



May 30, 2018

Doug Button
South San Francisco Scavenger Company, Inc.
P.O. Box 348
South San Francisco, CA 94080

Dear Doug,

We did it! We have successfully reported another year of SSFSC's Greenhouse Gas Inventory and achieved verification through The Climate Registry.

Your Greenhouse Gas Inventory

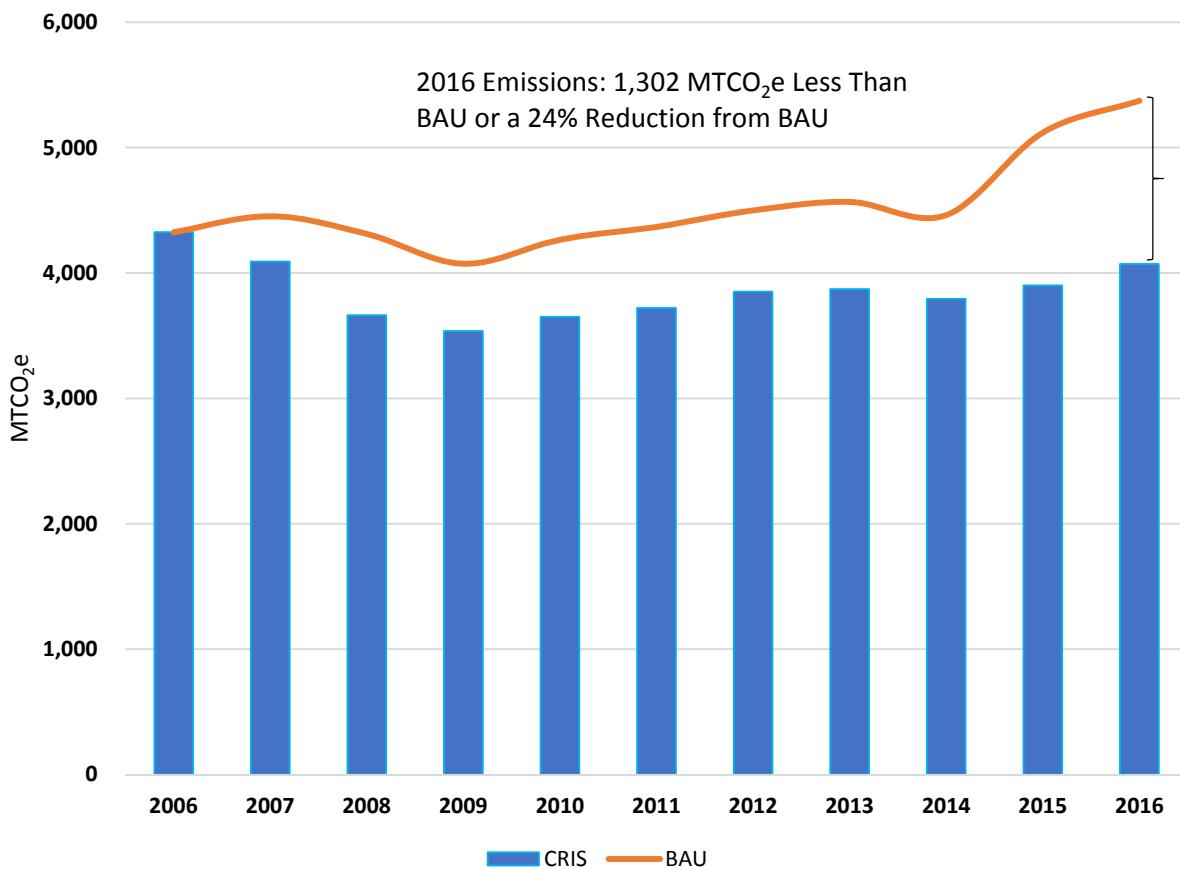
SSFSC began reporting its GHG emissions in 2006 and has continued to do so annually through 2016. The majority of your emissions are from direct mobile combustion, which includes all of your on and off road vehicles. SSFSC has made huge strides in reducing emissions from its largest source, collection vehicles, because of the transition from Diesel to CNG and Biodiesel. Overall SSFSC has reduced its emissions by over 6% since 2006. ***By this last reporting year, 2016, SSFSC is operating with emissions 24% lower than 'business as usual' had it not adopted alternative fuels and solar applications.*** The orange line on the graph below represents what these emissions *would have been* under a business as usual scenario. As you can see, the blue bars representing actual emissions are substantially lower thanks to these investments in clean technology.

As you continue to transition to more CNG, and we account for the renewable biogenic CNG starting in reporting year 2015, these emissions will continue to decrease. Overall, your emissions inventory is impacted by processed tonnage, which is why we see the inventory beginning to increase. However, if we evaluate the carbon intensity of operations we see that SSFSC's operations have become more efficient.

2016 was an especially impressive year for SSFSC, which maintained its low emissions profile, while dramatically increasing tons of cardboard and organics recycling. This resulted in a major improvement in SSFSC's Net Zero ratio from 12 to 20.

You will find two tables on the final page of this document which provide summaries on your annual product usage and emissions, but you will find more detailed information on you GHG inventory in the enclosed 2016 Climate Action Management Plan.

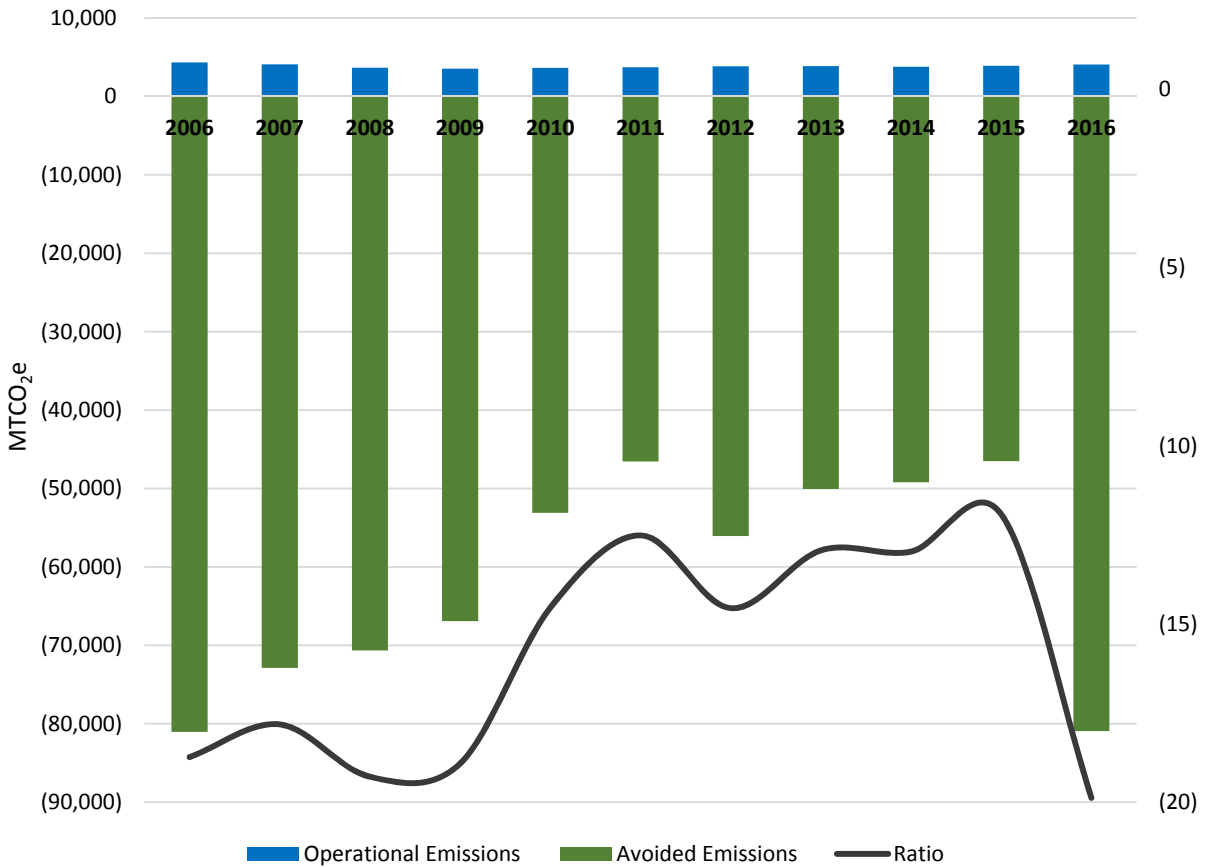
Figure 2: Comparison of Actual Emissions to BAU- All Years



“Net Zero” and Your Avoided Emissions Reporting

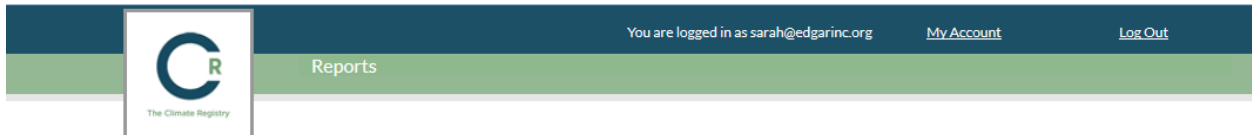
The California Air Resources Board (CARB) has adopted the Scoping Plan 2014 update which frames post 2020 GHG reduction goals for the State of California. As the State looks beyond 2020 and towards the 2050 goal of 80% reduction compared to 2006, they are looking towards the waste industry to achieve **Net Zero** by 2030. Net Zero has been defined as when your avoided indirect emissions offset your operational emissions. We have been calculating your avoided indirect emissions since 2006 and have demonstrated that in 2016 SSFSC has **offset on average 20 times** the emissions you generate, well beyond Net Zero! You will find a detailed report on your avoided emissions from recycling, composting and avoiding landfill disposal, in Appendix C of the enclosed report. In addition the graph below shows your operational versus avoided emissions since you began reporting in 2006. You can be proud to have **avoided 59,627 metric tons of carbon dioxide equivalent** emissions in 2016 due to your recycling and composting activities! As programs are implemented, such as mandatory commercial recycling and mandatory organics collection, the AD facility and improvements are made to the material recovery facility, these numbers will continue to increase as you play an important role in your communities’ battle against climate change.

Operational and Avoided GHG Emissions, 2006-2016



Your Climate Registry Inventory Online

Your verified, approved, and reported 2016 emissions is publically available online at the Climate Registry’s website <https://cris4.org>. The website will have you make a basic profile before viewing the reports. Once logged in, you may see your company’s public reports as well as those of other companies. These reports are found under “Reports” next to the CRIS logo at the top of the page (see below.)



From this page you can select your company’s name and the calendar year you wish to view. The button “Show Reports” will allow you to access your inventory

Search Public Reports

Instructions

Entity

Entity Name Search

Show reports Show documents

From here you can press “View Reports” to view and download your company’s emissions inventory. This will include fleet and stationary emissions from your operations, but will *not* include the source data (gallons used, kWh, etc.).

This CRIS report is included as an appendix in your Climate Action Management Plan.

We will be in touch in the near future to initiate plans for data collection.

If you have any questions about the enclosed report (2016) or the next reporting year (2017), please do not hesitate to call us.

Your Sustainability Team at Edgar & Associates

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Sustainability Manager

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Table 1: CO₂e (metric tons) Emission Summary - All Years

| | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|----------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| | MTCO ₂ e | MTCO ₂ e | MTCO ₂ e | MTCO ₂ e | MTCO ₂ e | MTCO ₂ e | MTCO ₂ e | MTCO ₂ e | MTCO ₂ e | MTCO ₂ e | MTCO ₂ e |
| Direct Mobile | 3,844 | 3,556 | 3,072 | 3,117 | 2,916 | 3,018 | 3,043 | 3,213 | 3,098 | 3,416 | 3,390 |
| Direct Stationary | 240 | 236 | 255 | 147 | 438 | 393 | 539 | 403 | 453 | 216 | 449 |
| Indirect Electricity | 235 | 293 | 330 | 262 | 285 | 269 | 257 | 238 | 232 | 258 | 220 |
| Fugitive Emissions | 5.5 | 5.5 | 5.3 | 11.4 | 11.4 | 11.3 | 11.7 | 17.0 | 11.4 | 11 | 11 |
| Total | 4,325 | 4,090 | 3,663 | 3,537 | 3,651 | 3,691 | 3,850 | 3,871 | 3,785 | 3,901 | 4,071 |
| Change from Previous year | - | -5.4% | -10.5% | -3.5% | 3.2% | 1.1% | 4.3% | .54% | -2.2% | 3% | 4% |
| Change from base year | - | -5.4% | -15.3% | -18.2% | -15.6% | -14.7% | -10.9% | -10.5% | -12.5% | -10% | -6% |

Table 2: Fuel and Energy Usage Summary- CY2006 - CY2016

| Product | Unit | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 | 2015 | 2016 |
|--------------------------|--------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|---------|
| Natural Gas ¹ | MMBtu | 4,489 | 4,407 | 4,767 | 2,644 | 8,123 | 7,216 | 10,024 | 7,480 | 8,382 | 11,228 | 20,060 |
| Electricity | MWh | 1,130 | 1,012 | 1,129 | 895 | 920 | 868 | 858 | 793 | 830 | 870 | 1,140 |
| Diesel | Gallon | 351,683 | 328,665 | 283,500 | 281,981 | 255,778 | 257,620 | 245,238 | 248,629 | 230,587 | 243,787 | 309,892 |
| Gasoline | Gallon | 16,951 | 19,617 | 14,948 | 13,921 | 7,765 | 6,903 | 5,355 | 6,151 | 5,752 | 5,065 | 6,040 |
| CNG | DGE | 4,810 | 4,508 | 6,176 | 17,713 | 28,466 | 31,847 | 52,948 | 70,320 | 95,346 | 115,657 | 88,678 |
| AD RNG | DGE | | | | | | | | | | 47,510 | 94,649 |
| Biodiesel | Gallon | 0 | 30,861 | 56,229 | 43,716 | 50,919 | 53,194 | 50,823 | 52,294 | 46,588 | 46,269 | 13,265 |

¹ Includes the 10,644 MMBtu used by the international waste cooker. The anaerobic digester's boiler was a new source in 2015.