Casella Waste Systems, Inc.

Baird Global Industrial Conference

November 8, 2022

Safe Harbor Statement

Certain matters discussed in this press release, including, but not limited to, the statements regarding our intentions, beliefs or current expectations concerning, among other things, our financial performance; financial condition; operations and services; prospects; growth; strategies; anticipated impacts from future or completed acquisitions; and guidance for fiscal year 2022, 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,” "will," “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 the Company operates and management’s beliefs and assumptions. The Company cannot guarantee that it actually will achieve the financial results, plans, intentions, expectations or guidance disclosed in the forward-looking statements made. Such forward-looking statements, and all phases of the Company's 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 its forward-looking statements.

Such risks and uncertainties include or relate to, among other things, the following: the Company may be unable to adequately increase prices or drive operating efficiencies to adequately offset increased costs and inflationary pressures, including increased fuel prices and wages; it is challenging to predict the duration and scope of the novel coronavirus pandemic and its negative effect on the economy, our operations and financial results; it is difficult to determine the timing or future impact of a sustained economic slowdown that could negatively affect our operations and financial results; the capping and closure of the Subtitle D landfill located in Southbridge, Massachusetts ("Southbridge Landfill") could result in material unexpected costs; recent changes in solid waste laws of the State of Maine may result in lower revenues or higher operating costs; adverse weather conditions may negatively impact the Company's revenues and its operating margin; the Company may be unable to increase volumes at its landfills or improve its route profitability; the Company 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 the Company's control; the Company may be required to incur capital expenditures in excess of its estimates; the Company's insurance coverage and self-insurance reserves may be inadequate to cover all of its significant risk exposures; fluctuations in energy pricing or the commodity pricing of its recyclables may make it more difficult for the Company to predict its results of operations or meet its estimates; the Company may be unable to achieve its acquisition or development targets on favorable pricing or at all; the Company may not be able to successfully integrate acquired businesses; and the Company may incur environmental charges or asset impairments in the future.

There are a number of other important risks and uncertainties that could cause the Company's 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 the Company's most recently filed Form 10-K, Form 10-Q, and in other filings that the Company may make with the Securities and Exchange Commission in the future.

The Company undertakes no obligation to update publicly any forward-looking statements whether as a result of new information, future events or otherwise, except as required by law.

Casella Waste Systems - Overview

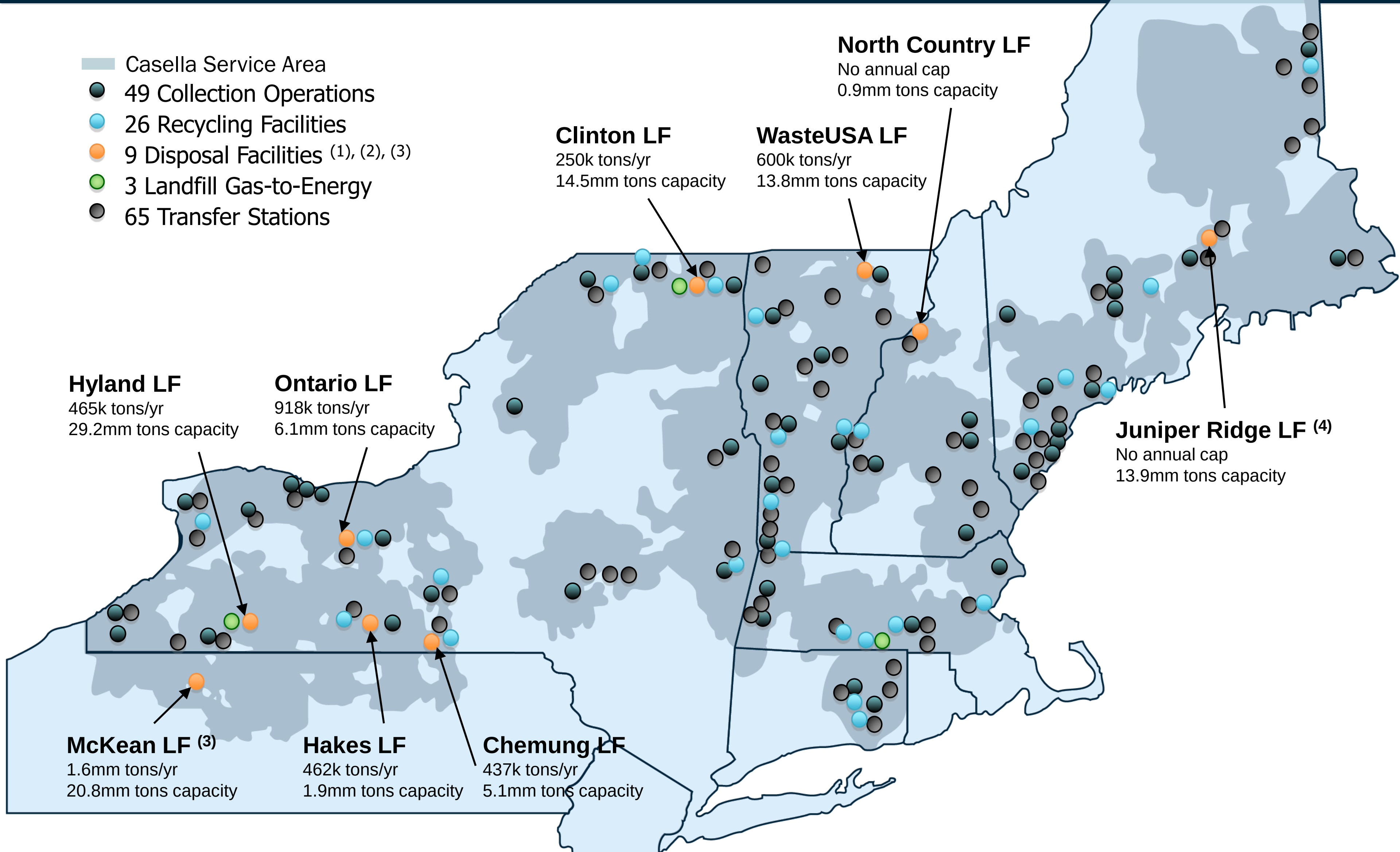
Casella provides integrated solid waste, recycling and resource services.

- $1.055 billion of revenues for the 12-months ended 9/30/22.
- Integrated operations located in seven northeast states.
- Emphasis on integrated solid waste and recycling operations including collection, disposal, and Resource Solutions.

Focused on providing customers with waste and resource solutions.

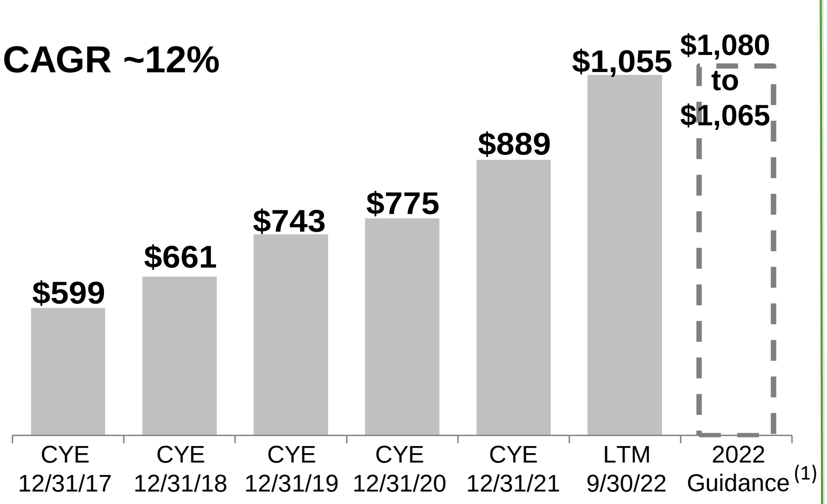
- Waste and resource assets are well positioned in the northeast.
- Robust transfer network allows us to effectively move waste and recyclables to our disposal & processing facilities.
- Provide customers with value-added Resource Solutions services.

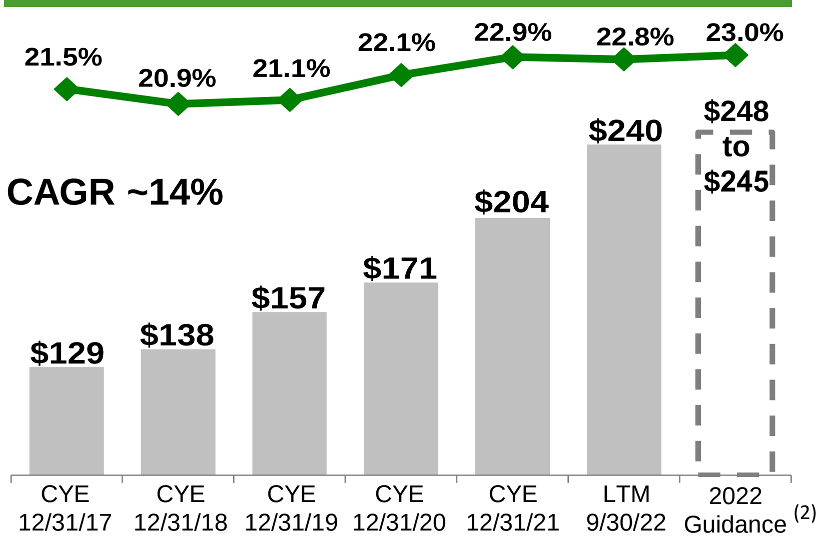
Casella Operations



(1) Includes 8 Subtitle D landfills and 1 landfill permitted to accept construction and demolition materials. (2) Total disposal capacity includes permitted and permittable airspace estimates at each site as of 12/31/21. (3) McKean permit allows for a maximum of 6,500 tons per day from either A) up to 6,500 tons per day via rail or B) up to 2,000 tons per day via truck with the remaining daily limit coming by rail; capped at an average of 6,000 tons per day within any calendar quarter.

Results up significantly on strategic execution





Solid results for Q3 2022 year-over-year:

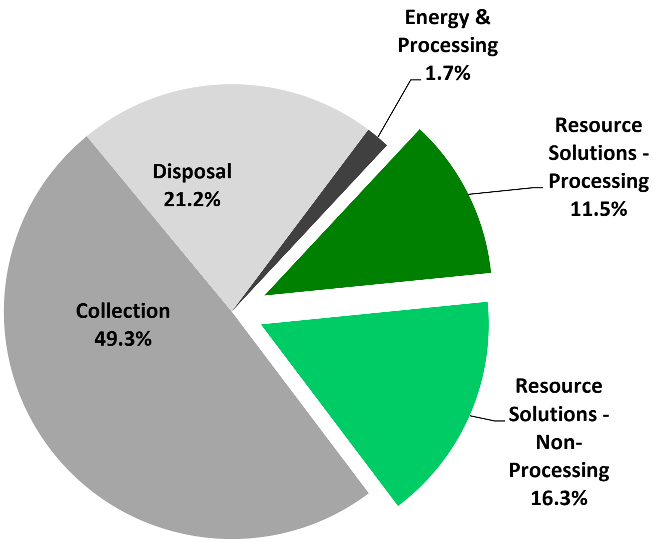
- Consolidated revenues up +22.0% YOY in Q3.
- Revenue growth driven by +13.5% organic growth and +8.5% acquisition contribution.
- Solid waste price up +6.6%; collection price up +7.2% and disposal price up +6.0%.
  - Pricing programs recalibrated early in 2022 to better combat inflation.
- Fuel cost recovery programs fully offsetting higher fuel costs.
- Net Income up +$6.8mm YOY in Q3.
- Adj. EBITDA up +$13.8mm (or +22.5%) driven by strength in the core business (operating efficiency initiatives, positive price, and our risk mitigating fuel cost recovery program), acquisition activity, and strategic execution.

(1) CY 2022 Guidance as announced on 2/17/22 and updated on 4/28/2022, raised on 7/28/22, and updated on 10/27/22.

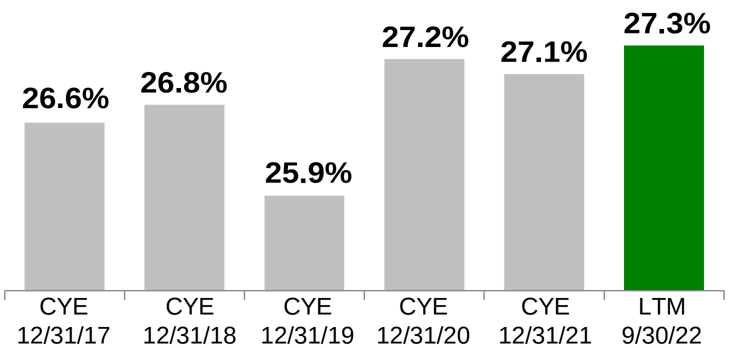
(2) Please refer to the appendix for further information and a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure, which is Net Income (Loss). Net loss was ($21.8mm) for the fiscal year ended 12/31/17. Net income was $6.4mm for the fiscal year ended 12/31/18, $31.7 for the fiscal year ended 12/31/19, $91.1mm for the fiscal year ended 12/31/20, $41.1mm for the fiscal year ended 12/31/21, and $53.8mm for the 12-months ended 9/30/22.

Solid Waste operations driving improving margins

LTM 9/30/22 – Revenue Splits



Solid Waste Adjusted EBITDA Margins



~72% revenues in Solid Waste.

- Solid Waste consists of integrated collection, transfer, landfill, energy, and processing services.
- Focus on pricing programs, cost efficiencies, and asset utilization, and acquisitions.
- SW Adj. EBITDA margins up +140bps since 2019.

~28% revenues in Resource Solutions.

- Resource Solutions consists of processing operations such as recycling and organic material processing facilities and non-processing operations such as brokerage and resource management services.
- Recycling business implementation of our SRA Fee, contract resets, and operating efficiencies driving higher margins.

2022 guidance ranges

Select 2022 guidance raised for the third time in fiscal year 2022 with Q3 earnings due to strong operational efficiencies, robust pricing programs, and contribution from acquisitions.

	CY 2021 Actuals		CY 2022 Guidance Ranges (1)	
Revenues	$889.2mm	➡	$1,065mm to $1,080mm	+19.8% to +21.5%
Net Income	$41.1mm		$53mm to $56mm	+29.0% to +36.3%
Adjusted EBITDA (2)	$203.6mm	➡	$245mm to $248mm	+20.3% to +21.8%
Net Cash Provided by Operating Activities	$182.7mm		$210mm to $214mm	+14.9% to +17.1%
Adjusted Free Cash Flow (3)	$95.3mm	➡	$106mm to $110mm	+11.2% to +15.4%

(1) CY 2022 Revised Guidance Ranges as announced on 2/17/22 and updated on 4/28/22, raised on 7/28/22, and updated on 10/27/22.

(2) Please refer to appendix for a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure, which is Net income (loss).

(3) Please refer to appendix for a reconciliation of Adjusted Free Cash Flow to the most directly comparable GAAP measure, which is net cash provided by operating activities.

2024 Strategic Plan

Juniper Ridge Landfill

2024 Strategic plan expected to further drive shareholder value

The key strategies of our 2024 Plan are similar to the 2021 Plan with the 2024 Plan introducing Foundational Pillars as areas of focus and disciplined investment that enable and support execution against the overall plan.

Key Strategies

1. **Increasing landfill returns**
2. **Driving additional profitability in collection operations**
3. **Creating incremental value through Resource Solutions**
4. **Allocating capital to return driven growth**
5. **Strengthening Foundational Pillars**
   - **People**
   - **Sustainable Growth**
   - **Technology**
   - **Facilities**

Alignment to ESG Goals

Financial Framework

- Organic revenue growth targeted at +4% to +5% per year.
- Greater than $30mm per year of revenues through acquisition or development activity. Opportunistic, not budgeted, with strict capital hurdle rates and process.
- Adjusted Free Cash Flow growth of +10% to +15% per year.
- Consolidated Net Leverage targeted at less than 3.25x.

Environmental, Social, and Governance (ESG)

Strategic alignment to ESG.

- We take pride in our history of better enabling our customers and the communities we serve to meet sustainability related goals.
- Emphasis on providing safe and sustainable environmental services.
- Founding member of EPA Climate Leaders program in 2005, with a reduction of our Scope 1 and 2 greenhouse gas emissions of -45% from 2005 to 2010.

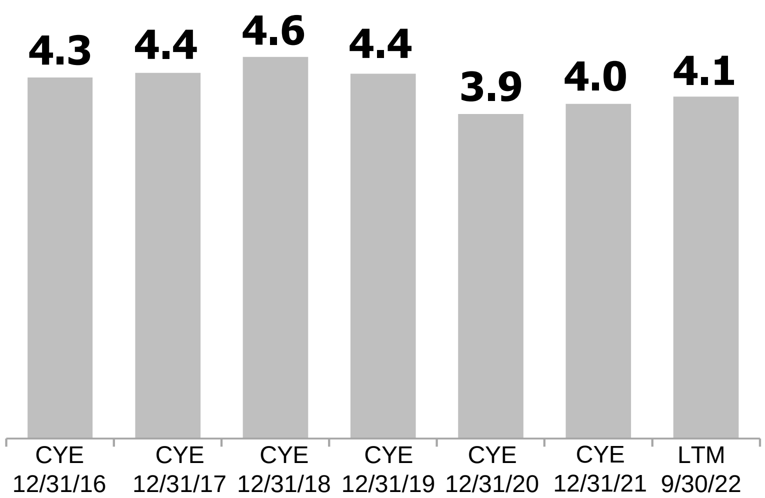
Focus on enhancing public disclosures.

- ESG related disclosures, such as our most recent Sustainability Accounting Standards Board **(“SASB”)** report, Carbon Disclosure Project **(“CDP”)** questionnaire response, and our **Sustainability Reports** are located within our ESG Practices website.

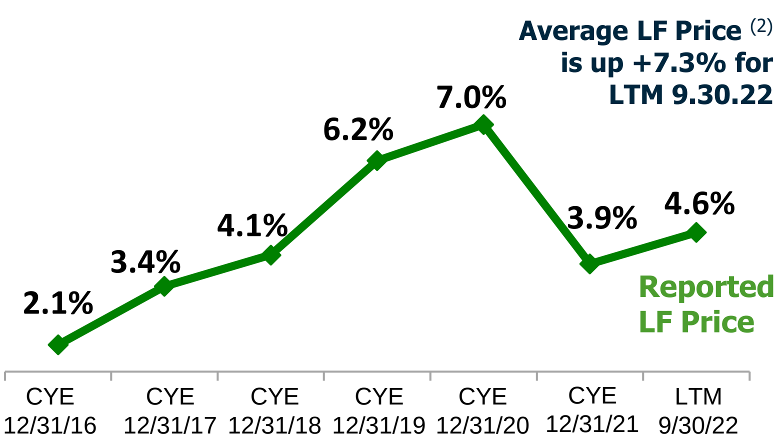
  ir.casella.com/esg-practices

1 Increasing landfill returns

Annual Landfill Volumes (mm Tons) [1]



Landfill Price Growth



Landfill Highlights:

- Total disposal capacity ~106.0mm tons.[3]
- Roughly 0.8mm tons/yr of excess annual permitted capacity at 12/31/21.
- Jan 2016 - Hyland LF annual permit increased by +150k tons/yr.
- Jan 2016 - Ontario LF total permitted capacity increased by +15.7mm cyds.
- Jun 2016 - Chemung LF total permitted capacity increased by +8.2mm cyds and increased the annual permit by 237k tons/yr.
- Jun 2017 - Juniper Ridge LF total permitted capacity increased by +9.4mm cyds.
- Aug 2018 – Clinton LF annual permit increased by +75k tons/yr.
- Jul 2019 – WasteUSA LF total permitted capacity increased by +13.7mm CYDS.
- Dec 2019 – Hakes LF permitted capacity increased by +2.7mm cyds.
- Oct 2020 – North Country LF permitted capacity increased by +1.2mm cyds.

(1) Annual Landfill Disposal Volumes include amortizable and non-amortizable tons.
(2) Average landfill price per ton considers all tons and all customers.
(3) Includes both permitted and permittable airspace at landfills as of 12/31/21.

1 Increasing landfill returns - continued

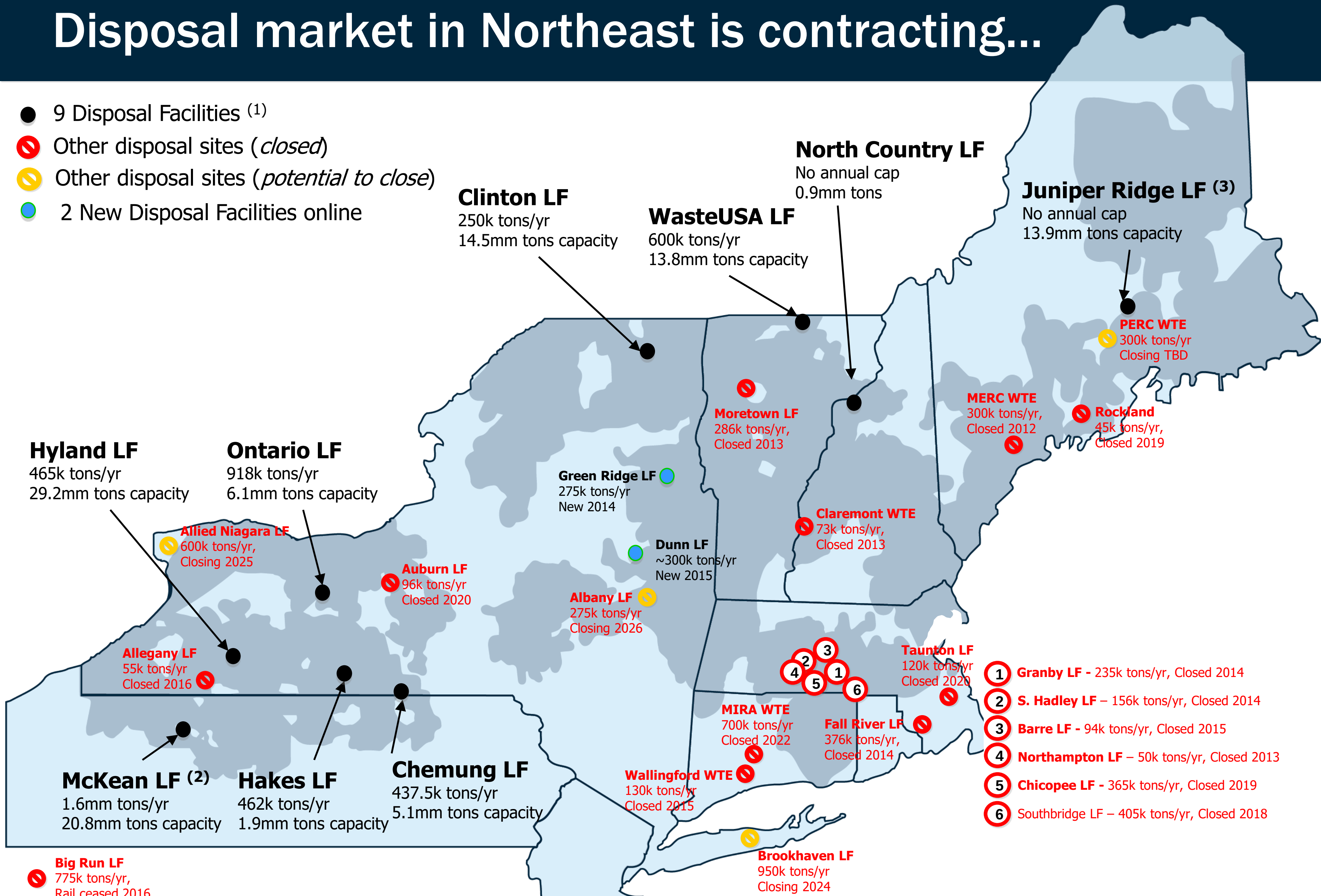
Strategy capitalizes on improving market and asset positioning to further improve landfill returns.

- 9/30/22 LTM average landfill price per ton up +7.3% with continued tightening disposal capacity across the northeast.
- Landfill tons up +3.3% YOY for the 12-months ended 9/30/22.
- Continued focus on key operational initiatives.

Market dynamics are improving across our footprint area.

- Disposal site closures (and expected closures) are creating a supply-demand imbalance.
- Within our footprint, roughly 3.4mm tons/yr of disposal capacity has closed since Dec 2012, and an additional 2.1mm tons/yr of disposal capacity is expected to permanently close in the next several years, offset by 0.4mm tons/yr of new disposal capacity (= **net closure of -5.1mm tons/yr**).

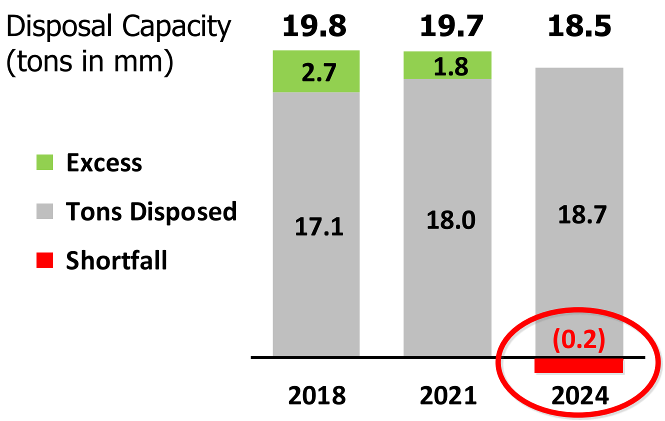
Disposal market in Northeast is contracting…



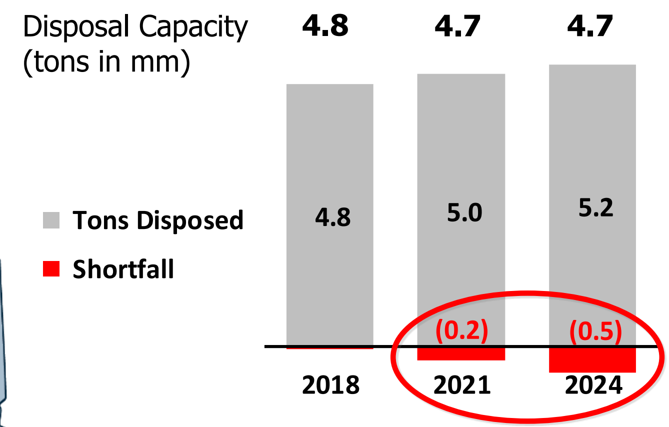
(1) Total disposal capacity includes permitted and permittable airspace estimates at each site as of 12/31/21; (2) McKean permit of a maximum of 6,500 tons per day, with up to 6,500 tons per day via rail or up to 2,000 tons per day via truck and up to 4,500 tons per day via rail; capped at an average of 6,000 tons per day within any calendar quarter.

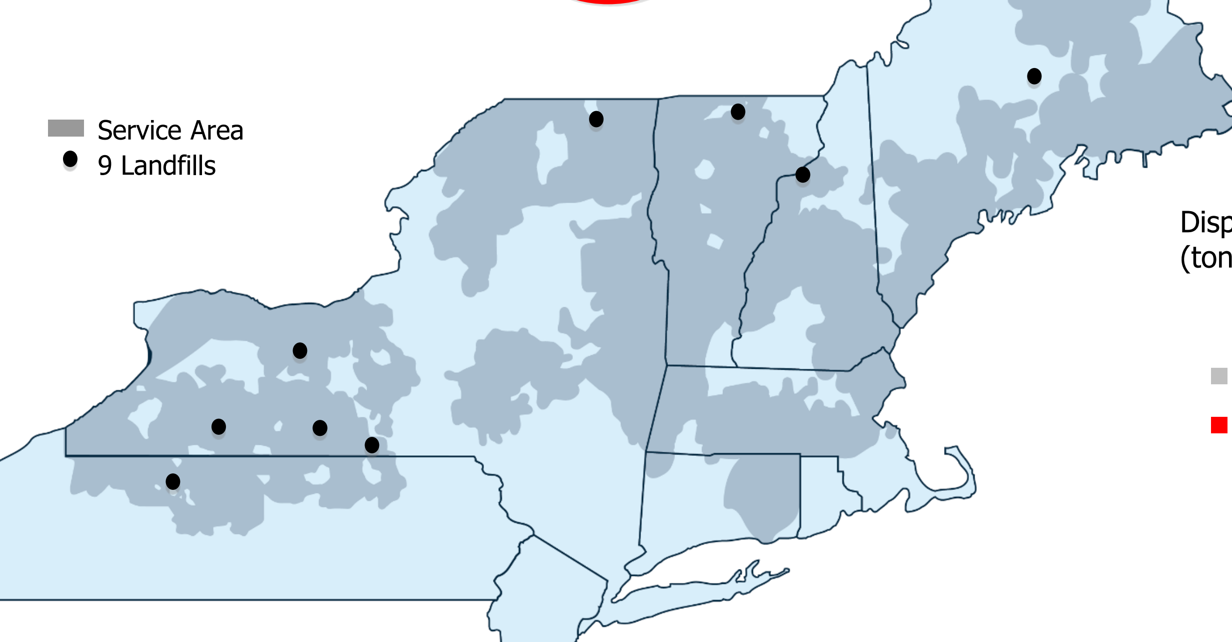
…creating a supply-demand imbalance

New York

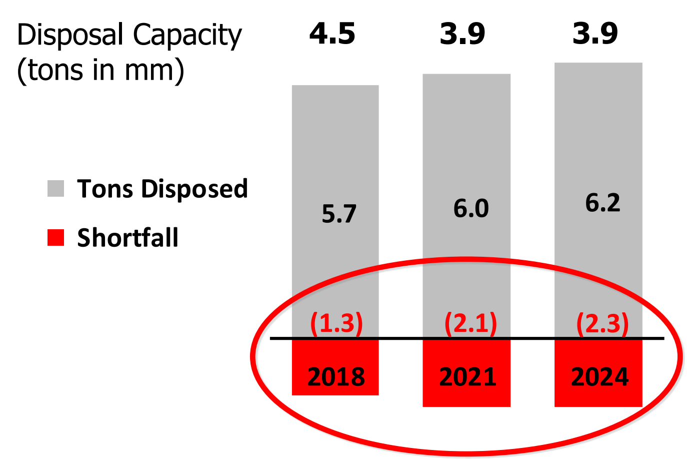


Vermont, New Hampshire & Maine





Massachusetts



Note: Data collected from active landfill and waste to energy facilities from State Annual Facility Reports for 2017 and 2018 and includes company estimates.

Driving additional profitability in collection operations

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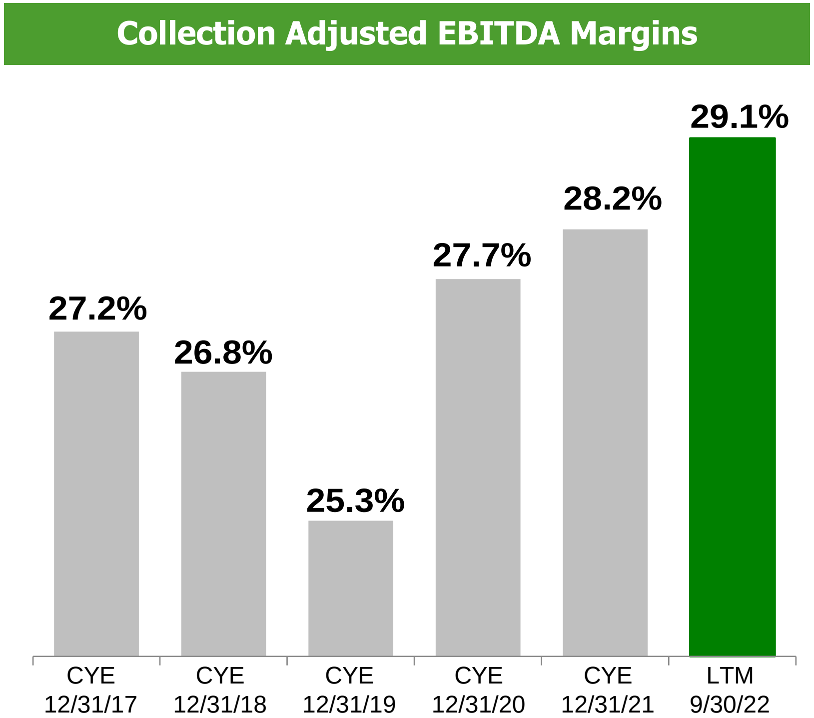


Strategies to improve Collection profitability:

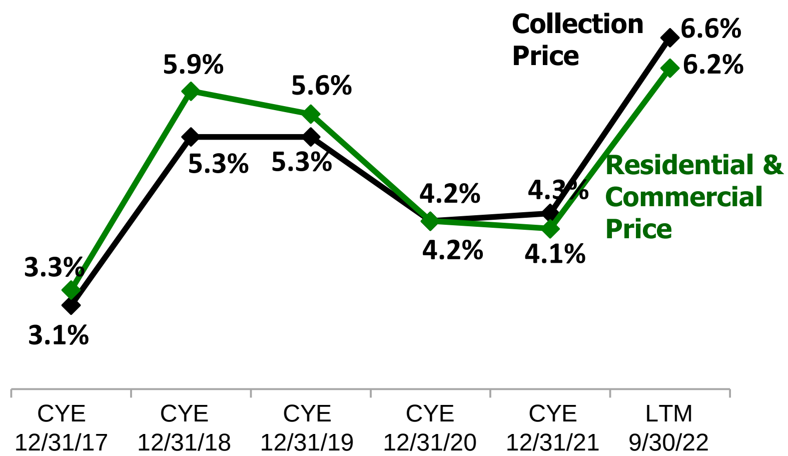
1) Pricing over inflation;
2) Operating efficiencies; and
3) Improving density through profitable organic growth and acquisitions.

Collection margin improvement:

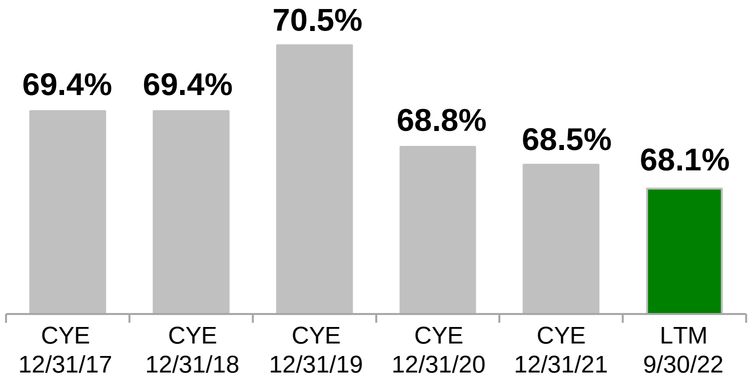
- Focus on routing and automation initiatives.
- Flexible and responsive pricing programs.
- Our fuel cost recovery fee program is offsetting higher fuel costs; while our Sustainability Recycling Adjustment fee mitigates recycling commodity risk.
- Effectively flexed variable costs in Q1 2021 and 2020 to fully offset the negative volume impact related to the COVID-19 pandemic.
- Direct labor and disposal cost inflation, along with acquisition activity, weighed on margins in 2018 and 2019.

2 Driving additional profitability in collection operations - continued

Collection Price



Collection Cost of Operations as % of Collection Revenues



(1) Focus on pricing discipline.

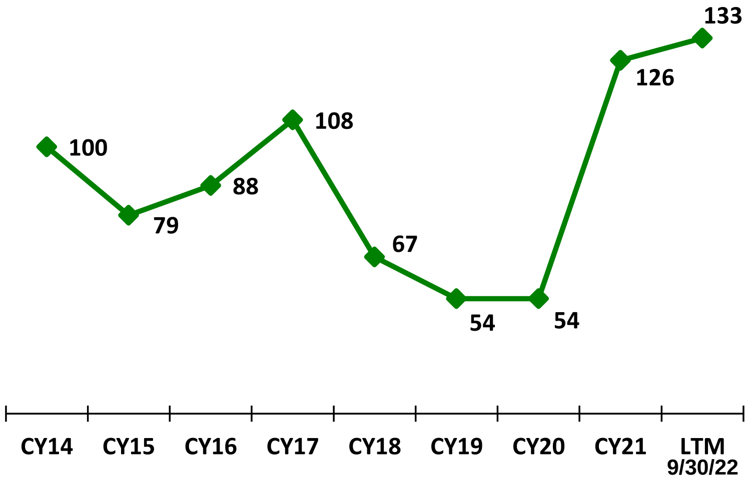
- Collection pricing up +7.2% YOY in Q3 2022.
- Focused on pricing in excess of inflation.
- Pricing flexibility based on customer mix.
- Use floating cost recovery fees to manage risk; E&E fee to offset fuel volatility and environmental inflation; SRA fee for recycling commodities.

(2) Focus on operating efficiencies.

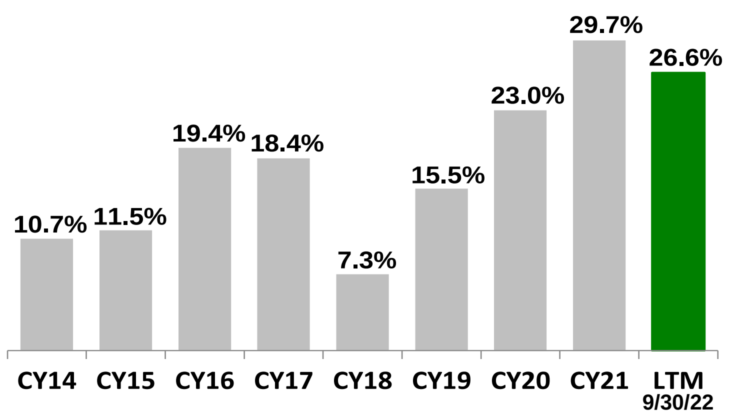
- Business Intelligence tools and robust operating programs enable ability to flex variable costs and pricing programs.
- Route profitability: new dynamic routing tools, new on-board computers, Service Excellence program, roll-off profitability initiative.
- Fleet optimization: standardized fleet selection, automation, reducing maintenance costs.

Creating incremental value through Resource Solutions

Average Commodity Revenue per ton (ACR) Indexed [1]



Recycling Adjusted EBITDA Margins



Reshaped recycling model to improve returns and reduce commodity risk.

- Increased revenue share thresholds for 3rd party recycling customers.
- Introduced the Sustainability Recycling Adjustment fee (SRA) for collection customers.
- Pass back increased processing costs to customers with Net Average Commodity Rate.

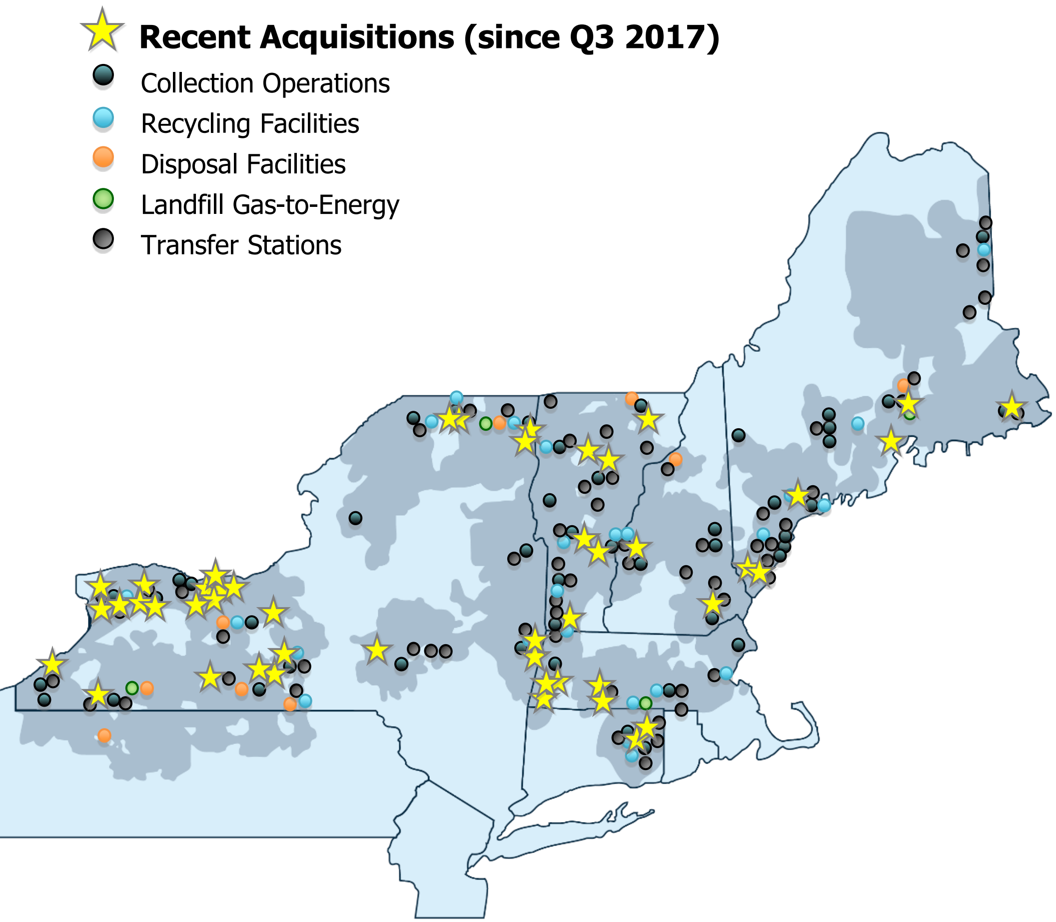
LTM 9.30.22 Recycling Adj. EBITDA margins of +26.6%, up +1,110bps from 2019.

- Driven by higher recycling commodity prices, processing fees, & operational improvements.
- We continue to improve our revenue model, focus on operational improvements, and make return-driven investments on equipment.

(1) Data from Pulp & Paper Week (Yellow Sheet data for Recovered Paper exports to Asia) and indexed based on 2014's ARC per ton value

4 Allocating capital to return driven growth

Acquisition activity



Acquisition program ramped up over last 4-years.

- 2018: 10 acquisitions with $77mm revenues.
- 2019: 9 acquisitions with $53mm revenues.
- 2020: 10 acquisitions with $22mm revenues.
- 2021: 10 acquisitions with $88mm revenues.

Completed 13 acquisitions with $48mm of annualized revenues in 2022 to date.

- Continued focus in 2022 on effectively integrating past acquisitions, driving synergies, and further strategic growth.

Robust pipeline of acquisitions.

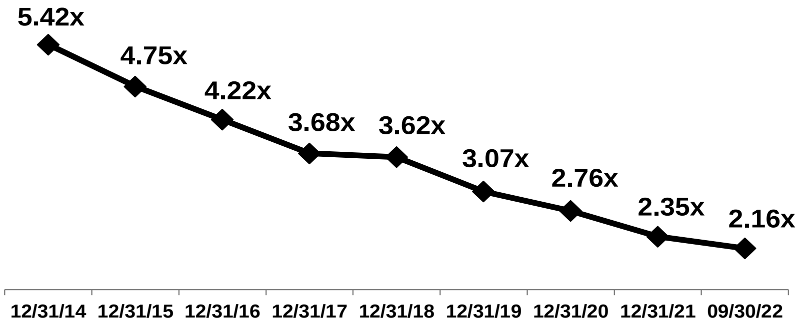
- We have over $500mm of potential acquisitions in our mid-term pipeline across our northeast markets.
- Acquisitions will be opportunistic and will strictly adhere to our disciplined capital return hurdles and review process.

Balance sheet gives ample liquidity to meet needs

9/30/22 - Capitalization Table ($mm)

	9/30/2022
Cash	$ 47.9
Revolver ($300mm, L+137.5bps, due 2026)	-
Term Loan A (L+137.5bps, due 2026)	350.0
Industrial Revenue Bonds (2.75% - 5.25%, due 2025 - 2052)	197.0
Notes Payable & Finance leases (1.6% - 3.6%)	49.8
Total Debt	**596.8**
Total Debt, Net of Unencumbered Cash(1)	**$ 550.8**
Consolidated Bank EBITDA (LTM)	**$ 255.2**
Total Debt, Net / Consolidated Bank EBITDA(2)	**2.16x**
Available Liquidity (including Cash)	**$ 319.7**

Consolidated Net Leverage Ratio (2)



Conservative capital structure with ample liquidity, covenant headroom, and no near-term maturities.

- Consolidated Net Leverage Ratio 2.16x at 9/30/22.
- Liquidity of $319.7mm at 9/30/22, including $39.3mm of cash.
- As of 9/30/22, $436.8mm (or 73.2%) of our debt had fixed interest rates; this includes $190mm of floating-to-fixed LIBOR swaps.
- Senior Secured Credit Facility (Revolver & Term Loan A) refinanced in December 2021 to extend tenor by 5-years, lower interest rate, increase flexibility, and create a LIBOR transition pathway.

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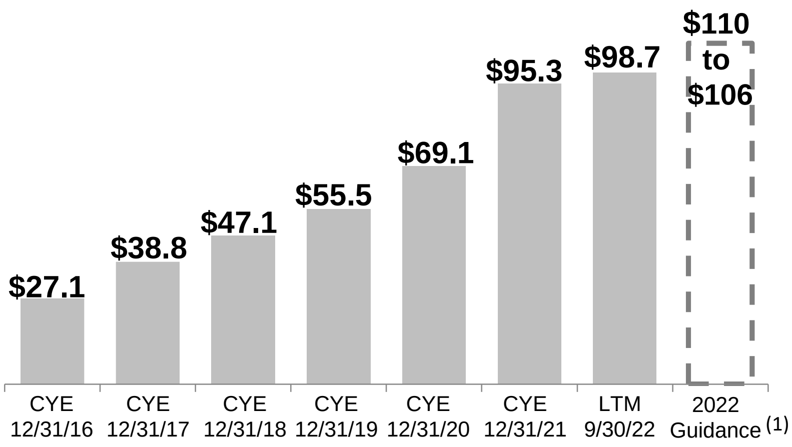
(1) Credit Agreement only allows up to $100mm of unencumbered cash to be netted against Total Debt, net for the purpose of calculating leverage ratio.

(2) Defined as "*Consolidated Net Leverage Ratio*" in the Credit Agreement dated as of 10/17/16 for 12/31/16, 12/31/17, 12/31/18, 12/31/19, 12/31/20, 12/31/21, 9/30/22; Total Debt-to-EBITDA as defined as "*Consolidated Leverage Ratio*" in the Loan & Security Agreement dated as of 2/27/15 ("ABL Revolver") for all other periods; see appendix for a reconciliation.

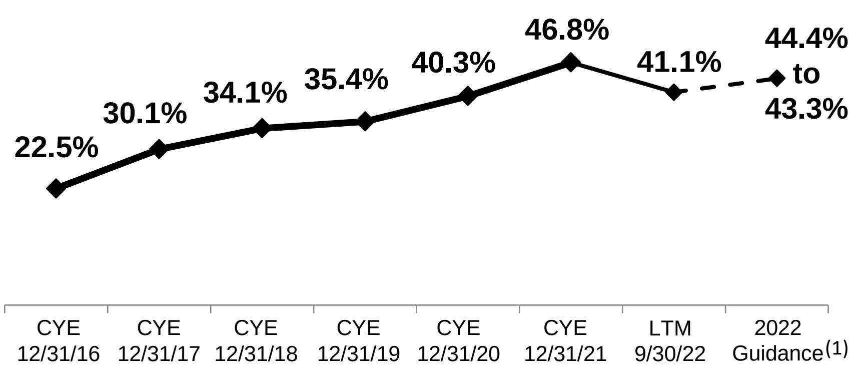
Strategic execution driving higher Free Cash Flows

Adjusted Free Cash Flow ($mm) (1), (2)

CAGR > 25%



Adjusted Free Cash Flow Yield (as % of Adj EBITDA) (1), (2)



Focused on improving Free Cash Flow:

- Goal to grow Adjusted FCF +10% to +15% per year.
- LTM 9/30/22 Adjusted FCF $98.7mm on strong operating results and capital discipline.
- Plan to use excess cash for select strategic tuck-in acquisitions or investments.
- Adjusted Tax loss carryforwards will continue to shield cash taxes for the next several years (as of 9/30/22, $106.2mm of Federal NOLs).[3]

(1) CY 2022 Guidance as announced on 2/17/22 and updated on 4/28/22, raised on 7/28/2022, and updated 10/27/22.

(2) See attached appendix for further information and for a reconciliation of Adjusted Free Cash Flow to net cash provided by operating activities, which is the most directly comparable GAAP measure. Net cash provided by operating activities for the periods presented above was $70.5mm for CYE 12/31/15, $80.4mm for CYE 12/31/16, $107.5mm for CYE 12/31/17, $120.8mm for CYE 12/31/18, $116.8mm for CYE 12/31/19, $139.9mm for CYE 12/31/20, $182.7mm for CYE 12/31/21, and $201.1mm for the 12-months ended 9/30/22.

(3) Total tax carryforwards include $106.2mm of Federal NOLs and $6.6mm of Federal tax credits updated as of 9/30/22; total tax carry forwards exclude $41.1mm of State NOLs and $1.3mm of State tax credits estimated as of 12/31/21.

5 Strengthening foundational pillars

To support growth and further differentiate Casella, we believe that it is important to continue to invest in, and strengthen, 4 key Foundational Pillars:

a) **People:** Developing a Safe, Engaged, Ready Workforce to support profitable growth.

b) **Sustainable Growth:** Driving profitable growth through an integrated resource solutions approach

c) **Technology:** Driving profitable growth & efficiencies through technology plan.

d) **Facilities:** Developing necessary long-term infrastructure through facilities plan.

5 Using technology to drive profitable growth & efficiencies

Technology Strategy focuses on investment in core systems and infrastructure to drive cost efficiencies, customer value, and growth.

Profitable revenue growth	**Optimize sales organization and activities.** • Migrated from 5 CRM systems to MS Dynamics CRM & Case Management. • Sustainable Growth team focused on resource solutions, opportunity and retention activities, cross-selling, and driving higher salesforce effectiveness and efficiency.
Operating efficiencies	**Leveraging technology to help drive operating efficiencies.** • Utilizing MS PowerBi to gain real-time business intelligence to drive higher accountability and more efficient decision making . • Easyroute implemented as new route optimization platform. RouteWare being deployed as new on-board computing platform to drive efficiencies, enhance safety, and improve billings; implemented on +45% of routed fleet as of Q3 2022. • Developing new MS D365 service management system, including customer portals, dispatch, work-order-management, billing, credit & collections.
Back-office efficiencies	**Update key systems to drive finance and back-office transformation.** • NetSuite implemented as new ERP system in Feb 2018 (on-time and on-budget). • Updating procurement systems with the implementation of Coupa, digitization and automation of key processes, and spend category management.

Casella’s value drivers…

Valuable integrated solid waste assets in disposal limited Northeast markets.

Management focused on increasing Free Cash Flow, maintaining low leverage, further growth, and strategic execution.

Results demonstrate strong execution of plan.

Near term focus of team:

- *Increasing landfill returns;*
- *Driving profitability in collection operations;*
- *Creating incremental value through Resource Solutions;*
- *Allocating capital to return driven growth;*
- *Strengthening Foundational Pillars.*

Appendix

Reconciliation of Adjusted EBITDA

$ in 000's

Non-GAAP Reconciliation of Adjusted Operating Income and Adjusted EBITDA to Net (loss) income (1)

	12 months ended Dec. 31, 2017	12 months ended Dec. 31, 2018	12 months ended Dec. 31, 2019	12 months ended Dec. 31, 2020	12 months ended Dec. 31, 2021	12 months ended Sept. 30, 2022
Revenues	**$ 599,309**	**$ 660,660**	**$ 743,290**	**$ 774,584**	**$ 889,211**	**$ 1,054,798**
Net (loss) income	**$ (21,799)**	**$ 6,420**	**$ 31,653**	**$ 91,106**	**$ 41,100**	**$ 53,803**
Provision (benefit) for income taxes	(15,253)	(384)	(1,874)	(52,804)	16,946	21,147
Other income	(935)	(745)	(1,439)	(1,073)	(1,313)	(2,466)
Impairment of investments	-	1,069	-	-	-	-
Loss on debt extinguishment	517	7,352	-	-	-	-
Interest expense, net	24,887	26,021	24,735	22,068	20,927	22,008
Southbridge Landfill closure charge, net	65,183	8,054	2,709	4,587	496	406
Expense from acquisition activities and other items	176	1,872	2,687	1,862	5,304	5,232
Environmental remediation charge	-	-	-	-	924	1,683
Development project charge	-	311	-	-	-	-
Contract settlement charge	-	2,100	-	-	-	-
Withdrawal costs - multiemployer pension plan	-	-	3,591	-	-	-
Depreciation and amortization	62,102	70,508	79,790	90,782	103,590	122,186
Depletion of landfill operating lease obligations	9,646	9,724	7,711	7,781	8,265	9,007
Interest accretion on landfill and environmental remediation liabilities	4,482	5,708	6,976	7,090	7,324	7,427
Adjusted EBITDA	**$ 129,006**	**$ 138,010**	**$ 156,539**	**$ 171,399**	**$ 203,563**	**$ 240,433**
Solid Waste	437,130	496,832	564,687	578,273	654,089	761,737
Resource Solutions	162,179	163,828	178,603	196,311	235,126	293,061
Third party revenues	**$ 599,309**	**$ 660,660**	**$ 743,290**	**$ 774,584**	**$ 889,211**	**$ 1,054,798**
Adjusted EBITDA margins	**21.5%**	**20.9%**	**21.1%**	**22.1%**	**22.9%**	**22.8%**
Net (loss) income margins	**-3.6%**	**1.0%**	**4.3%**	**11.8%**	**4.6%**	**5.1%**

(1) We present Adjusted EBITDA, which is a non-GAAP performance measure, to provide an understanding of operational performance because we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of our results. We also believe that identifying the impact of certain items as adjustments provides more transparency and comparability across periods. Management uses Adjusted EBITDA to further understand our "core operating performance" and believes our "core operating performance" is helpful in understanding our ongoing performance in the ordinary course of operations. We believe that providing Adjusted EBITDA to investors, in addition to the corresponding income statement measures, affords investors the benefit of viewing our performance using the same financial metrics that the management team uses in making many key decisions and understanding how the core business and our results of operations have performed.

Reconciliation of Adjusted Free Cash Flow

$ in 000's

Non-GAAP Reconciliation of Adjusted Free Cash Flow to Net cash provided by operating activities

	12 months ended Dec. 31, 2016	12 months ended Dec. 31, 2017	12 months ended Dec. 31, 2018	12 months ended Dec. 31, 2019	12 months ended Dec. 31, 2020	12 months ended Dec. 31, 2021	12 months ended Sept. 30, 2022
Net cash provided by operating activities (i)	**$ 80,434**	**$ 107,538**	**$ 120,834**	**$ 116,829**	**$ 139,922**	**$ 182,737**	**$ 201,079**
Capital expenditures	(54,238)	(64,862)	(73,232)	(103,165)	(108,108)	(123,295)	(129,385)
Payments on landfill operating lease contracts (i)	(7,249)	(7,240)	(7,415)	-	-	-	-
Proceeds from sale of property and equipment	1,362	711	870	750	533	788	766
Proceeds from property insurance settlement	-	-	992	332	-	-	-
Southbridge landfill closure and Potsdam environmental remediation (ii)	-	2,182	(2,827)	15,445	8,906	6,274	5,083
Interest payment on redemption of senior subordinated notes (iii)	6,770	-	-	-	-	-	-
Contract settlement costs (iv)	-	-	2,100	-	-	-	-
Cash outlays from acquisition activities and other items (v)	-	-	1,329	2,622	1,307	4,988	5,149
Waste USA Landfill phase VI capital expenditures (vi)	-	-	-	4,873	10,573	13,325	3,084
Post acquisition and development project capital expenditures (vii)	38	469	4,402	17,782	16,014	10,515	12,931
Adjusted Free Cash Flow	**$ 27,117**	**$ 38,798**	**$ 47,053**	**$ 55,468**	**$ 69,147**	**$ 95,332**	**$ 98,707**

(i) Effective January 1, 2019, as a part of implementing ASC Topic 842, Leases, cash payments on landfill operating lease contracts, which historically were capitalized as property, plant and equipment and presented in the Condensed Consolidated Statements of Cash Flows as cash outflows from investing activities, are classified as cash flows from operating activities that reduce net cash provided by operating activities.

(ii) Southbridge Landfill closure and Potsdam environmental remediation are cash outlays (and inflows) associated with the unplanned closure of the Southbridge Landfill and the Company's portion of costs associated with environmental remediation at the Company's Potsdam, New York scrap yard which are added back when calculating Adjusted Free Cash Flow due to their non-recurring nature and the significance of the related cash flows. The Company initiated the unplanned closure of the Southbridge Landfill in the fiscal year ended December 31, 2017 and expects to incur cash outlays through completion of the closure and environmental remediation process. The Potsdam site was deemed a Superfund site in 2000 and is not associated with current operations.

(iii) Includes interest payment required upon redemption of the 7.75% Senior Subordinated Notes due 2019.

(iv) Includes a contract settlement cash outlay associated with exiting a contract.

(v) Cash outlays from acquisition activities and other items are cash outlays for transaction and integration costs relating to specific acquisition transactions and include legal, environmental, valuation and consulting as well as asset, workforce and system integration costs as part of the Company's strategic growth initiative and other items.

(vi) Waste USA Landfill phase VI capital expenditures are capital expenditures related to Waste USA Landfill phase VI construction and development that are added back when calculating Adjusted Free Cash Flow due to the specific nature of this investment in the development of long-term infrastructure which is different from landfill construction investments in the normal course of operations. This investment at the Waste USA Landfill is unique because the Company is investing in long-term infrastructure over an estimated four year period that will not yield a positive economic benefit until 2023 and extending over approximately 20 years.

(vii) Post acquisition and development project capital expenditures are (x) acquisition related capital expenditures that are necessary to optimize strategic synergies associated with integrating newly acquired operations as contemplated by the discounted cash flow return analysis conducted by management as part of the acquisition investment decision; and (y) non-routine development investments that are expected to provide long-term returns. Acquisition related capital expenditures include costs required to achieve initial operating synergies and integrate operations.

(1) We present non-GAAP liquidity measures such as Adjusted Free Cash Flow, Bank Consolidated EBITDA, Consolidated Funded Debt, Net and Consolidated Net Leverage Ratio that provide an understanding of the Company's liquidity because we consider them important supplemental measures of our liquidity that are frequently used by securities analysts, investors and other interested parties in the evaluation of our cash flow generation from our core operations that are then available to be deployed for strategic acquisitions, growth, investments, development projects, unusual landfill closures, site improvements and remediation, and strengthening our balance sheet through paying down debt. We also believe that identifying the impact of certain items as adjustments provides more transparency and comparability across periods. Management uses non-GAAP liquidity measures to further understand our cash flow provided by operating activities after certain expenditures along with our consolidated net leverage and believes that these measures demonstrate our ability to execute on our strategic initiatives. We believe that providing such non-GAAP liquidity measures to investors, in addition to corresponding cash flow statement measures, affords investors the benefit of viewing our liquidity using the same financial metrics that the management team uses in making many key decisions and understanding how the core business and cash flow generation has performed.

Reconciliation of Consolidated Leverage Ratio

$ in millions

Reconciliation of Consolidated EBITDA (as defined by the applicable credit facility agreement) to Net Cash Provided by Operating Activities

$ in millions	12 months ended Dec. 31, 2014	12 months ended Dec. 31, 2015	12 months ended Dec. 31, 2016	12 months ended Dec. 31, 2017	12 months ended Dec. 31, 2018	12 months ended Dec. 31, 2019	12 months ended Dec. 31, 2020	12 months ended Dec. 31, 2021	12 months ended Sept. 30, 2022
Net cash provided by operating activities	**$ 62.2**	**$ 70.5**	**$ 80.4**	**$ 107.5**	**$ 120.8**	**$ 116.8**	**$ 139.9**	**$ 182.7**	**$ 201.1**
Changes in assets and liabilities, net of effects of acquisitions and divestitures	(2.2)	(5.0)	9.4	4.6	5.4	28.7	25.2	13.1	23.2
Divestiture transactions	(6.9)	5.5	-	-	-	-	-	-	-
Gain (loss) on sale of property and equipment	0.5	0.1	0.6	(0.1)	0.5	0.9	(0.9)	(0.2)	0.4
Loss on sale of equity method investment	(0.2)	-	-	#VALUE!	-	-	-	-	-
Loss on debt extinguishment	-	(1.0)	(13.7)	(0.5)	(7.4)	-	-	-	-
Non-cash expense from acquisition activities and other items	-	-	-	#VALUE!	(0.8)	(0.1)	(0.6)	(0.3)	(0.1)
Stock based compensation and related severance expense, net of excess tax benefit	(2.3)	(2.9)	(3.4)	(6.4)	(8.4)	(7.2)	(8.2)	(11.6)	(8.4)
Development project charge	(1.4)	-	-	-	(0.3)	-	-	-	-
Impairment of investments	(2.3)	(2.1)	-	-	(1.1)	-	-	-	-
Operating lease right-of-use assets expense	-	-	-	-	-	(9.6)	(8.5)	(5.6)	(5.2)
Withdrawal costs - multiemployer pension plan	-	-	-	-	-	(2.2)	-	-	-
Loss on derivative instruments	(0.6)	(0.2)	-	-	-	-	-	-	-
Southbridge Landfill non-cash closure charge	-	-	-	(63.5)	(16.2)	(0.1)	(0.3)	0.4	0.4
Southbridge Landfill insurance recovery for investing activities	-	-	-	-	3.5	-	-	-	-
Interest expense, less amortization of debt issuance costs and discount on long-term debt	38.2	40.1	35.1	22.5	23.9	22.8	20.2	18.9	20.4
Provision (benefit) for income taxes, net of deferred taxes	0.2	0.6	(0.1)	0.3	(1.6)	(0.6)	(0.5)	1.9	5.2
Gain on settlement of acquisition related contingent consideration	1.1	-	-	-	-	-	-	-	-
Environmental remediation charge	-	-	(0.9)	-	-	-	-	(0.9)	(0.9)
EBITDA adjustment as allowed by the applicable credit facility agreement	7.5	(2.5)	-	-	-	-	-	-	-
Adjustments as allowed by the applicable credit facility agreement	5.3	7.4	17.1	71.0	34.7	20.5	14.1	27.4	19.2
Minimum Consolidated EBITDA	**$ 99.0**	**$ 110.5**	**$ 124.5**	**#VALUE!**	**$ 153.0**	**$ 169.9**	**$ 180.5**	**$ 225.8**	**$ 255.2**
Consolidated Funded Debt (Total Debt)	$ 537.0	$ 525.0	$ 525.6	$ 497.7	$ 555.2	$ 522.7	$ 548.4	$ 562.6	$ 596.8
Consolidated Net Leverage Ratio (Total Debt-to-EBITDA)	**5.42**	**4.75**	**4.22**	**3.68**	**3.62**	**3.07**	**2.76**	**2.35**	**2.16**

Capital Expenditure Detail

$ in 000's

Capital Expenditure Detail (1)

($ in thousands)	12 months ended Dec. 31, 2016	12 months ended Dec. 31, 2017	12 months ended Dec. 31, 2018	12 months ended Dec. 31, 2019	12 months ended Dec. 31, 2020	12 months ended Dec. 31, 2021
Growth Capital Expenditures:						
Post acquisition and development projects	$ -	$ 469	$ 4,402	$ 17,782	$ 16,014	$ 10,515
Waste USA Landfill Phase VI	-	-	-	4,873	10,573	13,325
Other	5,373	3,552	4,260	1,582	4,362	13,480
Growth Capital Expenditures	**$ 5,373**	**$ 4,021**	**$ 8,662**	**$ 24,237**	**$ 30,949**	**$ 37,320**
Replacement Capital Expenditures:						
Landfill development	29,666	33,697	27,709	26,915	36,981	23,490
Vehicles, machinery, equipment, and containers	15,512	21,581	30,287	42,828	30,846	48,427
Facilities	2,581	3,155	4,985	7,001	5,170	7,550
Other	1,068	2,408	1,589	2,184	4,162	6,508
Total Replacement Capital Expenditures	**48,827**	**60,841**	**64,570**	**78,928**	**77,159**	**85,975**
Total Capital Expenditures	**$ 54,200**	**$ 64,862**	**$ 73,232**	**$ 103,165**	**$ 108,108**	**$ 123,295**
Replacement Capital Expenditures as % of Revenues	8.6%	10.2%	9.8%	10.6%	10.0%	9.7%
Total Capital Expenditures as % of Revenues	9.6%	10.8%	11.1%	13.9%	14.0%	13.9%

(1) The Company's capital expenditures are broadly defined as pertaining to either growth or replacement activities. *Growth capital expenditures* are defined as costs related to development projects, organic business growth, and the integration of newly acquired operations. Growth capital expenditures include costs related to the following: 1) post acquisition and development projects that are necessary to optimize strategic synergies associated with integrating newly acquired operations as contemplated by the discounted cash flow return analysis conducted by management as part of the acquisition investment decision as well as non-routine development investments that are expected to provide long-term returns and includes the following capital expenditures required to achieve initial operating synergies: trucks, equipment and machinery; and facilities, land, IT infrastructure or related upgrades to integrate operations;
2) Waste USA Landfill phase VI construction and development for long-term infrastructure, which is unique and different from landfill construction investments in the normal course of operations because the Company is investing in long-term infrastructure over an estimated four year period that will not yield a positive economic benefit until 2023 and extending over approximately 20 years; and 3) development of new airspace, permit expansions, and new recycling contracts, equipment added directly as a result of organic business growth and infrastructure added to increase throughput at transfer stations and recycling facilities. *Replacement capital expenditures* are defined as landfill cell construction costs not related to expansion airspace, costs for normal permit renewals, and replacement costs for equipment due to age or obsolescence.

Reconciliations for 2022 guidance ranges

$ in 000's

Following is a reconciliation of the Company's estimated Adjusted EBITDA from estimated Net income for the fiscal year ending December 31, 2022

$ in thousands	**(Estimated) Fiscal Year Ending December 31, 2022**
Net Income	**$53,000 - $56,000**
Interest expense, net	23,000
Other income	(2,000)
Provision for income taxes	23,000
Environmental remediation charge	800
Southbridge Landfill closure charge	1,000
Expense from acquisition activities	4,000
Depreciation and amortization	126,000
Depletion of landfill operating lease obligations	8,200
Interest accretion on landfill and environmental remediation liabilities	8,000
Adjusted EBITDA	**$245,000 - $248,000**

(1) We present Adjusted EBITDA, which is a non-GAAP performance measure, to provide an understanding of operational performance because we consider it an important supplemental measure of our performance and believe it is frequently used by securities analysts, investors and other interested parties in the evaluation of our results. We also believe that identifying the impact of certain items as adjustments provides more transparency and comparability across periods. Management uses Adjusted EBITDA to further understand our "core operating performance" and believes our "core operating performance" is helpful in understanding our ongoing performance in the ordinary course of operations. We believe that providing Adjusted EBITDA to investors, in addition to the corresponding income statement measures, affords investors the benefit of viewing our performance using the same financial metrics that the management team uses in making many key decisions and understanding how the core business and our results of operations have performed.

Reconciliations for 2022 guidance ranges (continued)

$ in 000's

Following is a reconciliation of the Company's estimated Adjusted Free Cash Flow from estimated Net cash provided by operating activities for the fiscal year ending 12/31/2022.

$ in thousands	(Estimated) Fiscal Year Ending December 31, 2022
Net Cash Provided by Operating Activities	**$210,000 - $214,000**
Capital expenditures	(132,000)
Proceeds from sale of property and equipment	500
Southbridge Landfill closure and Potsdam environmental remediation (i)	5,000
Post acquisition and development project capital expenditures (ii)	18,500
Cash outlays from acquisition activities (iii)	4,000
Adjusted Free Cash Flow	**$106,000 - $110,000**

(i) Southbridge Landfill closure and Potsdam environmental remediation are cash outlays associated with the unplanned closure of the Southbridge Landfill and the Company's portion of costs associated with environmental remediation at the Company's Potsdam, New York scrap yard which are added back when calculating Adjusted Free Cash Flow due to their non-recurring nature and the significance of the related cash flows. The Company initiated the unplanned closure of the Southbridge Landfill in the fiscal year ended December 31, 2017 and expects to incur cash outlays through completion of the closure and environmental remediation process. The Potsdam site was deemed a Superfund site in 2000 and is not associated with current operations.

(ii) Post acquisition and development project capital expenditures are (x) acquisition related capital expenditures that are necessary to optimize strategic synergies associated with integrating newly acquired operations as contemplated by the discounted cash flow return analysis conducted by management as part of the acquisition investment decision; and (y) non-routine development investments that are expected to provide long-term returns. Acquisition related capital expenditures include costs required to achieve initial operating synergies and integrate operations.

(iii) Cash outlays from acquisition activities are cash outlays for transaction and integration costs relating to specific acquisition transactions and include legal, environmental, valuation and consulting as well as asset, workforce and system integration costs as part of the Company's strategic growth initiative.

(1) We present non-GAAP liquidity measures such as Adjusted Free Cash Flow, Bank Consolidated EBITDA, Consolidated Funded Debt, Net and Consolidated Net Leverage Ratio that provide an understanding of the Company's liquidity because we consider them important supplemental measures of our liquidity that are frequently used by securities analysts, investors and other interested parties in the evaluation of our cash flow generation from our core operations that are then available to be deployed for strategic acquisitions, growth, investments, development projects, unusual landfill closures, site improvements and remediation, and strengthening our balance sheet through paying down debt. We also believe that identifying the impact of certain items as adjustments provides more transparency and comparability across periods. Management uses non-GAAP liquidity measures to further understand our cash flow provided by operating activities after certain expenditures along with our consolidated net leverage and believes that these measures demonstrate our ability to execute on our strategic initiatives. We believe that providing such non-GAAP liquidity measures to investors, in addition to corresponding cash flow statement measures, affords investors the benefit of viewing our liquidity using the same financial metrics that the management team uses in making many key decisions and understanding how the core business and cash flow generation has performed.