

---

---

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, DC 20549

---

**SCHEDULE 14A**

**Proxy Statement Pursuant to Section 14(a) of the  
Securities Exchange Act of 1934  
(Amendment No. )**

---

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only** (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Pursuant to §240.14a-12

**CASELLA WASTE SYSTEMS, INC.**

(Name of Registrant as Specified in Its Charter)

(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

*Copies to:*

**Jeffrey A. Stein**  
**Wilmer Cutler Pickering Hale and Dorr LLP**  
60 State Street  
Boston, Massachusetts 02109  
(617) 526-6000

**Keith E. Gottfried, Esq.**  
**Morgan, Lewis & Bockius LLP**  
1111 Pennsylvania Avenue, N.W.  
Washington, DC 20004-2541  
(202) 739-5947

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

(1) Title of each class of securities to which transaction applies:

(2) Aggregate number of securities to which transaction applies:

(3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):

(4) Proposed maximum aggregate value of transaction:

(5) Total fee paid:

Fee paid previously with preliminary materials:

Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.

(1) Amount previously paid:

(2) \_\_\_\_\_  
Form, Schedule or Registration Statement No.:

(3) \_\_\_\_\_  
Filing Party:

(4) \_\_\_\_\_  
Date Filed:

\_\_\_\_\_

---

---

---

Casella Waste Systems, Inc., a Delaware corporation (“Casella” or the “Company”), is filing materials contained in this Schedule 14A with the U.S. Securities and Exchange Commission (“SEC”) in connection with the solicitation of proxies from its stockholders in connection with its 2015 Annual Meeting of Stockholders to be held on Friday, November 6, 2015 and at any and all adjournments or postponements thereof (the “2015 Annual Meeting”). Casella filed a revised preliminary proxy statement and accompanying revised preliminary **WHITE** proxy card with the SEC on September 16, 2015 in connection with its solicitation of proxies to be used at the 2015 Annual Meeting.

#### **Slide Presentation First Used On September 17, 2015**

Attached hereto as Exhibit 1 is a copy of the slide presentation to be presented and distributed by Casella in connection with investor meetings and presentations at the Imperial Capital Global Opportunities Conference to be held on Thursday, September 17, 2015, at 8:00 a.m. Eastern Time at the Waldorf Astoria hotel in New York, New York. This slide presentation may also be used from time to time after September 17, 2015 in presentations or meetings with current and potential investors. This presentation is being filed herewith because it may be deemed to be solicitation material in connection with Casella’s solicitation of proxies to be used at the 2015 Annual Meeting.

#### **Important Additional Information And Where To Find It**

Casella, its directors and certain of its executive officers are deemed to be participants in the solicitation of proxies from Casella’s stockholders in connection with the matters to be considered at Casella’s 2015 Annual Meeting of Stockholders. On September 16, 2015, Casella filed a revised preliminary Proxy Statement and accompanying revised preliminary **WHITE** proxy card with the SEC in connection with the solicitation of proxies from Casella stockholders in connection with the matters to be considered at Casella’s 2015 Annual Meeting of Stockholders. Information regarding the identity of participants, and their direct or indirect interests, by security holdings or otherwise, is set forth in such revised preliminary Proxy Statement, including the schedules and appendices thereto. **INVESTORS AND STOCKHOLDERS ARE STRONGLY ENCOURAGED TO READ SUCH PROXY STATEMENT AND ACCOMPANYING WHITE PROXY CARD AS WELL AS THE OTHER DOCUMENTS FILED BY CASELLA WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION.** Stockholders may obtain the revised preliminary Proxy Statement, any amendments or supplements to the revised preliminary Proxy Statement, the accompanying revised preliminary **WHITE** proxy card, and any other documents filed by Casella with the SEC for no charge at the SEC’s website at [www.sec.gov](http://www.sec.gov). Copies are also available at no charge at the Investor Relations section of Casella’s corporate website at [www.casella.com](http://www.casella.com), by writing to Casella’s Corporate Secretary at Casella Waste Systems, Inc., 25 Greens Hill Lane, Rutland, VT 05701, or by calling Casella’s Corporate Secretary at (802) 772-2257.

# Casella Waste Systems, Inc.

## Investor Presentation

September 2015



# Safe harbor statement

Certain matters discussed in this presentation are "forward-looking statements" intended to qualify for the safe harbors from liability established by the Private Securities Litigation Reform Act of 1995. These forward-looking statements can generally be identified as such by the context of the statements, including words such as "believe," "expect," "anticipate," "plan," "may," "would," "intend," "estimate," "guidance" and other similar expressions, whether in the negative or affirmative. These forward-looking statements are based on current expectations, estimates, forecasts and projections about the industry and markets in which we operate and management's beliefs and assumptions. We cannot guarantee that we actually will achieve the plans, intentions, expectations or guidance disclosed in the forward-looking statements made. Such forward-looking statements, and all phases of our operations, involve a number of risks and uncertainties, any one or more of which could cause actual results to differ materially from those described in our forward-looking statements. Such risks and uncertainties include or relate to, among other things: adverse weather conditions that have negatively impacted and may continue to negatively impact our revenues and our operating margin; current economic conditions that have adversely affected and may continue to adversely affect our revenues and our operating margin; we may be unable to increase volumes at our landfills or improve our route profitability; our need to service our indebtedness may limit our ability to invest in our business; we may be unable to reduce costs or increase pricing or volumes sufficiently to achieve estimated Adjusted EBITDA

and other targets; landfill operations and permit status may be affected by factors outside our control; we may be required to incur capital expenditures in excess of our estimates; fluctuations in energy pricing or the commodity pricing of our recyclables may make it more difficult for us to predict our results of operations or meet our estimates; actions of activist investors and the cost and disruption of responding to those actions; and we may incur environmental charges or asset impairments in the future. There are a number of other important risks and uncertainties that could cause our actual results to differ materially from those indicated by such forward-looking statements. These additional risks and uncertainties include, without limitation, those detailed in Item 1A, "Risk Factors" in our Form 10-KT for the transition period ended December 31, 2014 and in our Form 10-Q for the quarterly period ended June 30, 2015.

We undertake no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise, except as required by the federal securities laws.



# Casella Waste Systems - Overview

## **Casella provides integrated solid waste, recycling and resource services.**

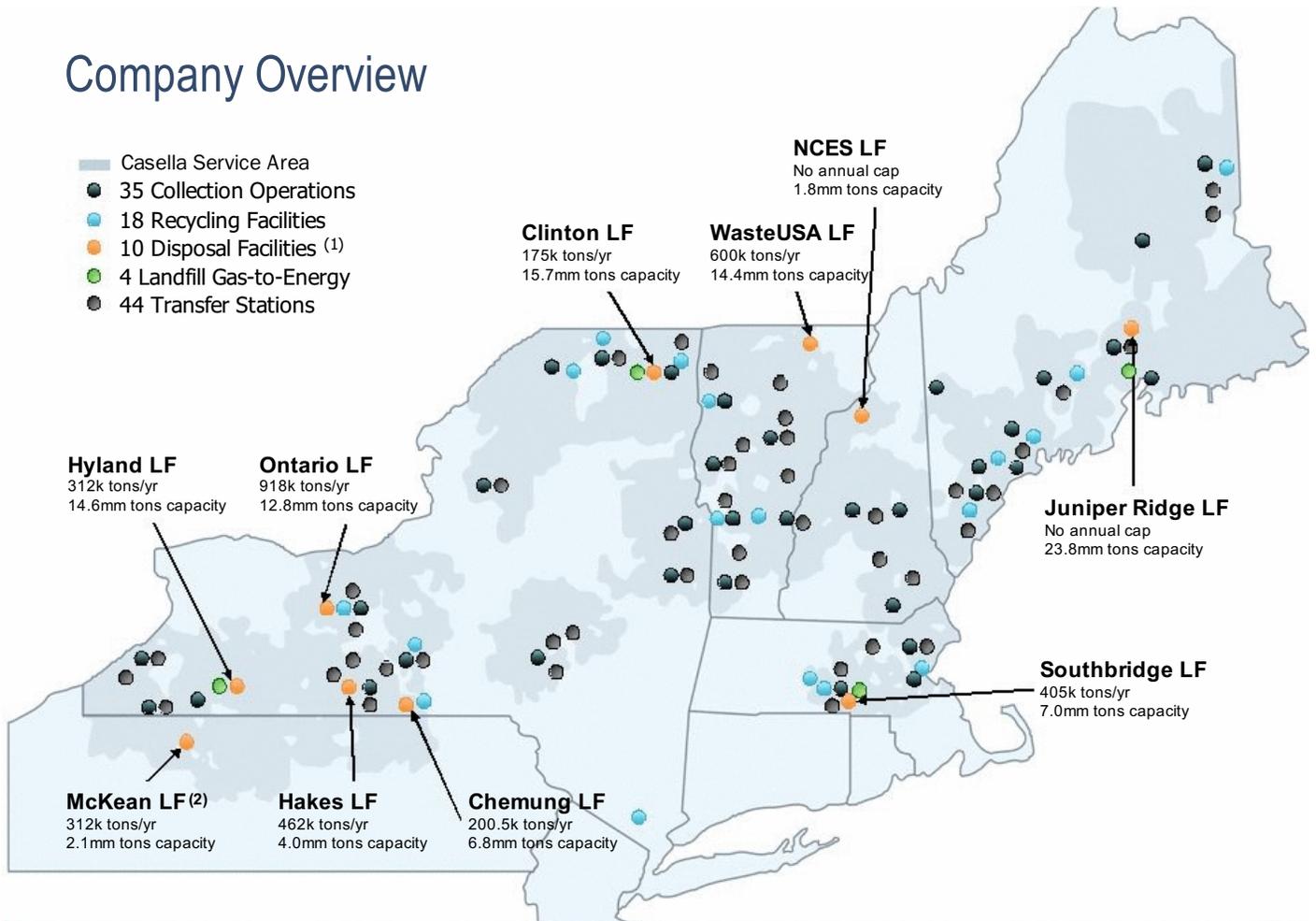
- \$535.8 mm of revenues for LTM ended 6/30/15.
- Integrated operations located in six northeast states.

## **Focused on providing customers with waste and resource solutions.**

- Waste and resource assets are well positioned in the northeast.
- Robust transfer network allows us to effectively move waste and recyclables to our disposal & processing facilities.
- Provide customers with value-added resource solutions through our Recycling, Organics, and Customer Solutions operations.



# Company Overview



Note: Total disposal capacity includes permitted and permittable airspace estimates at each site as of December 31, 2014.

(1) Includes nine Subtitle D landfills and one landfill permitted to accept construction and demolition materials.  
 (2) Annual capacity does not reflect the 1.5 million tons per year rail permit at McKean LF.

## Strong execution of key strategies since Dec 2012

Strategic Focus since Dec 2012	Results
<b>#1 - Executing leadership changes</b>	<ul style="list-style-type: none"> <li>• New President/COO and CFO in Dec 2012</li> </ul>
<b>#2 - Sourcing incremental landfill volumes</b>	<ul style="list-style-type: none"> <li>• Annual Landfill volumes up +716k tons since FY 2013<sup>(1)</sup></li> <li>• Annual Disposal AEBITDA up +\$15.8mm since FY 2013<sup>(1)</sup></li> </ul>
<b>#3 - Driving additional profitability of collection operations</b>	<ul style="list-style-type: none"> <li>• Pricing programs continue to drive value; with Residential &amp; Commercial pricing up +4.3% in Q2 2015</li> <li>• Focused on operational efficiency programs</li> </ul>
<b>#4 - Executing Eastern Region strategy</b>	<ul style="list-style-type: none"> <li>• AEBITDA margins up from 15.0% LTM 10/31/12 to over 22% LTM 6/30/15</li> <li>• Repositioned assets and improved operations               <ul style="list-style-type: none"> <li>– New municipal contracts; MSW permit at Juniper Ridge LF; expanded Southbridge LF; sold BioFuels; acquired BBI; sold Maine Energy</li> </ul> </li> </ul>
<b>#5 - Reducing business risk</b>	<ul style="list-style-type: none"> <li>• Sold non-core, non-performing operations (Maine Energy, BioFuels, GreenFiber, CARES assets)</li> <li>• Changed fiscal year end to better match business cycle</li> <li>• Refinanced Revolver in Feb 2015 (new maturity 2020)</li> </ul>

(1) Excludes low priced soils at the Worcester landfill closure project.

# Results up significantly on strategic execution

## Revenue (\$mm)



## Adj. EBITDA (\$mm) & Margin<sup>(1)</sup>



## Results since FY 2013:

- Revenue growth +\$80.5mm (or +17.7%) mainly driven by Disposal (+\$39.7mm)<sup>(2)</sup>, Collection (+\$23.6mm), and Customer Solutions (+\$18.2mm).
- Adj. EBITDA up +\$12.5mm (or +14.2%) mainly driven by higher landfill volumes and strategic execution.
- Landfill tons up +716k annually (or +20.1%), while increasing pricing by +2.5%.<sup>(3)</sup>
- Residential and Commercial collection price increases accelerating (up +4.3% in Q2 2015).

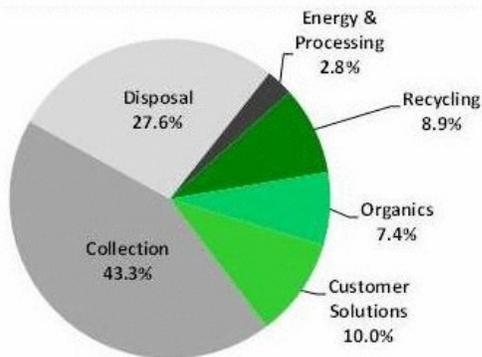
(1) Please refer to the appendix for a reconciliation of Adjusted EBITDA and Adjusted EBITDA Margin to the comparable GAAP numbers.

(2) Disposal Revenue includes Worcester landfill.

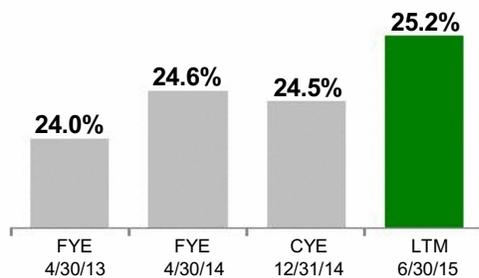
(3) Excludes low-priced soils at the Worcester landfill closure project. (4) CY 2015 Guidance as updated/reaffirmed on 7/29/15.

# Solid Waste operations driving improving margins

## LTM 6/30/15 –Revenue Splits<sup>(1)</sup>



## Solid Waste Adjusted EBITDA Margins



## ~74% revenues in Solid Waste.

- Solid Waste consists of integrated collection, transfer, landfill, energy, and processing.
- Margin improvement driven by higher landfill tons, pricing, cost efficiencies, and asset repositioning.
- Target Adj. EBITDA margins > 27% in 2018.

## ~26% revenues in Resource Solutions.<sup>(1)</sup>

- Resource Solutions consists of recycling, organics, and Customer Solutions operations.
- Recycling margins down on lower commodity pricing; working to improve with SRA Fee, contract resets, and operating efficiencies.
- Organics margins flat; low margin, high return business.
- Customer Solution margins up on Industrials growth and higher G&A leverage.

(1) Resource Solutions includes revenues derived from the Recycling, Organics, and Customer Solutions business units; disclosed as the Recycling and Other segments.

---

## Strategic plan expected to drive significant shareholder value

**Management focused in key areas to increase free cash flow and to reduce debt leverage:**

- 1 Increasing landfill returns
- 2 Driving additional profitability in collection operations
- 3 Creating incremental value through Resource Solutions
- 4 Improving balance sheet and reducing risk

## Strategic plan expected to drive significant shareholder value

### Plan focused on improving Free Cash Flow and reducing debt leverage:

	<b>CY 2015 Guidance Range <sup>(1)</sup></b>	<b>CY 2018 Financial Targets</b>
Revenues	\$525mm to \$535mm	CAGR 1.7% to 2.6%
Adjusted EBITDA <sup>(2)</sup>	\$103mm to \$107mm	\$122mm to \$132mm
Free Cash Flow <sup>(2)</sup>	\$15mm to \$19mm	\$30mm to \$40mm
Total Debt-to-EBITDA <sup>(3)</sup>	N/A	3.25x to 3.75x
Capital Expenditures	\$45mm to \$48mm (8.6% to 9.0% of revenues)	8.7% to 9.5% of revenues

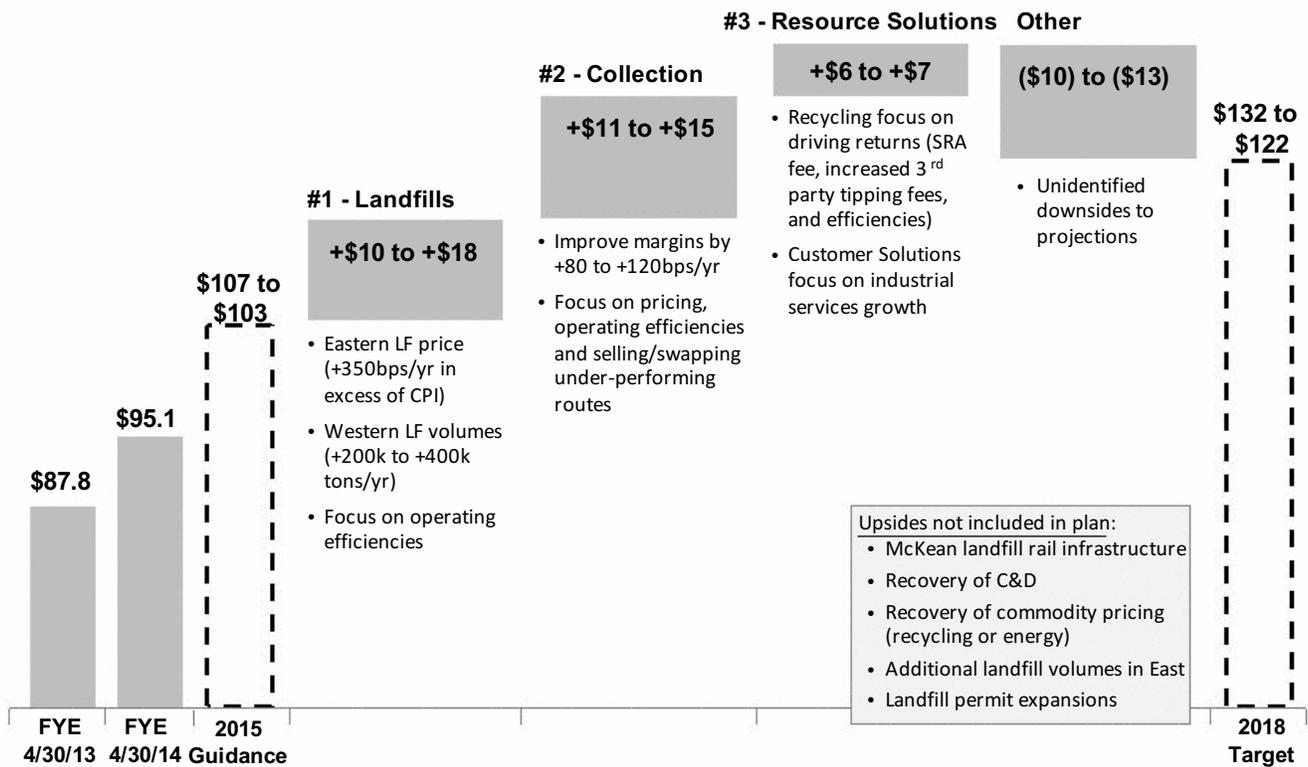
(1) CY 2015 Guidance as updated/reaffirmed on 7/29/15.

(2) Adjusted EBITDA and Free Cash Flow as defined in the appendix reconciliation.

(3) Total Debt-to-EBITDA as defined as "Consolidated Leverage Ratio" in the Company's Loan & Security Agreement dated as of 2/27/15 ("ABL Revolver").

# Strategic initiatives expected to drive profitable growth

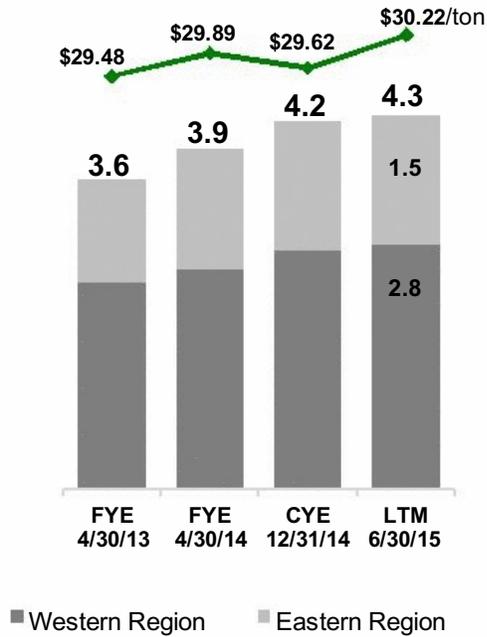
## Adjusted EBITDA Bridge (\$mm)



# 1

## Increasing landfill returns

**Annual Landfill Volumes (mm Tons) and Average Price per Ton<sup>(1)</sup>**



### Landfill Highlights:

- Casella controls 10 landfills in strategic locations across the Northeast.
- Total disposal capacity ~103 mm tons. <sup>(2)</sup>
- Total annual landfill volumes up +716k tons (or +20.1%) since FY 2013.
- Roughly 0.5mm tons of excess annual permitted capacity at 6/30/15.
- Average price per ton up +4.9% in Q2 2015, with strong pricing in Eastern Region (+6.2%).

(1) Annual Landfill Disposal Volumes includes amortizable and non-amortizable tons, excludes low-priced soils at the Worcester landfill closure project.  
 (2) Includes both permitted and permitted air space at landfills.

**Strategy capitalizes on improving market and asset positioning to further improve landfill returns.**

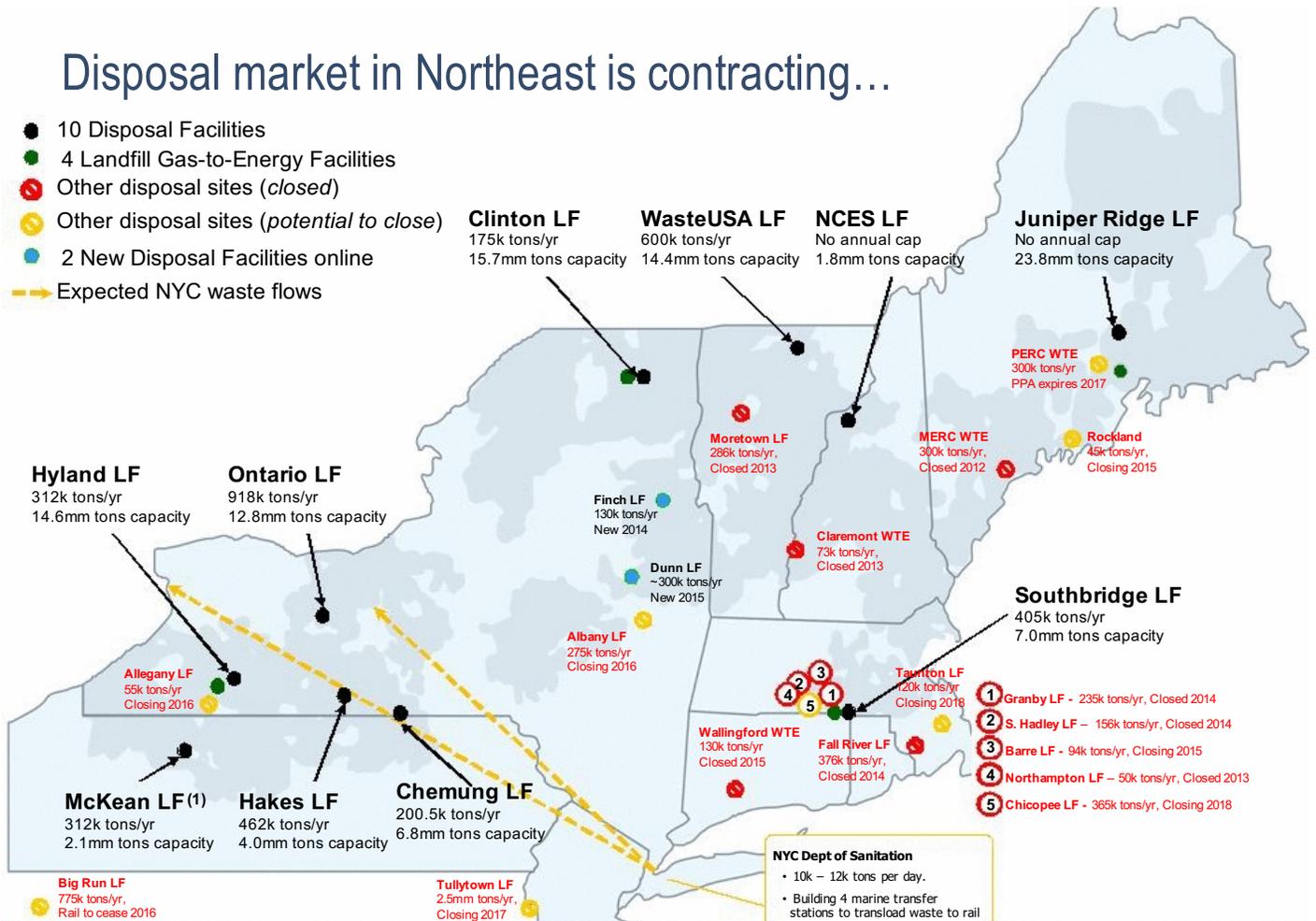
- Eastern Region – focus on pricing; capacity constraints provide tailwind. Goal to increase pricing +350bps/yr in excess of inflation.
- Western Region – focus on maximizing capacity utilization; high margin incremental tons. Goal to increase annual tons by +200k to +400k tons/yr.

**Market dynamics are improving across our footprint area.**

- Disposal site closures (and expected closures) are creating a supply-demand imbalance.
- Within our footprint, roughly 1.5mm tons/yr of disposal capacity has closed since Dec 2012, and an additional 1.3mm tons/yr is expected to permanently close in the next couple years, offset by 0.4mm tons/yr of new disposal capacity (= net closure of 2.4mm tons/yr).
- NYC Dept of Sanitation contracts expected to shift roughly +1.0mm tons/yr of additional waste to competitor landfills in upstate NY (reducing excess capacity in market).
- Tullytown closure in Eastern PA expected to remove over 2.5mm tons/yr of landfill capacity.

# Disposal market in Northeast is contracting...

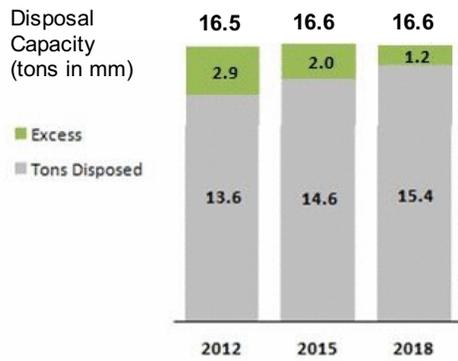
- 10 Disposal Facilities
- 4 Landfill Gas-to-Energy Facilities
- Other disposal sites (closed)
- Other disposal sites (potential to close)
- 2 New Disposal Facilities online
- Expected NYC waste flows



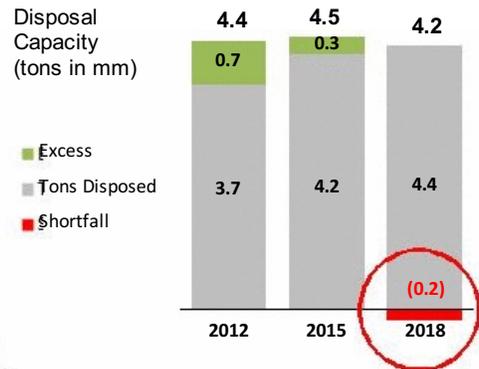
Note: Total disposal capacity includes permitted and permittable airspace estimates at each site as of December 31, (1) Annual capacity does not reflect the 1.5mm tons per year rail permit at McKean LF.

# ...creating a supply-demand imbalance

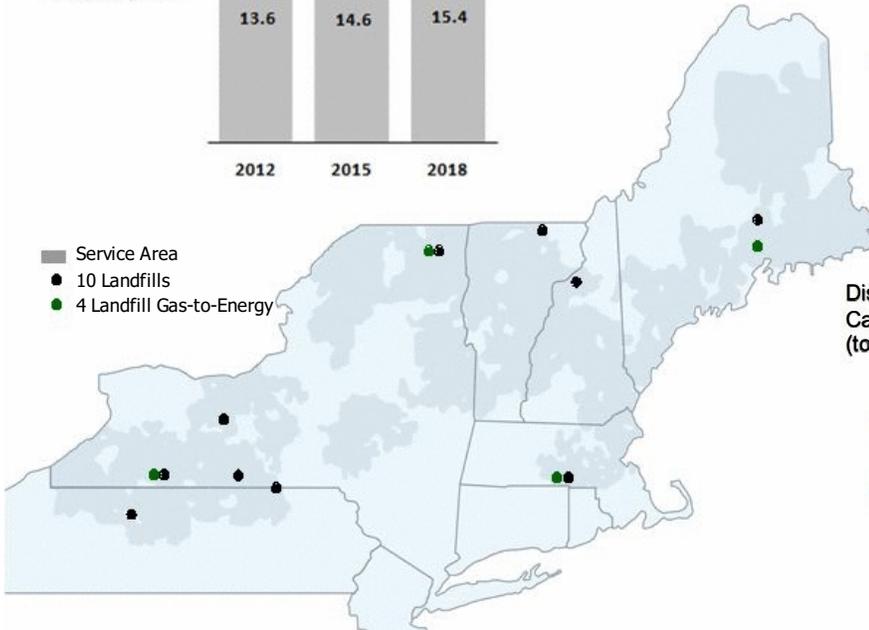
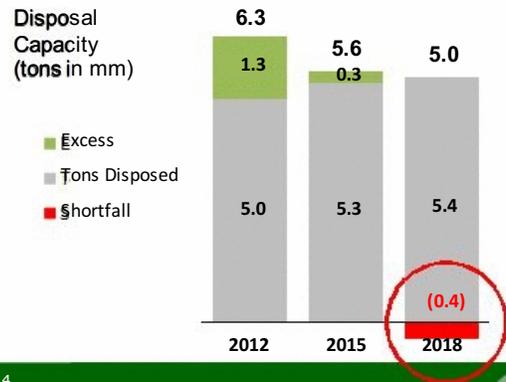
## New York



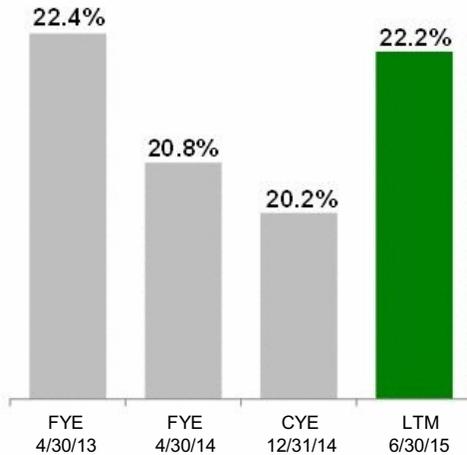
## Vermont, New Hampshire & Maine



## Massachusetts



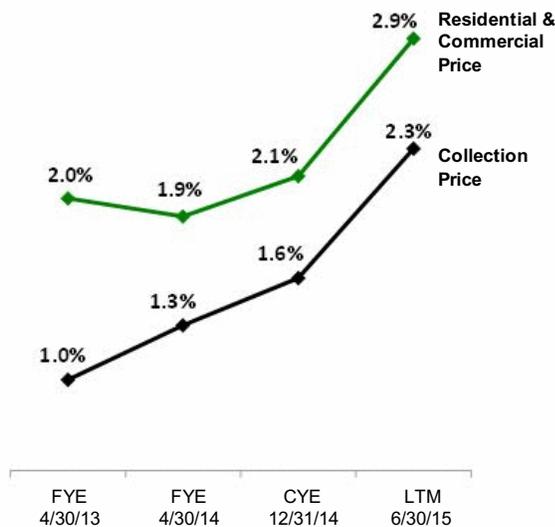
Note: Data collected from active landfill and waste to energy facilities from State Annual Facility Reports in October 2014

Collection Adjusted EBITDA Margins<sup>(1)</sup>**Strategies to improve Collection margins by +80 to 120bps/yr:**

- 1) Pricing over inflation;
- 2) Operating efficiencies; and
- 3) Selling or swapping under-performing routes or operations.

(1) Collection Adjusted EBITDA margins on a last 12 months basis.

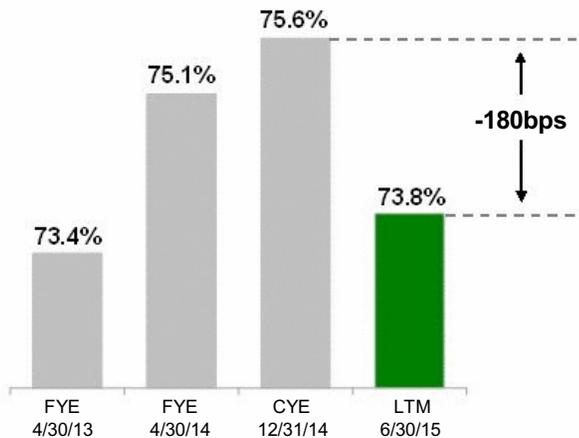
## Collection Price

**(1) Focus on pricing discipline.**

- Residential and commercial pricing up +4.3% YOY in Q2 2015.
- Centralized pricing strategy with a decentralized sales model focused on pricing execution and quality of revenues.
- Launched an SRA fee in Q2 2015 to offset lower recycling commodity values.
- Launched an Environmental Fee on temporary roll-off services in Q3 2015.
- The roll-off market has shown early signs of rebounding, with growth in select markets.

## 2

## Driving additional profitability in collection operations – continued

Collection Cost of Operations as % of Revenues<sup>(1)</sup>**(2) Focus on operating efficiencies.**

- Cost of Operations as a % of revenues down -350bps YOY in Q2 2015.
- Route profitability – improving routing efficiency with new routing tools, marketing improving density, equipment choice.
- Fleet optimization - implementing fleet plan to standardize fleet selection, reduce maintenance costs, reduce spare ratios, and solve lingering fleet issues.
- Reducing volatility by locking in roughly 45% of fuel at fixed forward prices.

**(3) Focus on selling or swapping under-performing routes.**

- Sold low-margin hauling routes for \$0.9mm in total proceeds during Q2 2015.
- Completing review for additional opportunities.

(1) Collection Cost of Operations as a % of Collection Revenues on a last 12 months basis.

### Zero-Sort® Recycling

- Casella operates 6 Zero-Sort MRFs in our integrated footprint.
- Mature facilities operating at ~95% of capacity; new Lewiston, ME MRF online in Q2 2015.
- Recycling volumes up +10.8% YOY for LTM ended 6/30/15. <sup>(1)</sup>
- Reshaping business to reduce commodity risk and improve returns through: higher tipping fees, SRA fee (+\$4.9mm when fully implemented in Q1 2016), operating efficiencies, and contract resets (expect to complete ~50% in next 12 months).

### Customer Solutions

- Resource solutions for Industrial, Municipal, Institutional, and multi-location Retail customers.
- Growth opportunities in the Industrial segment (lower margins with high FCF).
- CS revenues up +16.3% YOY for LTM ended 6/30/15.

### Casella Organics

- Business model is primarily focused on transforming Biosolids into renewable products for fertilization and landscaping.
- Working with partners to transform source separated organics into energy or compost.

(1) Shipped tons from MRFs on a "same store basis".

**Focused over last 2 ½ years on reducing risk, improving the balance sheet, and increasing cash flows:**

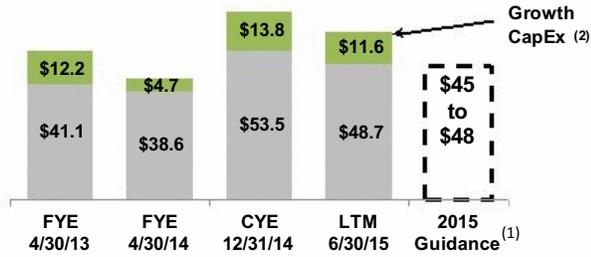
- Dec 2012 – sold Maine Energy for \$6.7mm; eliminated negative cash flow operation. <sup>(1)</sup>
- July 2013 – sold BioFuels for \$2.0mm; eliminated negative cash flow operation.
- Dec 2013 – sold 50% stake in US GreenFiber resulting in \$3.4mm net cash proceeds; eliminated non-integrated, negative cash flow operation. <sup>(2)</sup>
- Dec 2014 – completed environmental remediation and closure at three sites.
- Feb 2015 – refinanced Senior Secured Revolver with new ABL Revolver (LIBOR +225bps); moved out maturities 5-yrs and increased financial flexibility.
- Mar 2015 – sold CARES assets and wholly-owned assets/real estate for \$3.1mm net cash proceeds; eliminated non-integrated, negative cash flow operation.
- Jun 2015 – sold low-margin hauling routes for \$0.9mm in total proceeds.

(1) Maine Energy sold for \$6.7mm to the City of Biddeford, ME, with the purchase price to be paid in equal annual payments over 20 years. As part of the transaction, Casella dismantled the facility and remediated the site.

(2) US GreenFiber sold for \$18.0mm gross proceeds, with \$3.4mm net proceeds for Casella's 50% equity interest.

# Focus on capital discipline driving down capital expenditures

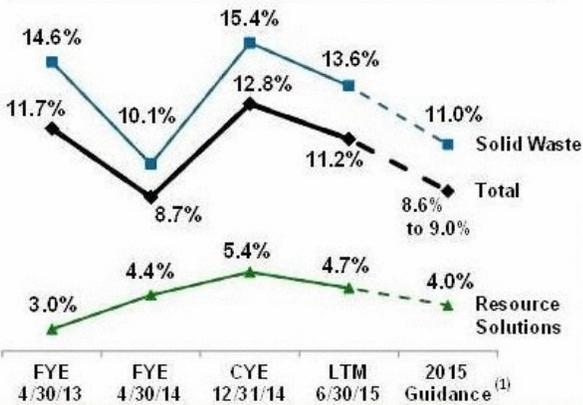
## Capital Expenditures (\$mm)



## Disciplined capital strategy driving down capital expenditures.

- Hurdle rates increased to reduce risk and improve return on invested capital.
- Capital expenditures also down due to the sale/closure of under-performing assets.

## Capital Expenditures as % of revenues



## Capital Expenditures estimated at 8.6% to 9.0% of CY 2015 revenues.

- 74% revenues in integrated Solid Waste and 26% in Resource Solutions (recycling, organics, Customer Solutions, and other).
- Solid Waste CapEx at roughly 11.0% as a % of segment revenues for CY 2015 (in-line with industry average spend).
- Resource Solutions CapEx at roughly 4.0% as a % of revenues for CY 2015.

(1) CY 2015 Guidance as updated/reaffirmed on 7/29/15.

(2) Growth capital expenditures as defined in the Appendix.

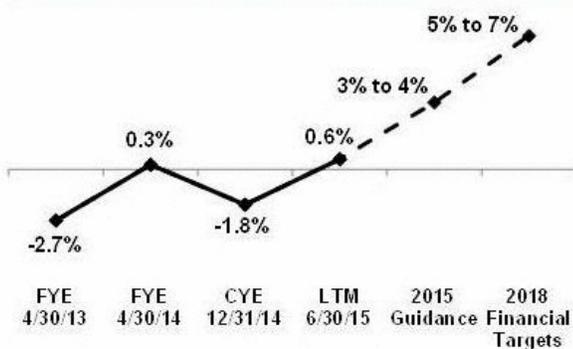
(3) Resource Solutions is comprised of the Recycling and Other reporting segments.

# Strategic execution driving higher Free Cash Flows

**Free Cash Flow (\$mm)<sup>(1), (2)</sup>**



**Free Cash Flow Yield (as % of revenues)<sup>(2)</sup>**



## Focused on improving Free Cash Flow:

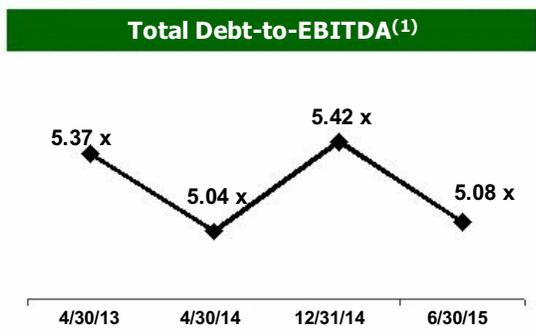
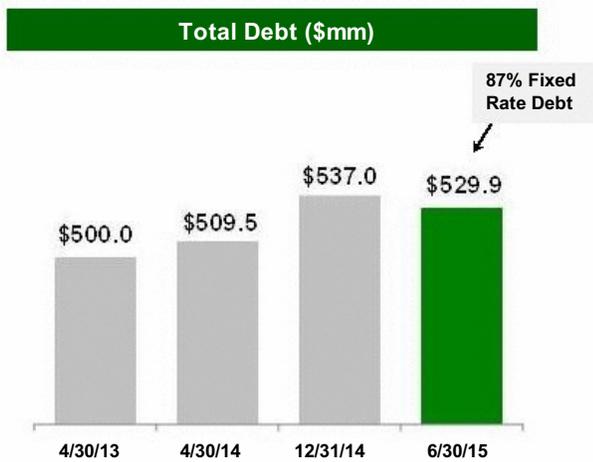
- Free Cash Flow +\$10.8mm YTD 6/30/15.
- Strategic actions taken since Dec 2012 have reduced risk and improved free cash flows.
- Plan to use excess cash to repay high cost debt, along with select strategic tuck-in acquisitions or investments.
- Driving higher FCF through operating cash flows, lower interest costs, and maintaining strict capital discipline.
- Tax loss carryforwards will help to accelerate delevering (as of 12/31/14, \$89.5mm of Federal NOLs and tax credits).<sup>(3)</sup>

(1) Free Cash Flow as defined in the appendix reconciliation.

(2) CY 2015 Guidance as updated/reaffirmed on 7/29/15; CY 2018 Financial Targets as presented on 8/11/15.

(3) Total tax carryforwards include \$83.1mm of Federal NOLs and \$6.4mm of Federal tax credits; total tax carryforwards exclude \$100.4mm of State NOLs.

# Capital structure provides runway and flexibility to execute strategy



## Paid down \$18.7mm of debt and reduced debt leverage by -0.35x in Q2 2015<sup>(1)</sup>

- Borrowing Availability \$58.8mm on 6/30/15.<sup>(3)</sup>
- Plan to further pay down debt and reduce leverage through the remainder of 2015.

## Next major debt maturity is the 7.75% Senior Sub Notes due Feb 2019.

- New \$190mm ABL Revolver (due Feb 2020) creates additional financial flexibility.
- ABL Revolver allows prepayment of Senior Sub Notes with excess cash (enabling repayment of our highest cost debt, 7.75% interest rate).
- Continue to add tax-exempt SW Disposal Revenue bonds to capital structure to reduce cost of long-term debt (~17% of debt).<sup>(2)</sup>

(1) Total Debt-to-EBITDA as defined as "Consolidated Leverage Ratio" in the Company's Loan & Security Agreement dated as of 2/27/15 ("ABL Revolver"); as reconciled in the Appendix.  
 (2) As of 6/30/15, \$77.0mm of SW Disposal Revenue bonds; expect to close \$15.0mm FAME bond on 8/27/15.  
 (3) As of 6/30/15, our Borrowing Availability under the ABL Facility was calculated as a borrowing base of \$150.4mm, less revolver borrowings of \$64.7mm, less outstanding irrevocable letters of credit totaling \$27.0mm, at which date no amount had been drawn.

# Casella's value drivers...

**Valuable integrated solid waste assets in disposal limited Northeast markets.**

**Management focused on increasing Free Cash Flow and reducing debt leverage.**

**Results demonstrate strong execution of plan.**

**Near term focus of team:**

- *Improving landfill returns;*
- *Driving profitability of collection operations;*
- *Creating value through Resource Solutions;*
- *Improving balance sheet & reducing risk.*



## Important Additional Information

This presentation may be deemed to be soliciting material in respect of the solicitation of proxies from stockholders in connection with Casella Waste Systems, Inc.'s 2015 Annual Meeting of Stockholders. Casella, its directors and certain of its executive officers are deemed to be participants in the solicitation of proxies from Casella's stockholders in connection with the matters to be considered at Casella's 2015 Annual Meeting of Stockholders. On September 4, 2015, Casella filed a preliminary Proxy Statement and accompanying preliminary **WHITE** proxy card with the Securities and Exchange Commission ("SEC") in connection with the solicitation of proxies from Casella stockholders in connection with the matters to be considered at Casella's 2015 Annual Meeting of Stockholders. Information regarding the identity of participants, and their direct or indirect interests, by security holdings or otherwise, is set forth in such preliminary Proxy Statement, including the schedules and appendices thereto. **INVESTORS AND STOCKHOLDERS ARE STRONGLY ENCOURAGED TO READ SUCH PROXY STATEMENT, THE ACCOMPANYING WHITE PROXY CARD AND OTHER DOCUMENTS FILED BY CASELLA WITH THE SEC CAREFULLY AND IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE AS THEY WILL CONTAIN IMPORTANT INFORMATION.** Stockholders may obtain the preliminary Proxy Statement, any amendments or supplements to the preliminary Proxy Statement, the accompanying preliminary **WHITE** proxy card, and any other documents filed by Casella with the SEC for no charge at the SEC's website at [www.sec.gov](http://www.sec.gov). Copies are also available at no charge at the Investor Relations section of Casella's corporate website at [www.casella.com](http://www.casella.com), by writing to Casella's Corporate Secretary at Casella Waste Systems, Inc., 25 Greens Hill Lane, Rutland, VT 05701, or by calling Casella's Corporate Secretary at (802) 772-2257.



# Appendix

## Independent Board oversight and enhanced corporate governance

### Independent Board leadership and oversight aligned with the interests of long-term stockholders

- All non-management directors are independent (7 of 9).
- Independent directors meet without management.
- Highly-qualified and experienced Lead Independent Director (Gregory B. Peters).
- Casella Board members and executives beneficially own, in the aggregate, 9% of the outstanding shares of Casella's common stock.
- 2 new highly-qualified independent directors added in the past 3 months - waste management industry veterans, William P. Hulligan and James E. O'Connor - who each bring more than 40 years of waste management industry experience and fresh perspectives and insights.

### Enhanced corporate governance practices further the ability of the Board and management to serve the long-term interests of stockholders

- Adopted a majority vote resignation policy for the election of directors requiring the submission of a letter of resignation by any incumbent director who did not receive a majority of the votes cast in an uncontested election of directors.
- Adopted a policy restricting the hedging and pledging of common stock by directors/executives.
- Adopted a stock ownership policy for executives (which supplements the stock ownership guidelines that were already in place for the members of the Casella Board).
- Adopted a compensation clawback policy applicable to all executives.
- Adopted an amendment to Casella's 2006 Stock Incentive Plan to provide that the Board may not cancel in exchange for a cash payment any outstanding option with an exercise price per share above the then-current fair market value or take any other action under the Plan that constitutes a "repricing" under NASDAQ rules.
- Adopted a policy (by resolution of the Casella Board) that any new employment agreements to be entered into by Casella will not contain any provisions providing for gross-up payments for excise taxes paid under Section 4999 of the Internal Revenue Code of 1986, as amended.

# Highly-qualified, experienced and engaged Board of Directors

## **John W. Casella\***

- CEO of Casella
- Close to 40 years of experience in the waste management industry
- Member of numerous industry related and community service-related state and local boards and commissions, including the National Recycling Coalition, Board of Directors of the Associated Industries of Vermont, the Association of Vermont Recyclers, the Vermont State Chamber of Commerce, and the Rutland Industrial Development Corporation

## **Douglas R. Casella**

- Founded Casella in 1975
- President of Casella Construction, Inc.
- Over 40 years of experience in the waste management industry

## **Michael K. Burke**

### **Audit Committee, Nominations & Governance Committee**

- Member of the Casella Board since 2008
- Former CFO of a number of publicly-traded companies, including Landauer, Inc., Albany International Corp. and Intermagnetics General Corporation
- Former investment banking executive at CIBC Oppenheimer Corp.

## **James F. Callahan, Jr.**

### **Audit Committee (Chair), Nominations & Governance Committee**

- Member of the Casella Board since 2003
- Former Audit Partner at Arthur Andersen LLP

## **Joseph G. Doody**

### **Compensation Committee (Chair)**

- Member of the Casella Board since 2004
- Vice Chairman of Staples, Inc.
- Former President of North American Commercial of Staples, Inc.
- Previously spent more than 2 decades at Eastman Kodak Company where he held various senior management positions
- Member of the Board of Directors of Paychex, Inc.

## **Emily Nagle Green**

### **Compensation Committee**

- Member of the Casella Board since 2012
- Former CEO of Smart Lunches, Inc., an online fresh meal delivery service
- Former CEO and a member of the Board of Directors of Yankee Group
- Former President and CEO of Cambridge Energy Research

## **William P. Hulligan\***

### **Audit Committee**

- Member of the Casella Board since 2015
- Over 40 years of experience in the waste management industry
- Former President and COO of Progressive Waste Solutions Ltd.
- Former President of IESI Corporation, the 3<sup>rd</sup> largest waste management company in North America
- Former EVP of North America Operations of Waste Services, Inc.
- Over 20 years at Waste Management, Inc. where he held various senior management positions, including EVP
- Previous public company board experience (including waste management cos.)

## **James E. O'Connor\***

### **Compensation Committee**

- Member of the Casella Board since 2015
- Over 40 years of experience in the waste management industry
- Former Chairman and CEO of Republic Services, Inc.
- Previously spent close to 30 years at Waste Management, Inc. where he held various senior management positions
- Previous public company board experience (including waste management cos.)

## **Gregory B. Peters**

### **Lead Independent Director, Compensation Committee Audit Committee, Nominations and Governance Committee (Chair)**

- Member of the Casella Board since 1993
- Managing general partner of Lake Champlain Capital Management, LLC,
- Previously served as managing general partner of Vermont Venture Capital Partners, L.P.

\*Standing for Election at 2015 Annual Meeting of Stockholders

## Recent additions to Board of two waste management industry veterans

### William P. Hulligan

- Joined Casella Board in September 2015
- Over 40 years of experience in the waste management industry
- Former President and COO of Progressive Waste Solutions Ltd.
- Former President of IESI Corporation, the third largest waste management company in North America
- Former EVP of North America Operations of Waste Services, Inc.
- Over 20 years at Waste Management, Inc., the largest waste management company in North America, where he held various senior management positions, including EVP
- Previously served as a member of the Board of Directors of two publicly-traded waste management companies, EarthCare Company (where he served on the Audit Committee and the Executive Committee) and OHM Corporation (where he served on the Executive Committee)
- Previous service on the Board of Directors of the Environmental Industry Association as well as on the Board of Trustees at John Carroll University and Bradley University
- Determined to be independent under NASDAQ rules
- Serves on Audit Committee

### James E. O'Connor

- Joined Casella Board in July 2015
- Over 40 years of experience in the waste management industry
- Former Chairman and CEO of Republic Services, Inc., the second largest waste management company in North America, where he led the transformation of the company from one with \$1.4 billion in annual revenues into one with more than \$8 billion in revenues, making it one of the largest waste management companies in the world.
- Close to 30 years at Waste Management, Inc. where he held various senior management positions
- Member of the Board of Directors of Clean Energy Fuels Corp., a provider of natural gas fuel for transportation in North America, where he serves on the Compensation Committee and the Nominating and Corporate Governance Committee, and the Canadian National Railway Company, where he chairs the board's Strategic Planning Committee and also serves on the Audit, Environmental & Safety and Finance Committees
- Determined to be independent under NASDAQ rules
- Serves on Compensation Committee

# Reconciliation of Adjusted EBITDA

## Non-GAAP Reconciliation of Adjusted EBITDA to Net Loss

(\$ in thousands)

	Fiscal Year ended		12 months ended		12 months ended		6 months ended	
	April 30,		Dec. 31, 2014		June 30, 2015		June 30, 2015	
	2013	2014						
<b>Revenue</b>	\$ 455,335	\$ 497,633	\$ 525,938	\$ 535,754	\$ 260,292			
Net loss	\$ (54,463)	\$ (27,404)	\$ (29,136)	\$ (12,169)	\$ (7,021)			
Loss on disposal of discontinued operations, net	-	378	-	-	-			
Loss (income) from discontinued operations, net	4,480	(284)	-	-	-			
(Benefit) provision for income taxes	(2,526)	1,799	1,340	1,423	914			
Other expense (income), net	23,501	(436)	1,849	2,348	510			
Interest expense, net	41,429	37,863	38,082	39,148	20,065			
Gain on settlement of acquisition related contingent consideration	-	(1,058)	(1,058)	-	-			
Loss (gain) from divestiture, acquisition and financing costs	1,410	144	(529)	(553)	-			
Severance and reorganization costs	3,709	586	426	(4)	-			
Environmental remediation charge	-	400	950	950	-			
Development project charge	-	1,394	1,394	-	-			
Divestiture transactions	-	7,455	7,455	(5,611)	(5,611)			
Depreciation and amortization	56,576	60,339	61,206	60,421	29,990			
Fiscal year-end transition costs	-	-	538	538	-			
Proxy contest costs	-	-	-	284	284			
Tax settlement costs	679	-	-	-	-			
Depletion of landfill operating lease obligations	9,372	9,948	10,725	10,046	4,359			
Interest accretion on landfill and environmental remediation liabilities	3,675	3,985	3,606	3,484	1,704			
<b>Adjusted EBITDA</b>	\$ 87,842	\$ 95,108	\$ 96,848	\$ 100,305	\$ 45,194			
<b>Adjusted EBITDA Margin (%)</b>	<b>19.3%</b>	<b>19.1%</b>	<b>18.4%</b>	<b>18.7%</b>	<b>17.4%</b>			

# Reconciliation of Free Cash Flow and Capital Expenditure detail

## Non-GAAP Reconciliation of Free Cash Flow

(\$ in thousands)

	Fiscal Year ended		12 months ended	12 months ended	6 months ended
	April 30,				
	2013	2014			
<b>Net Cash Provided By Operating Activities</b>	\$ 43,906	\$ 49,642	\$ 62,158	\$ 63,601	\$ 23,889
Capital expenditures	(53,281)	(43,326)	(67,252)	(60,258)	(16,311)
Payments on landfill operating lease contracts	(6,261)	(6,505)	(5,440)	(5,339)	(1,425)
Proceeds from divestiture transactions	-	-	-	5,335	5,335
Proceeds from sale of property and equipment	883	1,524	815	626	259
Proceeds from property insurance settlement	-	-	-	546	546
Contributions from (distribution to) noncontrolling interest holders	2,531	-	-	(1,495)	(1,495)
<b>Free Cash Flow</b>	\$ (12,222)	\$ 1,335	\$ (9,719)	\$ 3,016	\$ 10,798

## Capital Expenditure Detail

(\$ in thousands)

	Fiscal Year ended		12 months ended	12 months ended	6 months ended
	April 30,				
	2013	2014			
<b>Total Growth Capital Expenditures</b>	\$ 12,192	\$ 4,664	\$ 13,789	\$ 11,553	\$ 2,449
<b>Replacement Capital Expenditures:</b>					
Landfill construction & equipment	29,617	24,019	23,216	19,506	5,618
Vehicles, machinery / equipment and containers	8,552	10,465	25,102	23,719	6,707
Facilities	2,254	3,170	3,605	3,318	503
Other	666	1,008	1,540	2,161	1,034
<b>Total Replacement Capital Expenditures</b>	<b>41,089</b>	<b>38,662</b>	<b>53,463</b>	<b>48,704</b>	<b>13,862</b>
<b>Total Capital Expenditures</b>	\$ <b>53,281</b>	\$ <b>43,326</b>	\$ <b>67,252</b>	\$ <b>60,257</b>	\$ <b>16,311</b>

# Reconciliation of Consolidated Leverage Ratio

## Reconciliation of Consolidated EBITDA (as defined by ABL Revolver) to Net cash provided by operating activities

(\$ in millions)	Fiscal Year ended		12 months ended	12 months ended
	2013	April 30, 2014		
Net cash provided by operating activities	\$ 43.9	\$ 49.6	\$ 62.2	\$ 63.6
Changes in assets and liabilities, net of effects of acquisitions and divestitures	(0.6)	9.2	(2.2)	(1.4)
Divestiture transactions	-	(7.5)	(6.9)	6.2
Gain on sale of property and equipment	0.4	0.8	0.5	0.2
Gain (loss) on sale of equity method investment	-	0.6	(0.2)	-
Loss on debt extinguishment	(15.6)	-	-	(0.5)
Stock based compensation and related severance expense, net of excess tax benefit	(2.4)	(2.4)	(2.3)	(2.5)
Development project charge	-	(1.4)	(1.4)	-
Impairment of investment	-	-	(2.3)	(2.3)
Loss on derivative instruments	(4.5)	(0.3)	(0.6)	(0.3)
Interest expense, less discount on long-term debt	40.9	37.9	38.2	39.2
Provision for income taxes, net of deferred taxes	1.0	0.2	0.2	0.6
Gain on settlement of acquisition related contingent consideration	-	1.1	1.1	-
EBITDA adjustment as allowed by the ABL Facility agreement	2.8	9.3	7.5	(2.9)
Other adjustments as allowed by the ABL Facility agreement	27.1	4.0	5.3	4.5
<b>Minimum consolidated EBITDA</b>	<b>\$ 93.0</b>	<b>\$ 101.1</b>	<b>\$ 99.1</b>	<b>\$ 104.4</b>
Total Debt	\$ 500.0	\$ 509.5	\$ 537.0	\$ 529.9
Consolidated Leverage Ratio (Total Debt-to-EBITDA)	5.37	5.04	5.42	5.08