit the website at www.ci.sfdirect.org for

more information. Don't hesitate to contact us via this email address or by leaving a voicemail at (415)554-6921.

Regards,

San Francisco Ratepayer Advocate

Representing the Public Interest

401 NORTH CREEK DRIVE, SUITE 240

Walnut Creek, California 94596

Phone: (415) 554-6921

Email: ratepayeradvocate@sfira.org

Website: www.sfratepayeradvocate.org

Please consider the environment before printing this email

From: Deborah Jean [REDACTED]
Sent: Saturday, May 11, 2013 9:08:25 AM
To: RatePayerAdvocatesSF
Subject: Recology rate increase application
Auto forwarded by a Rule

I would like your help regarding SF Recology's plan to increase collection rates. There is background information that I lack and have been unable to locate on my own. Please provide answers to the following questions or refer me to appropriate websites or resources.

What contribution will businesses make (especially hotels/restaurants) to pay for SF Recology's refuse collection from public receptacles/public areas?

What is the funding source for the City of San Francisco to currently provide refuse collection from public areas and how much will the city save by shifting these expenses to account holders?

Refuse collection is traditionally a once/week event . What is the minimum interval mandated by law?

How will households be compensated for their reduction of generated refuse?

If the rate increase is not approved will Recology abandon their participation ?

Has the City of San Francisco solicited for and/or received any bids to acquire this service from any other vendor?

I look forward to your answers to these questions . Deborah Leeds

From: Lauren Barbieri [REDACTED]
To: Mill Jovan; Ester Zambler
Subject: FW: RE: registration of protest rate increase
Date: Thursday, May 16, 2013 4:26:00 PM
Attachments: www.sfratepayeradvocate.org

Mr. [REDACTED],

The exhibits are digitized into one record as attachments during the meetings. A public opinion is available for viewing at the hearing, and is available for public viewing at the Department of Public Works, either on the 3rd floor of City Hall during normal business hours. Attached is a list of the exhibits, as provided by the City Attorney's office. It is our understanding that the exhibits are not available either digitally, but we are checking on whether they can be made available in that form.

San Francisco Ratepayer Advocate

Representing the Public Interest

401 NORTH CREEK DRIVE, SUITE 240

Walnut Creek, California 94596

Phone: (415) 554-6921

Email: ratepayeradvocate@sfira.org

Website: www.sfratepayeradvocate.org

Please consider the environment before printing this email

From: Johnny schenone [REDACTED]
Sent: Thursday, May 16, 2013 3:07 PM
To: Lauren Barbieri
Subject: FW: RE: registration of protest rate increase

SECOND REQUEST ; whereabouts of "EXHIBITS. Advise ASAP !

--- On Sat, 5/11/13, Johnny schenone [REDACTED] wrote:

From: Johnny schenone [REDACTED]
Subject: RE: registration of protest rate increase
To: "Lauren Barbieri"
Date: Saturday, May 11, 2013, 5:10 PM

Yeah, thanks for the reiteration concerning Prop 218 Ms Barbieri ; we were already able to figure all that out by READING the announcement that was mailed. READ the e-mail Ms Barbieri, respond to question concerning the "EXHIBITS" !

Whadda ya work for the government or what ?

--- On Fri, 5/10/13, Lauren Barbieri [REDACTED] wrote:

From: Lauren Barbieri [REDACTED]

Subject: RE: registration of protest rate increase

To: [REDACTED]
Date: Friday, May 10, 2013, 2:29 PM

Dear Mr. Schenone,

Note that calls and emails directed to the San Francisco Refuse Ratepayer Advocate do not qualify as official protests under Proposition 218

The Proposition 218 process is separate from the City's evaluation of the rate application request. For information on the Proposition 218 hearing scheduled for June 14th at City Hall, please follow the directions stated in the "Notice of Public Hearing on Proposed Changes to Residential Refuse Collection and Disposal Rates" available here: <http://sfdpw.org/investments/showdocument.aspx?documentid=1128>. Please visit our website at www.ratepayeradvocate.org, or the Department of Public Works' website at <http://sfdpw.org/junks.aspx?page=117> for more detailed information on the rate application and review process. Please note that the Proposition 218 hearing is held solely to count the number of written protests received to determine if the State threshold for denying the rate request has been met.

San Francisco Ratepayer Advocate

Representing the Public Interest
California Citizens' Utility Project
201 North Civic Drive, Suite 230
Walnut Creek, California 94596
Phone: (415) 554-6921
Email: ratepayeradvocate@sfdpw.org
Website: www.ratepayeradvocate.org

Please consider the environment before printing this email

From: Johnny Schenone [REDACTED]

Sent: Friday, May 10, 2013 2:06:56 PM

To: RatePayerAdvocatesSF

Subject: hearings concerning proposed refuse rate gouge Auto forwarded by a Rule

At these hearings various documents have been introduced as various "exhibits". I have

received the agendas for these (yawn) hearings, these expenditures of hot air, these distributions of bull [REDACTED]

As the paid ratepayer advocate, your job, theoretically is to "facilitate public input". In order to develop factual input, I need to see the detail found in these "exhibits". Forward the exhibit information to me.

From: Johnny [REDACTED]

Sent: Friday, May 10, 2013 1:55:02 PM

To: RatePayerAdvocatesSF

Subject: registration of protest rate increase Auto forwarded by a Rule

Refuse Collection Rate Hearing Officer

c/o Department of Public Works

City Hall, Room 348

San Francisco Cal. 94102

TO WHOMEVER IT MAY

CONCERN,

10 May, 2013

subject premises : [REDACTED]

According to your "Notice of Hearing . . .", "All written comments, including protests, will also become part of the record of the rate hearing process."

For the record, when it comes to this bullshit rate increase let me register my disagreement: my PROTEST concerning this annual increase of over 7%, or \$72 by simply forwarding the following sentiment:

YOU, EAT THEN DROP DEAD :

If there is any question concerning my sentiment over this contrivance, this Machiavellian machination of city government and private enterprise please do, let me know.

If absolutely necessary, I can and will expend my un-reimbursed time and expense to travel down there to those hollowed halls of rarified air and paint a vivid picture for you overpaid, underworked, incompetent bureaucratic bozos that propose this kind of nonsense to their employers, the citizens of the city and county.

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Let me admonish you ahead of time, if it comes down to my having to make this extra effort to register my PROTESTATION, I will arrive prepared to make myself abundantly clear with common everyday language/terms that come right off of the streets of the beautiful Bayview/ Hunters Point ; like it or not.

Get it ?

From: Lauren Barbieri
To: [REDACTED]
Subject: RE: registration of protest rate increase
Date: Friday, May 17, 2013 4:43:00 PM
Attachments: 10010011
10010011.doc

Mr. Schenone,
Attached are 4 different versions of the third copy exhibits.

San Francisco Ratepayer Advocate

San Francisco Ratepayer Advocate
1001 North Van Ness Street, Suite 210
Walton Creek, Colma, CA 94016
Phone: (415) 654-1971
E-mail: advocate@sfpra.org
Website: www.sfpra.org

Please consider the environment before printing this email

From: Lauren Barbieri
Sent: Thursday, May 16, 2013 4:26 PM
To: [REDACTED]
Subject: FW: RE: registration of protest rate increase

Mr. Schenone,

The exhibits are e-mailed into the receipt as hand copies during the meeting. A public hearing is available for viewing at the meetings, and is available for public viewing at the Department of Public Works office on the 3rd floor of City Hall during normal business hours. Attached is a list of the exhibits as provided by the City Attorney's office. It is our understanding that the exhibits are not available electronically, but we are checking to whether they can be made available to that form.

San Francisco Ratepayer Advocate

San Francisco Ratepayer Advocate
1001 North Van Ness Street, Suite 210
Walton Creek, Colma, CA 94016
Phone: (415) 654-1971
E-mail: advocate@sfpra.org
Website: www.sfpra.org

Please consider the environment before printing this email

From: Johnny schenone [REDACTED]

Sent: Thursday, May 16, 2013 3:07 PM
To: Lauren Barbieri
Subject: FW: RE: registration of protest rate increase

SECOND REQUEST ; whereabouts of "EXHIBITS. Advise ASAP !

--- On Sat, 5/11/13, Johnny schenone [REDACTED] wrote:

From: johnny schenone [REDACTED]
Subject: RE: registration of protest rate increase
To: "Lauren Barbieri" [REDACTED]
Date: Saturday, May 11, 2013, 5:10 PM

Yeah, thanks for the reiteration concerning Prop 218 Ms Barbieri ; we were already able to figure all that out by READING the announcement that was mailed. READ the e-mail Ms. Barbieri, respond to question concerning the "EXHIBITS" !

Whadda ya work for the government or what ?

--- On Fri, 5/10/13, Lauren Barbieri [REDACTED] wrote:

From: Lauren Barbieri [REDACTED]
Subject: RE: registration of protest rate increase
To: [REDACTED]
Date: Friday, May 10, 2013, 2:29 PM

Dear Mr. Schenone,

Note that calls and emails directed to the San Francisco Refuse Ratepayer Advocate do not qualify as official protests under Proposition 218

The Proposition 218 process is separate from the City's evaluation of the rate application request. For information on the Proposition 218 hearing scheduled for June 14th at City Hall, please follow the directions stated in the "Notice of Public Hearing on Proposed Changes to Residential Refuse Collection and Disposal Rates" available here: <http://sfdpw.org/modules/showdocument.aspx?documentid=1128>. Please visit our website at <http://sfdpw.org/index.aspx?pubc=737> for more detailed information on the rate application and review process. Please note that the Proposition 218 hearing is held solely to count the number of written protests received to determine if the State threshold for denying the rate request has been met.

San Francisco Ratepayer Advocate
Representing the Public Interest

201 North Civic Drive, Suite 230
Walnut Creek, California 94596

Phone: (415) 554-6921
Email: johnny.schenone@sfdpw.org
Website: www.sfdpw.org

Please consider the environment before printing this email

From: johnny schenone [REDACTED]

Sent: Friday, May 10, 2013 2:06:56 PM

To: RatePayerAdvocateSF

Subject: hearings concerning proposed refuse rate gouge Auto forwarded by a Rule

At these hearings various documents have been introduced as various "exhibits". I have received the agendas for these (yawn) hearings, these expenditures of hot air, these distributions of bull [REDACTED]

As the paid ratepayer advocate, your job, theoretically is to "facilitate public input". In order to develop factual input, I need to see the detail found in these "exhibits". Forward the exhibit information to me.

From: johnny schenone [REDACTED]

Sent: Friday, May 10, 2013 1:55:02 PM

To: RatePayerAdvocateSF

Subject: registration of protest rate increase Auto forwarded by a Rule

Refuse Collection Rate Hearing Officer

c/o Department of Public Works

City Hall, Room 348

San Francisco Cal. 94102

TO WHOMEVER IT MAY

CONCERN,

10 May, 2013

subject premises : [REDACTED]

According to your "Notice of Hearing . . ." "All written comments, including protests, will also become part of the record of the rate hearing process."

For the record, when it comes to this bullshit rate increase let me register my disagreement, my PROTEST concerning this annual increase of over 7 % or \$72 by simply forwarding the following sentiment :

[REDACTED] YOU, EAT [REDACTED] THEN DROP DEAD !

If there is any question concerning my sentiment over this contrivance, this Machiavellian machination of city government and private enterprise please do, let me know.

If absolutely necessary, I can and will expend my un-reimbursed time and expense to travel down there to those hollowed halls of rarified air and paint a vivid picture for you overpaid, underworked, incompetent bureaucratic bozos that propose this kind of nonsense to their employers, the citizens of the city and county.

If the city really wanted to know what public sentiment was on the question it would simply be placed on the next city wide election ballot.

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Get it ?

Subject: Fw: RE: registration of protest rate increase
SECOND REQUEST ; whereabouts of "EXHIBITS, Advise ASAP !
--- On Sat, 5/11/13, Johnny schenone [REDACTED] wrote:

From: Johnny schenone [REDACTED]
Subject: RE: registration of protest rate increase
To: "Lauren Barbieri" [REDACTED]
Date: Saturday, May 11, 2013, 5:10 PM

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From: Lauren Barbieri [REDACTED]
Subject: RE: registration of protest rate increase
To: [REDACTED]
Date: Friday, May 10, 2013, 2:29 PM

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San Francisco Ratepayer Advocate
1000 Market Street, Suite 200
San Francisco, CA 94102
201 North Civic Drive, Suite 230

From: Lauren Barbieri [REDACTED]
To: [REDACTED]
Subject: RE: registration of protest rate increase
Date: Friday, May 17, 2013 4:44:00 PM
Attachments: [REDACTED]

Mr. Schenone,
Attachments are scanned versions of the hard copy exhibits

San Francisco Ratepayer Advocate
Representing the Public Interest
1000 Market Street, Suite 200
San Francisco, CA 94102
201 North Civic Drive, Suite 230
Walnut Creek, California 94597
Phone: 415-454-6921
Email: advocate@sfra.org, info@sfra.org
Website: www.sfra.org

Please consider the environment before printing this email

From: Lauren Barbieri [REDACTED]
Sent: Thursday, May 16, 2013 4:26 PM
To: [REDACTED]
Subject: FW: RE: registration of protest rate increase

Mr. Schenone,

The exhibits are enclosed into the e-mails as attachments during the hearings. A public hearing is available for viewing at the hearings, and is available for public viewing at the Department of Public Works office on the 3rd floor of City Hall during normal business hours. Attached in reply of the exhibit is provided by the City Attorney's office. It is our understanding that the exhibits are not available electronically, but we are checking on whether they can be made available in that form

San Francisco Ratepayer Advocate
Representing the Public Interest
1000 Market Street, Suite 200
San Francisco, CA 94102
201 North Civic Drive, Suite 230
Walnut Creek, California 94597
Phone: 415-454-6921
Email: advocate@sfra.org, info@sfra.org
Website: www.sfra.org

Please consider the environment before printing this email

From: Johnny schenone [REDACTED]
Sent: Thursday, May 16, 2013 3:07 PM
To: Lauren Barbieri [REDACTED]

Wainit Creek, California 94596

Phone: (415) 554-6921

Email: johnny.schenone@ratepayersadvocatesf.org

Website: www.ratepayersadvocatesf.org

Please consider the environment before printing this email

From: Johnny schenone [REDACTED]

Sent: Friday, May 10, 2013 2:06:56 PM

To: RatePayerAdvocateSF

Subject: hearings concerning proposed refuse rate gouge Auto forwarded by a Rule

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From: johnny schenone [REDACTED]

Sent: Friday, May 10, 2013 1:55:02 PM

To: RatePayerAdvocateSF

Subject: registration of protest rate increase Auto forwarded by a Rule

Refuse Collection Rate Hearing Officer

c/o Department of Public Works

City Hall, Room 348

San Francisco Cal. 94102

TO WHOMEVER IT MAY

CONCERN,

10 May, 2013

subject premises : [REDACTED]

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Get it ?

From: Lauren Barbieri
To: [REDACTED]
Subject: RE: registration of protest rate increase
Date: Friday, May 17, 2013 4:44:00 PM
Attachments: 148511071.jpg
148511072.jpg
148511073.jpg

Mr. Schindler,
Attached are a printed version of the hard copy exhibit.

San Francisco Ratepayer Advocate

1000 California Street, Suite 1000
San Francisco, CA 94109
Phone: 415.774.1571
Fax: 415.774.1572
Website: www.sfdwrpa.org

Phone: 415.774.1571
Email: advocate@sfdwrpa.org
Website: www.sfdwrpa.org

Please consider the environment before printing this email

From: Lauren Barbieri
Sent: Thursday, May 16, 2013 4:26 PM
To: [REDACTED]
Subject: FW: RE: registration of protest rate increase

Mr. Schindler,

The exhibit's are attached into the event as attachments during the meeting. A notice invited it
available for viewing at the meeting, and is available for phone viewing at the Department of Public
Works within the 3rd floor of City Hall during normal business hours. An exhibit is part of the
agenda of provided by the City Attorney's office. It is our understanding that the exhibit, and not
physical exhibit, but we are checking on whether they can make available in hard form.

San Francisco Ratepayer Advocate

1000 California Street, Suite 1000
San Francisco, CA 94109
Phone: 415.774.1571
Fax: 415.774.1572
Website: www.sfdwrpa.org

Phone: 415.774.1571
Email: advocate@sfdwrpa.org
Website: www.sfdwrpa.org

Please consider the environment before printing this email

From: Johnny Schenone
Sent: Thursday, May 16, 2013 3:07 PM

To: Lauren Barbieri
Subject: Pw: RE: registration of protest rate increase

SECOND REQUEST ; whereabouts of "EXHIBITS, Advise ASAP !

--- On Sat, 5/11/13, johnny schenone [redacted] wrote:

From: johnny schenone [redacted]
Subject: RE: registration of protest rate increase
To: "Lauren Barbieri" [redacted]
Date: Saturday, May 11, 2013, 5:10 PM

Yeah, thanks for the reiteration concerning Prop 218 Ms Barbieri ; we were already able to figure all that out by READING the announcement that was mailed. READ the e-mail Ms. Barbieri, respond to question concerning the "EXHIBITS" !

Whadda ya work for the government or what ?

--- On Fri, 5/10/13, Lauren Barbieri [redacted] wrote:

From: Lauren Barbieri [redacted]
Subject: RE: registration of protest rate increase
To: [redacted]
Date: Friday, May 10, 2013, 2:29 PM

Dear Mr. Schenone,

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San Francisco Ratepayer Advocate
Advocate for the Public Interest
675 Third Street, Suite 300
San Francisco, CA 94102

201 North Civic Drive, Suite 230
Walnut Creek, California 94596

Phone: (415) 554-6921
Email: johnny.schenone@sfdpw.org
Website: www.ratepayeradvocate.org

Please consider the environment before printing this email

From: johnny schenone [redacted]
Sent: Friday, May 10, 2013 2:06:56 PM
To: RatePayerAdvocateSF

Subject: hearings concerning proposed refuse rate gouge Auto forwarded by a Rule

At these hearings various documents have been introduced as various "exhibits". I have received the agendas for these (yawn) hearings, these expenditures of hot air, these distributions of bull [redacted]

As the paid ratepayer advocate, your job, theoretically is to "facilitate public input". In order to develop factual input, I need to see the detail found in these "exhibits". Forward the exhibit information to me.

From: johnny schenone [redacted]
Sent: Friday, May 10, 2013 1:55:02 PM
To: RatePayerAdvocateSF

Subject: registration of protest rate increase Auto forwarded by a Rule

Refuse Collection Rate Hearing Officer
c/o Department of Public Works
City Hall, Room 348
San Francisco Cal. 94102

TO WHOMEVER IT MAY

CONCERN, 10 May, 2013

subject premises : [REDACTED]

According to your "Notice of Hearing . . ." "All written comments, including protests, will also become part of the record of the rate hearing process."

For the record, when it comes to this bullshit rate increase let me register my disagreement, my PROTEST concerning this annual increase of over 7 %, or \$72 by simply forwarding the following sentiment :

[REDACTED] YOU, EAT [REDACTED] THEN DROP DEAD !

If there is any question concerning my sentiment over this contrivance, this Machiavellian machination of city government and private enterprise please do, let me know.

If absolutely necessary, I can and will expend my un-reimbursed time and expense to travel down there to those hollowed halls of rarified air and paint a vivid picture for you overpaid, underworked, incompetent bureaucratic bozos that propose this kind of nonsense to their employers, the citizens of the city and county.

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Get it ?

From: Lauren Barbieri
To: [REDACTED]
CC: [REDACTED]
Subject: RE: Request for Exhibits 12 and 13
Date: Friday, May 17, 2013 4:31:00 PM
Attachments: [REDACTED]

Hi Nancy,

Attached is a scanned version of the hardcopy Exhibit 2-20. Thank you for your interest in the process.

San Francisco Ratepayer Advocate

Representing the Public Interest
675 Market Street, Suite 210
San Francisco, California 94104
Phone: 415.774.1221
Email: advocate@sfra.org
Website: www.ratepayeradvocate.org

Please consider the environment before printing this email

From: Nancy Wuertel [REDACTED]
Sent: Friday, May 17, 2013 1:14:09 PM
To: RatePayerAdvocateSF
Subject: request for exhibits 12 and 13
Auto forwarded by a Rule

Hi,

I cannot find a PDF of Exhibits 12 and 13 anywhere. They are listed in the list of exhibits in the Staff report, but no way to access them electronically.

Can you please send both of these to me today. I am still reading the report.

thanks,
nancy wuertel

From: Lauren Barbieri
To: [REDACTED]
CC: [REDACTED]
Subject: RE: Opposed to rate increase Recology Sunset Scavenger CO
Date: Monday, May 20, 2013 3:04:00 PM

As requested in my previous e-mail regarding Prop. 218, by reviewing these two links to the Department of Public Works website, it is my understanding that you may submit written protest in the coming weeks in the "Notice of Public Hearing on Proposed Changes to Departmental Budget, Commission and Organizational Structure" (http://www.sfdph.org/dph/eha/eha.htm).
<http://www.sfdph.org/dph/eha/eha.htm>
<http://www.sfdph.org/dph/eha/eha.htm>

Thank you for your interest in the process.
Lauren Barbieri
HF&H Consultants, LLC – Managing Tomorrow's Resources Today
1921 177 Ave

HF&H Consultants is a Green Business
Please consider the environment before printing this email

From: Al [REDACTED]
Sent: Saturday, May 18, 2013 1:40 PM
To: Lauren Barbieri
Subject: RE: Opposed to rate increase Recology Sunset Scavenger CO

Lauren,

Please email me the information that you are providing regarding the companies I am opposing, along with a list of who to give it to. I would like to submit a written protest in person, but need to know up on the way to protest the companies.

Al

From: Lauren Barbieri [REDACTED]
Sent: Tuesday, May 14, 2013 4:03 PM
To: [REDACTED]
Subject: FW: Opposed to rate increase Recology Sunset Scavenger CO

Dear Mr. Hampe,

Please note that calls and emails directed to the San Francisco Refuse Ratepayer Advocate do not qualify as official protests under Proposition 218

Thank you for contacting us regarding Recology's refuse rate application. We will ensure your views and comments are expressed during the application review process. In 1932 a voter initiative

modified the City's charter to provide the company that is now called Recology the exclusive right to collect waste materials. As you mentioned, there was a challenge to the initiative on the June, 2012 ballot, however it did fail. In terms of the amount of the proposed increase, the Rate Payer Advocate will be working to help ensure that Recology and City staff justify the amount of any final approved increase in order to ensure it is "just and reasonable". We encourage you to attend one or both of the Director's Hearings on May 20 or May 22. For specific hearing details and room assignments please visit this link: <http://www.sfdirectorshearings.com/audience.php?calendarid=1>. We also encourage you to stay tuned to our website at www.sanfranciscoadvocate.com for more detailed information.

Thanks again for your interest in the process.

San Francisco Ratepayer Advocate

1000 Marin Street, Suite 200
San Francisco, CA 94133
415.774.2222
100 North Park Drive, Suite 200
Walnut Creek, California 94598
Phone: (415) 976-4721
Email: ratepayeradvocate@sfdirectorshearings.com
Website: www.ratepayeradvocate.com

Please consider the environment before printing this email

From: A [REDACTED]
Sent: Tuesday, May 14, 2013 9:51:04 AM
To: RatePayerAdvocateSF
Subject: Opposed to rate increase Recology Sunset Scavenger CO
Auto forwarded by a Rule

I am very opposed to the rate hike increase proposed by Sunset Scavenger Co. As a resident of San Francisco for many years, just in the last couple of years I been hit with increases from the San Francisco Water Dept, PGE, sales tax increase, no parking for free on Sundays anymore, no more free bags in stores, etc., etc., etc. I see no end in sight or any relieve from these increases. Is there no shame anymore? And now this greedy company Sunset Scavenger wants a rate increase for over \$6 a month. This company is nothing more than a monopoly and never had to worry about a competition. Last year the people of San Francisco could have voted to allow other companies to compete with Sunset Scavenger, but the fix was in and the initiative failed. Sunset Scavenger remains status quo. In most cities trash companies have competition. For example Denver Co, trash pickup for instance is free, free, free! Aurora Co, has two to three trash pickup companies competing against each other.

Sunset Scavenger Co. is over charging on their current rates and should not be allowed to increase fees any further but if there is a rate increase (like I suspect there will be) give the people a choice and open the doors for other trash companies to do business in San Francisco.

Regards,
Al Hampel

I am very opposed to the rate hike increase proposed by Sunset Scavenger Co. As a resident of San Francisco for many years, just in the last couple of years I been hit with increases from the San Francisco Water Dept, PGE, sales tax increase, no parking for free on Sundays anymore, no more free bags in stores, etc., etc., etc. I see no end in sight or any relieve from these increases. Is there no shame anymore? And now this greedy company Sunset Scavenger wants a rate increase for over \$6 a month. This company is nothing more than a monopoly and never had to worry about a competition. Last year the people of San Francisco could have voted to allow other companies to compete with Sunset Scavenger, but the fix was in and the initiative failed. Sunset Scavenger remains status quo. In most cities trash companies have competition. For example Denver Co, trash pickup for instance is free, free, free! Aurora Co, has two to three trash pickup companies competing against each other.

From: Lauren Barbien
To: [REDACTED]
Bcc: KIM JYUNG PARK, Dobbie
SF Refuse Ratepayer Advocate - requested information
Subject: Data
Date: Tuesday, May 21, 2013 10:26:00 AM

Hi Katherine,

It was nice talking to you on the phone. The Continuation of the Director's Third Rate Hearing will be held tomorrow (Wednesday, May 22, 2013) from 1:00-5:00pm at SF City Hall, Room 400, the agenda for the meeting may be found here: <http://www.sfdwr.org/pressroom/pressroom.cfm?subaction=showfullstory&id=1111>. Per our discussion, please see the following links for more information regarding the Recology rate application process:

<http://ratepayeradvocate.org/>
<http://www.sfdwr.org/pressroom/pressroom.cfm?subaction=showfullstory&id=1111>
<http://www.sfdwr.org/pressroom/pressroom.cfm?subaction=showfullstory&id=1111>
Appendix: This is a tabular document, with the City Confidentiality Model.pdf

Thanks again for your interest in the process.

San Francisco Ratepayer Advocate

Representing the public interest
1010 Market Street

201 North Civic Drive, Suite 230
Walnut Creek, California 94596

Phone: (415) 554-6921

Email: kim.jyung.park@sfdwr.org

Website: www.sfdwr.org

Please consider the environment before printing this email



2013 Refuse Hearing Notifications

DPW Outreach Efforts:

- Material provided to each member of the Board of Supervisors; and to the Board collectively with the announcement included in the public file
- Distributed press releases and notices for the public workshops on January 17th and March 21st.
- Distributed press releases and notices for the hearings.
- DPW website provides a description of the RPA role and a link to the RPA website.
- City agencies
 1. Mayor's Office of Neighborhood Services
 2. San Francisco Office of Economic and Workforce Development
 3. Mayor's press office
- Stakeholders
 1. Apartment Association
 2. Association of Realtors of San Francisco
 3. Housing Rights Committee
 4. San Francisco Tenants Union
 5. Small Property Owners Association
- Other news organizations
 1. El Tecolete
 2. Glen Park News,
 3. MissionLocal blog
 4. San Francisco Neighborhood Newspaper Association – member papers (Here's a link to all the papers; I emailed each separately: <http://sfnna.com/papers/>)
 5. Various other English-language, Chinese-language and Spanish-language newspapers and blogs
- Neighborhood organizations
 1. Coalition for San Francisco Neighborhoods (umbrella organization)
 2. Bayview
 3. Bernal Heights
 4. Castro
 5. Fillmore
 6. Mission
 7. North of the Pan Handle
 8. South Beach
- Social media: Each meeting Tweeted out on DPW's Twitter account





Services A-Z

TEXT FONT SIZE A A

In This Section

- ▶ [Graffiti](#)
- ▶ [Permits](#)
- ▶ [Potholes](#)
- ▶ [Street Sweeping](#)
- ▶ [Trees](#)
- ▼ [more](#)

[CULCOP Minutes and Agenda](#)

[Unwanted Handbills and](#)

Refuse Collection and Disposal Rates (Garbage Rates)

Under the 1982 Refuse Collection and Disposal Initiative Ordinance, the City and County of San Francisco approves and sets residential refuse (garbage) rates. The Director of the Department of Public Works is charged with reviewing applications for adjustments in residential refuse rates, holding public hearings, and issuing a report and recommended order on whether rates are just and reasonable.

2013 Proceedings

The Director has scheduled six (6) public hearings in April and May on the 2013 rate application filed by Recology. The Director has also issued new rules of procedure governing the 2013 rate application process. Staff issued its report on the application May 10, 2013. Hearings will be held on the Staff Report on May 20 and 22, 2013.

- [Agenda for the May 20 and 22 DPW hearings](#)
- [Staff Report on the 2013 Refuse Rate Application. May 10, 2013](#)
- [Schedule of 2013 DPW Director's Refuse Rate Hearings](#)





Recology Requests Revenue Increase for Residential Service

FOR IMMEDIATE RELEASE

March 15, 2013

Contact: Rachel Gordon, DPW

415-554-6045 or rachel.gordon@sfdpw.org**Recology Requests Revenue Increase for Residential Service**

San Francisco, CA -- Recology, the San Francisco refuse-collection and processing company, has requested a 21.5 percent revenue increase for residential service that if approved would take effect late summer 2013. The change in monthly rates would vary based on the type and frequency of service received. Under the final proposal, the average single-family household with a trio of 32-gallon black, blue and green bins would pay a \$34.51 monthly charge. That represents a \$6.60 increase from the current rate. Customers switching from a 32-gallon black trash bin to a 20-gallon trash bin would pay \$25.13 per month. A new rate structure for apartment buildings would be enacted with discounts offered to encourage greater recycling and composting. Apartment rate increases would be capped at 25 percent in 2014 and 50 percent in 2015. Recology initially requested a 23.75 percent increase in its draft application filed with the City in December. The final application was submitted Thursday.

The director of the San Francisco Department of Public Works will review the final application, hold public hearings and issue a report and recommended order that takes into account whether the company's request is just and reasonable.

The recommendation will be forwarded to the City's Rate Board for consideration, with a final decision expected in the summer. The board is made up of the City Controller, the City Administrator and general manager of the Public Utilities Commission.

Members of the public are encouraged to participate in the rate-adjustment process, and will have many opportunities to comment and ask questions.

An informational workshop on the final rate application will be held on Thursday, March 21, 4 to 7 p.m. at San Francisco City Hall, 1 Carlton B. Goodlett Place, Room 421. Representatives from the Department of Public Works, the Department of the Environment and Recology will be available to provide an overview of the proposed rate increase and to answer questions. No official action will be taken.

The first of several more formal DPW director's hearings has been scheduled for 1 p.m. on April 12 at City Hall, Room 408.

Recology currently charges residential customers based on the volume of the black "trash" bin only, although all customers are required to separate recyclables and compostables in the blue and green bins. But as more people are composting and recycling and switching to smaller black bins, the company says it needs to start collecting a fixed charge for blue and green bins to cover expenses. The company also is seeking additional revenue to pay for rising labor and fuel costs and to test a new trash-processing system to increase diversion from landfill.

The City last approved an increase in residential refuse-collection rates in 2006, and agreed to allow an annual adjustment for inflation for five years. Recology last adjusted rates for inflation in 2010.

Under a proposed agreement with the City, Recology also would take over the collection of illegally dumped trash, and service San Francisco's sidewalk and park trash receptacles more frequently.

The City has contracted with a "ratepayer advocate" to assist the public during the rate-application proceedings. The ratepayer advocate provides the public with clear and accurate information regarding the proposed new rate structure; helps individuals and organizations formulate comments and questions; and represents the views of the ratepayers during public workshops and hearings. The role of the ratepayer advocate does not preclude members of the public from offering testimony in writing or in person on their own.

The ratepayer advocate can be contacted by email at ratepayeradvocatesf@fhf-consultants.com, by phone at 415-554-6921 or in writing at SF Ratepayer Advocate, c/o HFH Consultants, 201 North Civic Drive, Suite 230, Walnut Creek, CA 94596.

More details on the final rate application and on the review and approval process can be found online at www.sfdpw.org/refuserates.

Hearings Continue on Residential Refuse Rate Application

FOR IMMEDIATE RELEASE: MARCH 15, 2013

PRESS RELEASE

FOR IMMEDIATE RELEASE: May 17, 2013

Contact: Rachel Gordon, DPW Office of Communications
(415) 554-6045

Hearings Continue on Residential Refuse Rate Application More opportunities for public participation

San Francisco, CA – Hearings will resume Monday, May 20, and Wednesday, May 22, on the proposed increase for residential refuse-collection service in the City. Recology, the San Francisco refuse-collection and processing company, submitted a request in March for a 21.5 percent rate increase for residential service. Under the proposal, a typical household, with three 32-gallon bins (black, green and blue), would see a monthly rate increase of \$6.60, from \$27.91 to \$34.51.

For the past two months, City staff from the Department of Public Works and the Department of the Environment has conducted a thorough review of Recology's application, tested rate model calculations and assumptions, and verified the accuracy of Recology's proposal. Staff found that not all of the requested increase was justified. The upcoming hearings will focus on the staff findings.

The final rate adjustment has not been determined.

San Francisco Department of Public Works Director Mohammed Nuru will hold his final two hearings on the rate increase application to hear from Recology, City staff and ratepayers.

Hearing details:

- Monday, May 20, 9 a.m. to 1 p.m., City Hall Room 408**
- Wednesday May 22, 1-5 p.m., City Hall Room 400**

City Hall is located at 1 Carlton B. Goodlett Place in the Civic Center neighborhood.

Once the hearings are completed, the director can make adjustments and will issue a report and recommended order that takes into account whether the company's request is just and reasonable.

If appealed, the recommended order will be forwarded to the City's Rate Board for consideration, with a final decision expected in the summer. The board is made up of the City Controller, the City Administrator and the general manager of the Public Utilities Commission.

A rate increase, if approved, would take effect late summer 2013. The City has contracted with a "ratepayer advocate" to assist the public during the rate-application proceedings. The ratepayer advocate provides the public with clear and accurate information regarding the proposed new rate structure; helps individuals and organizations formulate comments and questions; and represents the views of the ratepayers during public workshops and hearings. The role of the ratepayer advocate does not preclude members of the public from offering testimony in writing or in person on their own. The ratepayer advocate can be contacted by email at ratepayeradvocatesf@hfh-consultants.com, by phone at 415-554-6921 or in writing at SF Ratepayer Advocate, c/o HFH Consultants, 201 North Civic Drive, Suite 230, Walnut Creek, CA 94596. The staff report and details on the final rate application and on the review and approval process can be found online at www.sfdpw.org/refuserates.

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Contact SFGov Accessibility Policies

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Edwin M. Lee, Mayor
Mohammed Nuru, Director



FOR IMMEDIATE RELEASE:

APRIL 10, 2013

Contact: Rachel Gordon, DPW

415-554-6045 or rachel.gordon@sfdpw.org

Hearings Begin on Residential Refuse Rate Application

Numerous opportunities for public to participate

San Francisco, CA – The first of several public hearings on the proposed increase for residential refuse-collection service in San Francisco will be held on **Friday, April 12, from 1 to 5 p.m. in City Hall, Room 408**. If more time is needed, as is expected, the hearing will reconvene on Monday, April 15, 1 to 5 p.m. in City Hall Room 416.

Recology, the San Francisco refuse-collection and processing company, has requested a 21.5 percent revenue increase for residential service that if approved would take effect late summer 2013.

Additional hearings tentatively have been scheduled for April 22, 1-5 p.m., City Hall Room 408; April 24, 1-5 p.m., City Hall Room 400; May 20, 9 a.m. to 1 p.m., City Hall Room 408; and May 22, 1-5 p.m., City Hall Room 400. City Hall is located at 1 Carlton B. Goodlett Place.

The hearing officer is the director of the San Francisco Department of Public Works. Once the hearings are completed, the director will issue a report and recommended order that takes into account whether the company's request is just and reasonable. If appealed, the recommended order will be forwarded to the City's Rate Board for consideration, with a final decision expected in the summer. The board is made up of the City Controller, the City Administrator and the general manager of the Public Utilities Commission.

The City has contracted with a "ratepayer advocate" to assist the public during the rate-application proceedings. The ratepayer advocate provides the public with clear and accurate information regarding the proposed new rate structure; helps individuals and organizations formulate comments and questions; and represents the views of the ratepayers during public workshops and hearings.

-- more --



The role of the ratepayer advocate does not preclude members of the public from offering testimony in writing or in person on their own.

The ratepayer advocate can be contacted by email at ratepayeradvocatesf@hfh-consultants.com, by phone at 415-554-6921 or in writing at SF Ratepayer Advocate, c/o HFH Consultants, 201 North Civic Drive, Suite 230, Walnut Creek, CA 94596.

More details on the final rate application and on the review and approval process can be found online at www.sfdpw.org/refuserates.

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Refuse Collection and Diversion

DPW conducts city-wide street sweeping and landscaping, and picks up litter and abandoned materials from our sidewalks and streets, which helps keep our community a beautiful and vibrant place to live. In 2012, DPW collected more than 30,000 tons of material from the city's streets and public spaces. This factsheet contains information from Recology on the materials collected by DPW and how much was diverted from landfills.

SF's goal is zero waste by 2020:

- DPW currently diverts 30.3% of all materials collected from going to landfills.

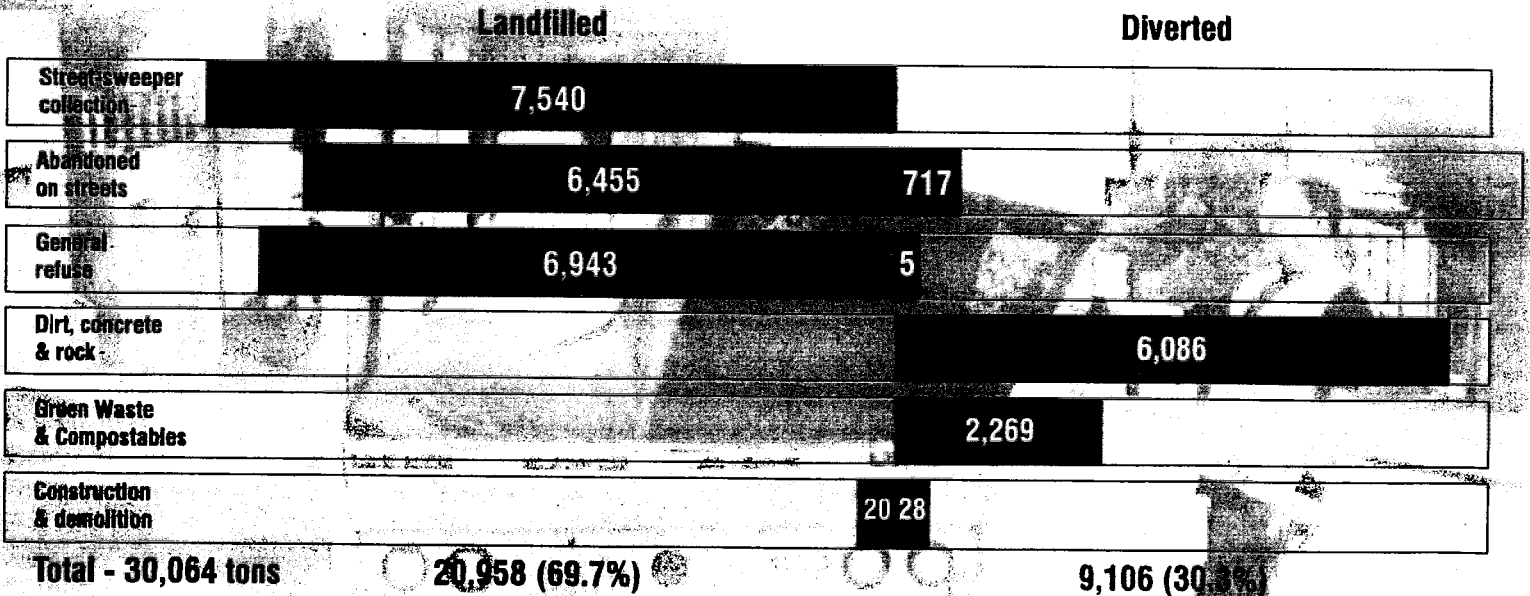
Illegal dumping is a growing problem:

- DPW receives nearly 23,000 calls annually for items left on San Francisco's sidewalks and streets.
- Illegal dumping accounted for 24% of the refuse collected by DPW in fiscal year 2011-2012

Steps we're taking to keep refuse out of the landfill:

- Street-sweeper collections from western San Francisco will be screened to capture organic material that can be composted.
- Mattresses and other bulky items will be collected separately from litter. Usable items will be donated to charity and non-usable items will be recycled for materials.

Refuse collected by material type (in tons)



■ Recycled ■ Composted ■ Beneficial reuse



Table 1 - 32g Residential Rates from Ex. 35 Armanino Rate Survey 2013

City	2013 Rate	3 bins	Food composting
Piedmont	50.67	Yes	Yes
El Cerrito	39.99	yes	Yes
Mill Valley	38.53	Yes	Yes
Hayward	38.37	Yes	Yes
Albany	38.04	Yes	Yes
Los Altos Hills	37.41	Yes	Yes
San Jose	34.30	Yes	No
Unincorporated Franchised Area (Burlingame to Menlo Park)	33.45	Yes	Yes
Alameda	33.02	Yes	Yes
Belmont	32.02	Yes	Yes
Sacramento	31.99	Yes	No
Palo Alto	31.64	Yes	Yes
Sunnyvale	31.64	Yes	No
Corte Madera	31.57	Yes	Yes
Pleasanton	30.59	Yes	Yes
Richmond	30.51	Yes	Yes
Los Altos	29.20	Yes	Yes
San Rafael	29.01	Yes	Yes
Berkeley	28.93	Yes	Yes
Millbrae	28.73	Yes	No
Oakland	28.63	Yes	Yes
Fremont	28.17	Yes	Yes
San Francisco	27.98	Yes	Yes
San Carlos	27.69	Yes	Yes
South San Francisco	26.62	Yes	No
Redwood City	26.51	Yes	Yes
Colma	25.22	Yes	No
Menlo Park	25.01	Yes	No
San Bruno	24.34	Yes	Yes
Daly City	24.33	Yes	No
Burlingame	23.85	Yes	Yes
Santa Clara	23.75	Yes	No
Los Gatos	22.34	Yes	No
San Mateo	20.85	Yes	Yes
Mountain View	20.70	Yes	No
Walnut Creek	18.80	Yes	Yes
Emeryville	17.27	Yes	Yes
Petaluma	14.64	Yes	Yes

833.87
S.F.
Rate
as of
5/10/13
Proposed

1/1/21

Key Metrics	High	Low
Upper Quartile	50.67	31.99
Second Quartile	31.99	28.73
Third Quartile	28.73	24.33
Bottom Quartile	24.33	14.64
Median	28.83	
Average	29.11	



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468 Lansdale Ave
San Francisco, CA 94127
May 14, 2013

To: Refuse Collection Rate Hearing Officer
c/o Department of Public Works
City Hall, 1 Dr. Carlton B. Goodlett Place, Room 348
San Francisco, CA 94102

RE: Written Protest of 21.51% Recology refuse charge increase

Dear Sir:

This letter and the attached comments and references constitute my written protest of the Recology refuse charge increase of 21.51% contained in the undated Prop. 218 Information Note which I received at 468 Lansdale Ave. My protest and objections are for 3 reasons. I request that this letter and attachments be included in the record of any hearing, including the June 14, 2013 hearing, and I also request notice of any decision or recommendation within 3 days of any such recommendation or hearing including in sufficient time to file a further appeal or protest if required. The over 21% rate increase is excessive, includes illegal and inappropriate costs, and does not recognize other sources of funds which should be applied currently.

My three reasons for protesting this refuse charge increase are

1. The charges include costs for transferring abandoned property pickup from the SF DPW to Recology. As stated in the staff report, this will not reduce DPW costs but result in reassignment of staff without cost reduction. This cost is not, under Proposition 218, an allowable fee since it does not relate directly to my residence but is a general fee. It is



therefore illegal under Proposition 218, besides not providing any real cost savings to the City budget. This may constitute \$3.88 million in reduced allowable costs for Recology's application (See Appendix A-1)

2. The reserve amount of \$29 million is far above the \$15 Million recommended by the Staff review as adequate, And at least \$5 million should be applied, if not all excess above \$14 million, to a reduction in the allowed expenses for setting Recology rates. (See Appendix A-2)
3. The inclusion of other contingent rate increases should not be approved at this time without further specific hearings and a showing that other costs have not been reduced or cannot be reduced. Expansion of facilities in Brisbane should be evaluated considering tax increases there v. San Francisco.

The basis for these objections is further detailed in Appendix A-1, A-2 and A-3 to this letter, which includes references to the Staff report on the recology rate application.

Thank you for your consideration of these comments in adopting an appropriate reduced level of refuse charges from that contained in the Proposition 218 notice.

I also note that sending out a folded letter labeled Proposition 218 Notice may not have provided adequate information to many residents of San Francisco to understand that a refuse collection rate increase was included in the notice and a right to protest and hearing were identified.



Future such notices should be labeled and specifically identified:

Refuse collection rate increase
Notice proposes a _____% increase in refuse rates
Protests must be received by _____ date
Hearing will be held at _____ Location
On _____ Date

Had the written notice been entitled "Refuse Rate Increase" and specified the amount of 21%, I would expect that more citizens would have paid attention to the notice. If the basis for acceptance or rejection is the number of affected citizens objecting, then adequate notice is a principal component of a fair process for allowing citizen input.

Very truly yours,

Kermit R. Kubitz
Homeowner for refuse collection at
468 Lansdale Ave
San Francisco, CA 94127

Signature

Date



Appendix A-1 Transferring DPW functions to Recology

The transfer of functions is described in Sec. 8.8 of the Staff Report:

8.8 Abandoned Materials Collection

The Application includes a provision for Recology to assume responsibility for responding to 311 calls for abandoned materials. Under the proposal, Recology would divide the City into five zones and utilize two trucks per zone, one packer and one box truck (DPW currently uses only a packer truck on each route). By operating the program in a similar manner to the existing Bulky Item Recycling program (with box trucks for mattresses, electronics, appliances, and other potentially recoverable items), the Companies anticipate generating greater diversion of materials than DPW can achieve with a single packer truck on each route. Assigning two trucks per zone potentially allows for higher service levels, as the trucks can operate independently depending on the materials to be collected (Tr. p.299). Drivers will also be instructed to collect any abandoned materials along their routes, even if it is not in response to a 311 call. Recology has set a goal of responding to service calls within four hours on weekdays and within eight hours on weekends.

Staff concur that the Companies are better positioned to deliver more effective collection of abandoned materials, and find the incremental costs for staffing, vehicles and supplies reasonable.

However, later sections of the Report show that there are no real savings from this transfer.

10.2 Department of Public Works

For DPW, the \$5,720,646 in funding is broken down as follows:

- \$3,880,646 for existing programs to remove refuse from City streets and public properties (including mechanical street sweeping, litter patrol and block sweeping);



- \$967,000 to expand the Education, Compliance and Outreach program to combat illegal dumping;
- \$840,000 to replace public litter cans; and • \$33,000 for staff costs for the future rate review process.

The \$3.88 million for existing programs represents less than 19 percent of DPW's annual expenditures for refuse-related services (Exh. 13). When Recology begins collecting abandoned materials (as described in Section 8.8 of this report), DPW will reassign staff to increase the service levels in other program areas, which are understaffed and not meeting the Department's service standards.

Thus, no real savings will occur – DPW will merely reassign personnel with no cost reductions accruing to the Citizens of San Francisco. This proposal is a fee for a new service, not directly related to my residence or refuse, and is therefore not allowed under Proposition 218.

According to the Legislative Analyst's Report, 1996 on Proposition 218

New Restrictions on Use of Fees

Proposition 218 specifies that no property-related fee may be:

- Levied to pay for a general governmental service, such as police or fire service.
- Imposed for a service not used by, or immediately available to, the property owner.
- Used to finance programs unrelated to the property-related service.

In order to comply with these restrictions, local governments will need to eliminate or reduce some existing fees. For example, some small cities currently charge property owners fees for ambulance or fire service. Proposition 218 does not permit governments to impose property-related fees for these purposes.

General collection of abandoned property, unrelated to specific residences, is a general public service heretofore performed by the Department of Public Works Of San Francisco. Transferring that general service to Recology is not permitted

Under Proposition 218. Amounts allowed in Recology Rates for this illegal transfer should be eliminated, And the requested 21.51% rate increase reduced Accordingly.



The DPW has already been receiving the amounts formerly allocated to the reserve fund. As discussed in the section of the Staff report excerpted in Appendix A-2, DPW has been drawing on refuse collection impound 1.3% surcharge charges since October, 2010. This 1.3% surcharge should have been eliminated 2 years ago, and it is now time to begin to refund excess collections to San Francisco's households.



Appendix A-2 Excessive Reserve Amounts.

The Staff report notes that the reserve for Recology services has increased to \$29 million, when \$15 million is an adequate amount. At least \$5 million, and preferably half or \$7 million of the excess \$14 million in reserves, should be used to reduce the necessary Refuse rate increase. See the Staff Report, which Notes:

11. Special Reserve Fund

The 1988 Facilitation Agreement between the City and Sanitary Fill Company (now Recology San Francisco) established a requirement to create a reserve fund to be drawn upon from time to time to pay for "extraordinary expenses" which were not fully covered by the currently effective rates. This Special Reserve Fund was not to take the place of normal ratemaking processes, but to protect the Companies from major fluctuations in the rates for extraordinary expenditures that were not anticipated during the ratemaking process. The Facilitation Agreement requires a minimum balance of \$15 million to be maintained through the term of the Agreement. The Facilitation Agreement will expire concurrent with the expiration of the Waste Disposal Agreement between the City, Recology San Francisco and the Oakland Scavenger Company (now Waste Management of Alameda County). That agreement is not anticipated to expire until January 2016, and may expire at a later date, depending on the amount of waste landfilled (Exh. 56). The Special Reserve Fund has been funded by a 1.3% surcharge on the Companies' volumetric billings to residents and commercial customers. Recology does not apply a cost-of-living-adjustment (COLA) or make a profit on monies collected for this account. Prior rate orders established this fund and set forth procedures for maintaining and making expenditures from this fund. Deposits into the Special Reserve Fund were suspended as of October 1, 2010. As of that date, the 1.3% surcharge on billings was re-allocated to the Impound Account for the use of DPW to offset the costs of removing refuse from City streets and properties, and for programs to prevent littering and illegal dumping.

There have only been a limited number of withdrawals from the Special Reserve Fund since its creation. A total of \$5,517,390 has been withdrawn from the account since 1988, primarily to pay for improvements at the Altamont landfill required by new environmental regulations. The account balance was \$29,529,003 as of April 30, 2013 and is growing at a rate of about \$160,000 a year due to accrued interest. The Companies have proposed discontinuing the 1.3% surcharge, consistent with prior Rate Board directions. Staff concurs with this action.

Staff believes that San Francisco is well protected by the reserve and that a \$15 million reserve would be sufficient to cover unanticipated costs, especially given previous investments in the Altamont landfill to maintain compliance with environmental regulations. Staff reports that San Francisco is unique in having such a large reserve for unforeseen expenses.



Appendix A-3

Contingent Costs should be minimized or avoided

The Staff report indicates that the Recology company is considering purchasing additional land or facilities in Brisbane. Yet another section of the Report indicates that Brisbane has imposed a new \$2.1 million recycling fee.

It is not clear that any future facilities decisions on siting In Brisbane v. San Francisco have considered the costs associated with these new taxes or fees in Brisbane. Until a determination of the risk of higher costs associated with new taxes in Brisbane is made, no commitment or contingent cost



for new facilities in a location subject to such increased, uncontrollable taxes should be made.

In addition, while much of the basis for the proposed increase is a claimed decrease of revenue because of migration or diversion, there is not sufficient discussion of potential growth in revenue from new building, whether residential or commercial, in the City of San Francisco. SEE

The Companies attribute fully 16.1% of the 21.5% proposed rate increase (or 75% of their request) to a revenue shortfall due to a combination of migration to diversion service and the economic downturn (Exh. 1, p.23). To date, charges in the residential and apartment sectors have only been levied on trash, or black bin, service. Collection and processing of the other two material streams--recyclables and compostables-- requires an equivalent level of effort, and therefore expenditure. As customers have been shifting away from larger trash containers, or to less frequent collection, in an effort to save money and to comply with the Mandatory Recycling and Composting Ordinance, revenues collected by the Companies have gone down. Likewise, in the commercial sector, where there is a diversion discount, customers have been shifting away from the non-discounted trash service.

Staff concurs that the base on which revenues are generated is shrinking while overall programs and services for collecting the three waste streams, as measured by tons disposed and processed and collection routes required, are staying essentially flat. Staff wants to emphasize to all interested parties and the public that a revenue shortfall, caused in large measure by changes in the economy and behavior encouraged by adopted City policies, more than any cost increases, is driving the requested increase in refuse collection rates. Staff also notes that other jurisdictions throughout California are grappling with the issue of a shrinking rate base (i.e., trash volume) and are considering changes in refuse rate structures similar to those being proposed by the Companies.

Recent growth in business and technology businesses in San Francisco, along with continued building of in-fill apartment houses is not explained in the Staff report, But the amount of revenue shortfall should not be glossed over as a justification for a 21% rate increase. Certainly, simply breaking down the cost components into a 3 bin charge should reduce the amount of diversion that occurs. As a condition of approving charges comprised of fixed costs, and separate charges for garbage, recycling, and compost, the overall increase should be reduced to something closer to 12-15% rather than 21%, particularly in view of the



inappropriate costs (the assumption of DPW street cleaning costs) and excessive reserves described in Appendices A-1 and A-2.

At a bare minimum, if the 21% rate increase, or anything over 15% is approved, there should be no COLA automatic rate increase until a next rate case. Revenue growth from new businesses and apartments and houses should provide sufficient revenue until another rate application can be reviewed.



Recalculation of Customer numbers
From Recology Rate Application Schedule F1

Recology Rate Application has limited or zero customer growth shown as basis for Rate Application Projections for 2013 and 2014

Recology Schedule F1

	Residential	Apartment	Commercial
2012	141,244	8,685	16533
2013	141,244	8,685	16564
2014	141,244	8,685	16564

Average rates of customer growth last

5 years	+155	+81
2 years	+122	+294

Using the lowest of either the 5 year or 2 year growth rates, Applied to 2013 and then 2014, and Recology's per customer revenue assumptions, gives customer and revenue for Rate Application 2014

Change to RY 2014 Assumptions on revenue

	Res customers	Commercial
2014	141,488	16,695
Revenues		
2014	59,424,960	86,379,930



Recology Sunset Scavenger/Recology Golden Gate
 Rate Application, Schedule F-1
 Historical and Projected Revenues

	Actual						Projected			Rate Application	
	RY 2007	RY 2008	RY 2009	RY 2010	RY 2011	RY 2012	Change	RY 2013	Change	RY 2014	
Residential											
Number of Customers	140,469	140,780	140,959	141,000	140,898	141,244	141,244		141,244		
Annual Revenue	\$ 50,534,511	\$ 53,637,112	\$ 57,305,841	\$ 58,046,950	\$ 60,943,563	\$ 60,134,957	\$ (227,016)	\$ 59,907,841	\$ (588,155)	\$ 59,399,686	
Revenue per Customer	\$ 360	\$ 381	\$ 407	\$ 412	\$ 432	\$ 426	\$	\$ 424	\$	\$ 420	
Apartment											
Number of Customers	9,907	9,831	9,946	8,557	8,591	8,695	8,695		8,695		
Annual Revenue	\$ 41,866,526	\$ 47,755,360	\$ 50,182,502	\$ 49,511,855	\$ 52,335,888	\$ 51,259,903	\$ (348,011)	\$ 50,911,892	\$	\$ 50,911,892	
Revenue per Customer	\$ 4,226	\$ 4,859	\$ 5,046	\$ 5,786	\$ 6,092	\$ 5,922	\$	\$ 5,862	\$	\$ 5,862	
Commercial											
Number of Customers	16,125	16,134	16,094	15,944	16,268	16,533	16,564	16,564		16,564	
Annual Revenue	\$ 89,141,437	\$ 92,137,850	\$ 93,304,216	\$ 88,710,499	\$ 89,566,249	\$ 86,116,555	\$ (419,727)	\$ 85,696,838	\$	\$ 85,696,838	
Revenue per Customer	\$ 5,466	\$ 5,711	\$ 5,797	\$ 5,564	\$ 5,509	\$ 5,209	\$	\$ 5,174	\$	\$ 5,174	
Contractor Commercial											
Number of Customers	242	240	239	242	235	229	229	229		229	
Annual Revenue	\$ 20,611,834	\$ 21,199,587	\$ 22,739,843	\$ 23,246,193	\$ 23,579,715	\$ 23,211,186	\$ 383,388	\$ 23,604,572	\$	\$ 23,604,572	
Revenue per Customer	\$ 85,173	\$ 88,332	\$ 95,146	\$ 96,059	\$ 100,338	\$ 101,359	\$	\$ 103,077	\$	\$ 103,077	
REVENUE SUBJECT TO RATE - TOTAL:	\$ 201,154,307	\$ 214,729,909	\$ 223,532,401	\$ 219,515,487	\$ 226,325,515	\$ 220,722,511	\$	\$ 220,121,143	\$ (568,155)	\$ 219,552,968	
Revenue not Subject to Rate Increase:											
Sludge Contract	\$ 2,114,684	\$ 2,318,337	\$ 1,100,229	\$	\$	\$	\$	\$	\$	\$	
Debris Box Revenue	18,424,655	19,526,464	16,021,892	12,340,296	12,399,085	13,332,296	228,289	13,580,585		13,580,585	
Equipment & Supply Sales	822,283	872,186	1,028,270	1,720,966	1,010,285	924,681	(127,926)	796,755		796,755	
CalRecycle Payment								312,670		312,670	
Miscellaneous Income	133,903	137,719	99,137	138,391	241,383	190,062	26,343	216,405		216,405	
REVENUE NOT SUBJECT TO RATE - TOTAL:	\$ 21,485,525	\$ 22,854,706	\$ 18,249,528	\$ 14,199,653	\$ 13,650,763	\$ 14,447,039	\$ 126,706	\$ 14,886,415	\$ (568,155)	\$ 14,886,415	
TOTAL REVENUE:	\$ 222,640,832	\$ 237,584,615	\$ 241,781,929	\$ 233,715,150	\$ 239,976,278	\$ 235,169,550	\$	\$ 235,007,557	\$	\$ 234,439,402	
Less: Other Commercial Revenues											
Contract Revenues											
Subtotal:											
Special Reserve											
Revenue at Current Rates Per Application:											
										2,580,000	
										218,470,842	

