Casella Waste Systems, Inc.

Investor Presentation

January 2019

Safe harbor statement

Certain matters discussed in this presentation, 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; and guidance for full year 2018, 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: new policies adopted by China as part of its “National Sword” program that will restrict imports of recyclable materials into China and have a material impact on the Company’s financial results; the planned capping and closure of the Southbridge Landfill and the Company’s estimate of its anticipated liabilities related to the settlement of the pending litigation relating to the Southbridge Landfill, and the lawsuit relating to the North Country Landfill could result in unexpected material 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’s need to service its indebtedness may limit its ability to invest in its business; 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; 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; 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 Form 10-K for the fiscal year ended December 31, 2017, and in other filings that the Company may make with the Securities and Exchange Commission (the “SEC”) in the future.

Casella Waste Systems - Overview

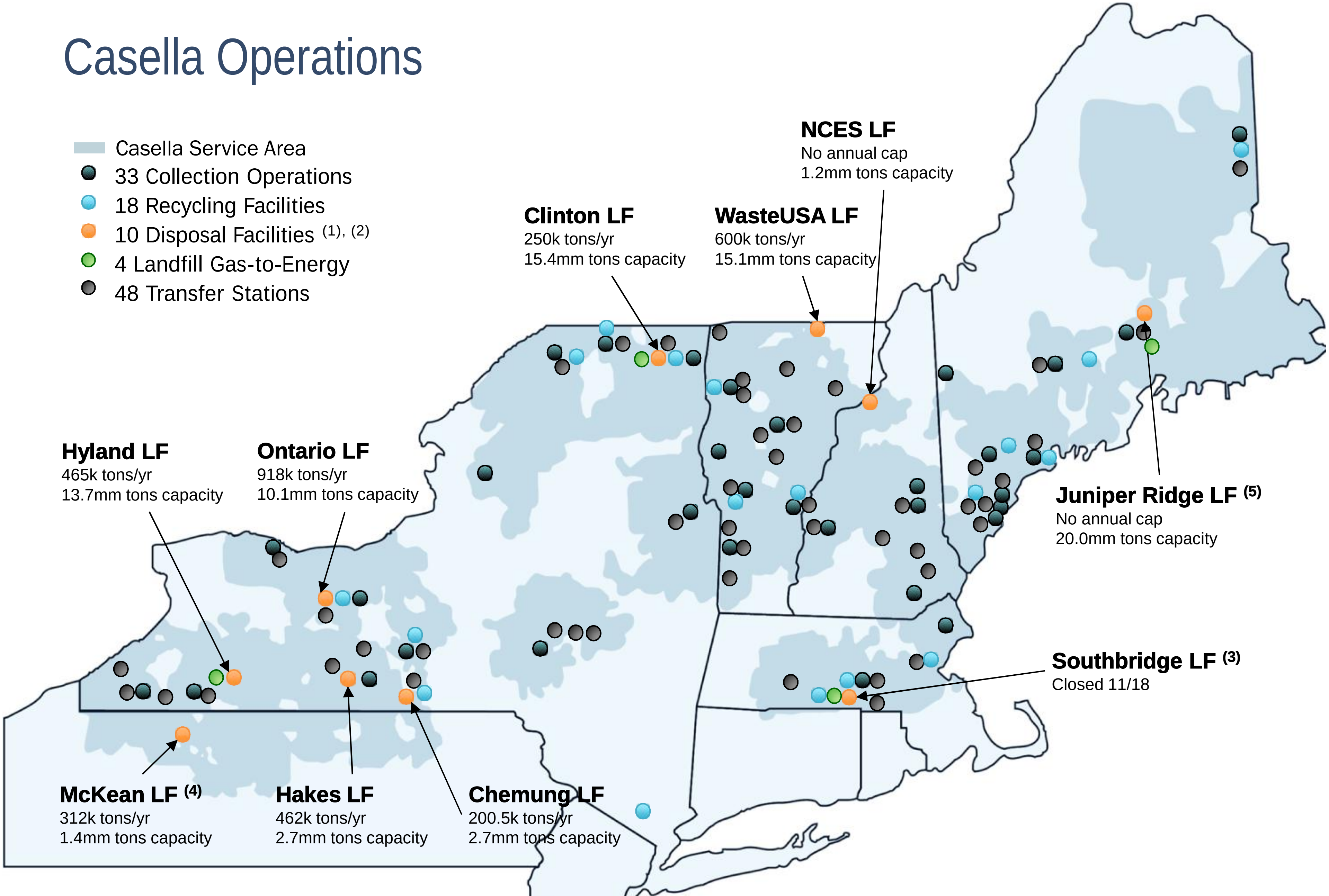
Casella provides integrated solid waste, recycling and resource services.

- $637.2mm of revenues for the 12-months ended 9/30/18.
- Integrated operations located in six northeast states.
- Emphasis on integrated waste operations including: disposal, recycling and Customer 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 through our Recycling, Organics, and Customer Solutions operations.

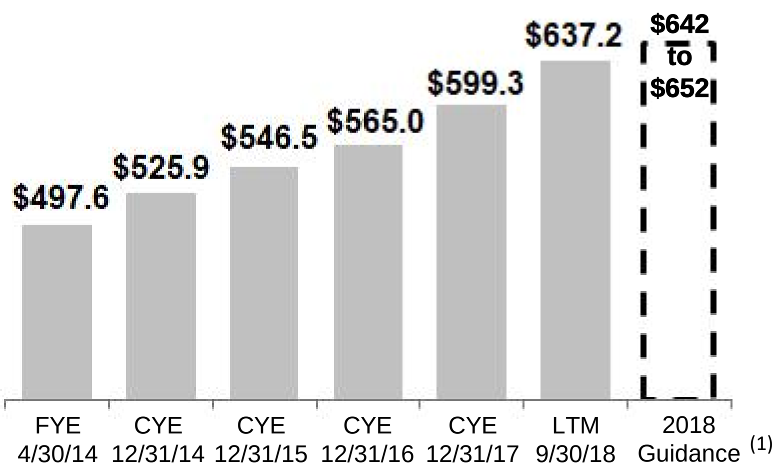
Casella Operations



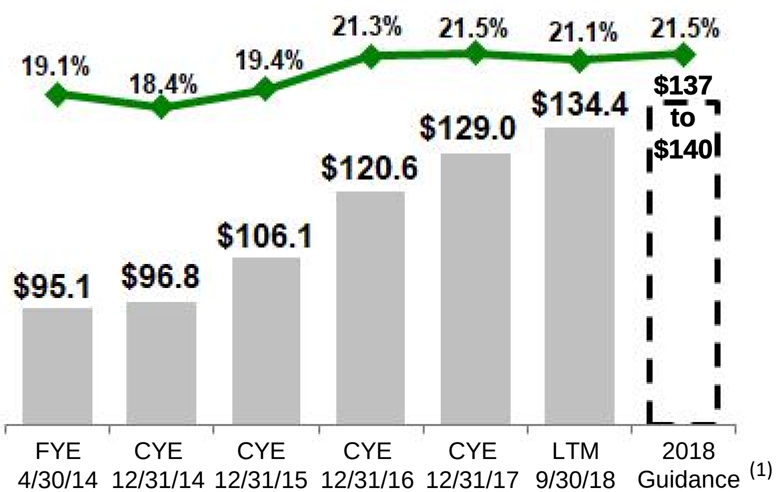
(1) Includes 9 Subtitle D landfills and 1 landfill permitted to accept construction and demolition materials. (2) Total disposal capacity includes permitted and permittable airspace estimates at each site as of 12/31/17. (3) The Company announced plans to abandon efforts to pursue additional permits at the Southbridge LF on 8/2/17, please refer to the Company's Form 10-Q for the quarter ended 6/30/17; (4) Annual capacity does not include the 1.5mm tons/yr rail permit at McKean LF; (5) Juniper Ridge LF has an annual limit of 81.8k tons/yr of MSW through 3/31/21.

Results up significantly on strategic execution

Revenue ($mm)



Adj. EBITDA ($mm) & Margin (2)



Solid results for Q3 2018 year-over-year:

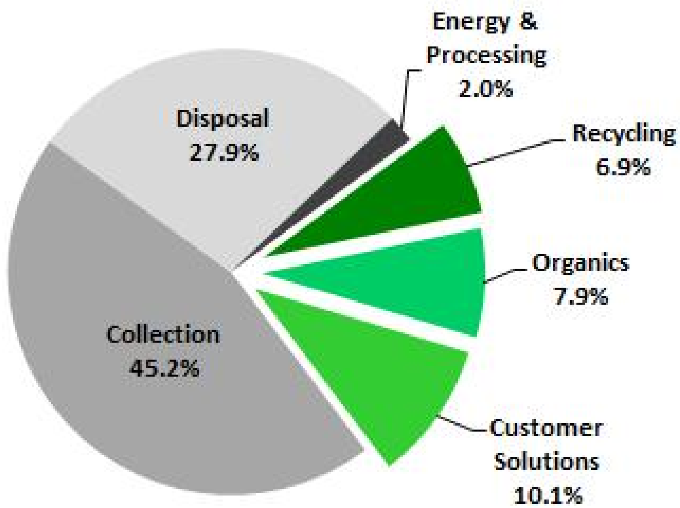
- Revenue growth +$12.6mm (or +7.8%) mainly driven by Collection (+13.7%), Disposal (+8.6%), Customer Solutions (+10.1%) and Organics (+38.8%), partially offset by Recycling (-33.5%).
- Adj. EBITDA up +$2.9mm (or +7.3%) mainly driven by strong solid waste pricing, strategic execution, partially offset by lower Recycling performance.
- Landfill average price per ton up +8.0%, reported price up +4.1%, and tonnages up +2.8% YOY.
- Collection price up +5.7% YOY and volumes down -0.4%.

(1) CY 2018 Guidance as raised on 11/1/18.

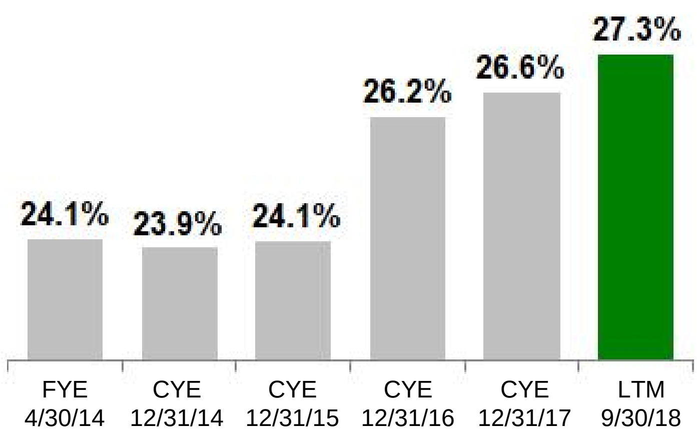
(2) Please refer to the appendix for further information and a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure, which is net loss. Net loss was ($27.4mm) for the fiscal year ended 4/30/14, ($29.1mm) for the calendar year ended 12/31/14, ($11.8mm) for the fiscal year ended 12/31/15, ($6.9mm) for the fiscal year ended 12/31/16, ($21.8mm) for the fiscal year ended 12/31/17, and Net Income $40.1mm for the 12 months ended 9/30/18.

Solid Waste operations driving improving margins

LTM 9/30/18 – Revenue Splits (1)



Solid Waste Adjusted EBITDA Margins



~75% revenues in Solid Waste.

- Solid Waste consists of integrated collection, transfer, landfill, energy, and processing services.
- Margin improvement driven by higher landfill tons, pricing, cost efficiencies, and asset repositioning.
- Target Adj. EBITDA margins > 29% in CYE 2021.

~25% revenues in Resource Solutions.(1)

- Resource Solutions consists of Recycling, Organics, and Customer Solutions operations.
- Recycling business implementation of our SRA Fee, contract resets, and operating efficiencies.
- Organics margins flat; lower margin, higher return business.
- Customer Solutions margins up on industrial services 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.

2021 Strategic plan expected to further drive shareholder value

In Aug 2017 we launched 2021 plan that focuses on the following strategies to enhance free cash flow growth, while reducing leverage:

Key Strategies

1. Increasing landfill returns
2. Driving additional profitability in collection operations
3. Creating incremental value through Resource Solutions
4. Using technology to drive profitable growth & efficiencies
5. Allocating capital to balance delevering with smart growth

Financial framework

- Organic revenue growth targeted at +3% to +4% per year (including -2% from the closure of Southbridge landfill).
- $20mm to $40mm per year of acquisition or development activity. Opportunistic, not budgeted, with strict capital hurdle rates and process.
- Normalized Free Cash Flow growth of +10% to +15% per year (or greater with acquisitions or development).
- Consolidated Net Leverage targeted between 3.00x and 3.25x.

Preliminary 2018 Results exceed or meet guidance ranges

	CY 2017 Actuals		CY 2018 Guidance Ranges (1)	Preliminary CY 2018 Actuals (2)
Revenues	$599.3mm	→	$642mm to $652mm	$660.2mm to $661.2mm
Net (Loss) Income	$(21.8)mm			$7.2mm to $7.8mm
Adjusted EBITDA (3)	$129.0mm	→	$137mm to $140mm	$137.7mm to $138.3mm
Net Cash Provided by Operating Activities	$107.5mm			$120.5mm to $121.1mm
Normalized Free Cash Flow (4)	$38.8mm	→	$44mm to $47mm	$46.8mm to $47.4mm

(1) CY 2018 Guidance Ranges as raised on 11/1/18.

(2) The preliminary estimated financial results presented above are based upon information available to the Company as of January 22, 2019 and have been prepared by and are the responsibility of management. Neither the Company's independent registered public accounting firm nor any other independent registered public accounting firm has audited, reviewed or compiled, examined or performed any procedures with respect to the preliminary estimated financial results, nor have they expressed any opinion or any other form of assurance on the preliminary estimated financial results. These preliminary estimated financial results relating to the fiscal year 2018 may be subject to adjustment as a result of the completion of the audit of the Company's financial statements, and the Company's actual results may differ materially from these preliminary results.

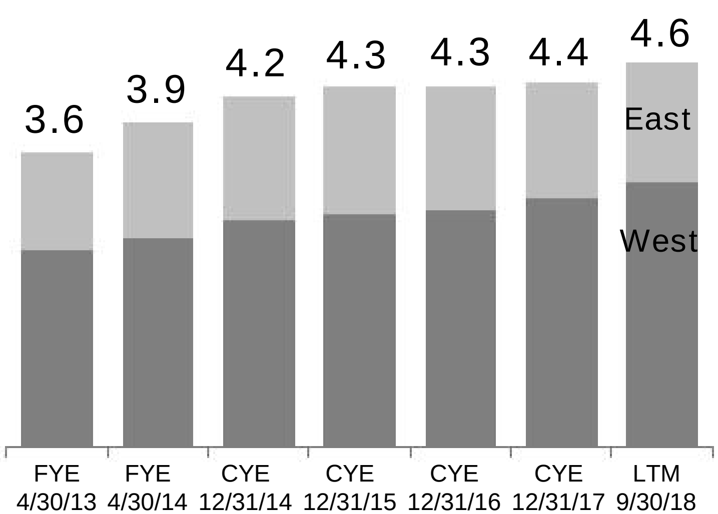
(3) Please refer to the appendix for further information and a reconciliation of Adjusted EBITDA to the most directly comparable GAAP measure, which is Net income (loss).

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

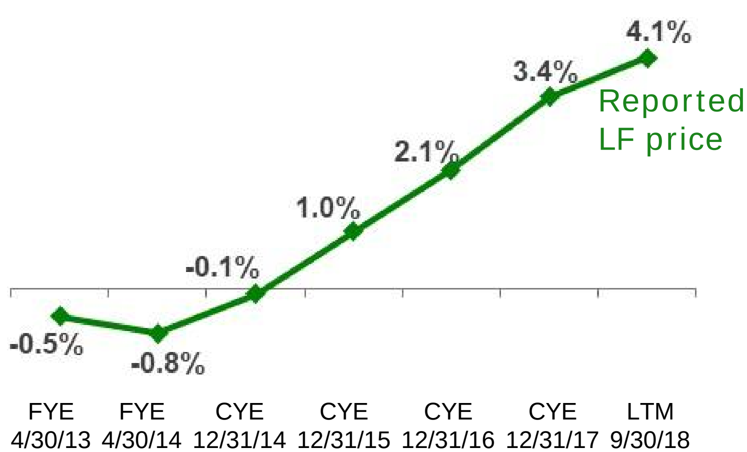
Increasing landfill returns

1

Annual Landfill Volumes (mm Tons) (1)



Landfill Price Growth



Landfill Highlights:

- Total disposal capacity ~82.5mm tons.(2)
- Roughly 0.6mm tons/yr of excess annual permitted capacity at 9/30/18.
- 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 2017 – announced plan to abandon permitting activities at Southbridge LF. Site closed in Nov 2018.
- Aug 2018 – Clinton LF annual permit increased by +75k tons/yr.

(1) Annual Landfill Disposal Volumes include amortizable and non-amortizable tons, and exclude low-priced soils at the Worcester landfill closure project.
(2) Includes both permitted and permittable airspace at landfills; does not include 30mm cyds of capacity at McKean landfill.

1 Increasing landfill returns - continued

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

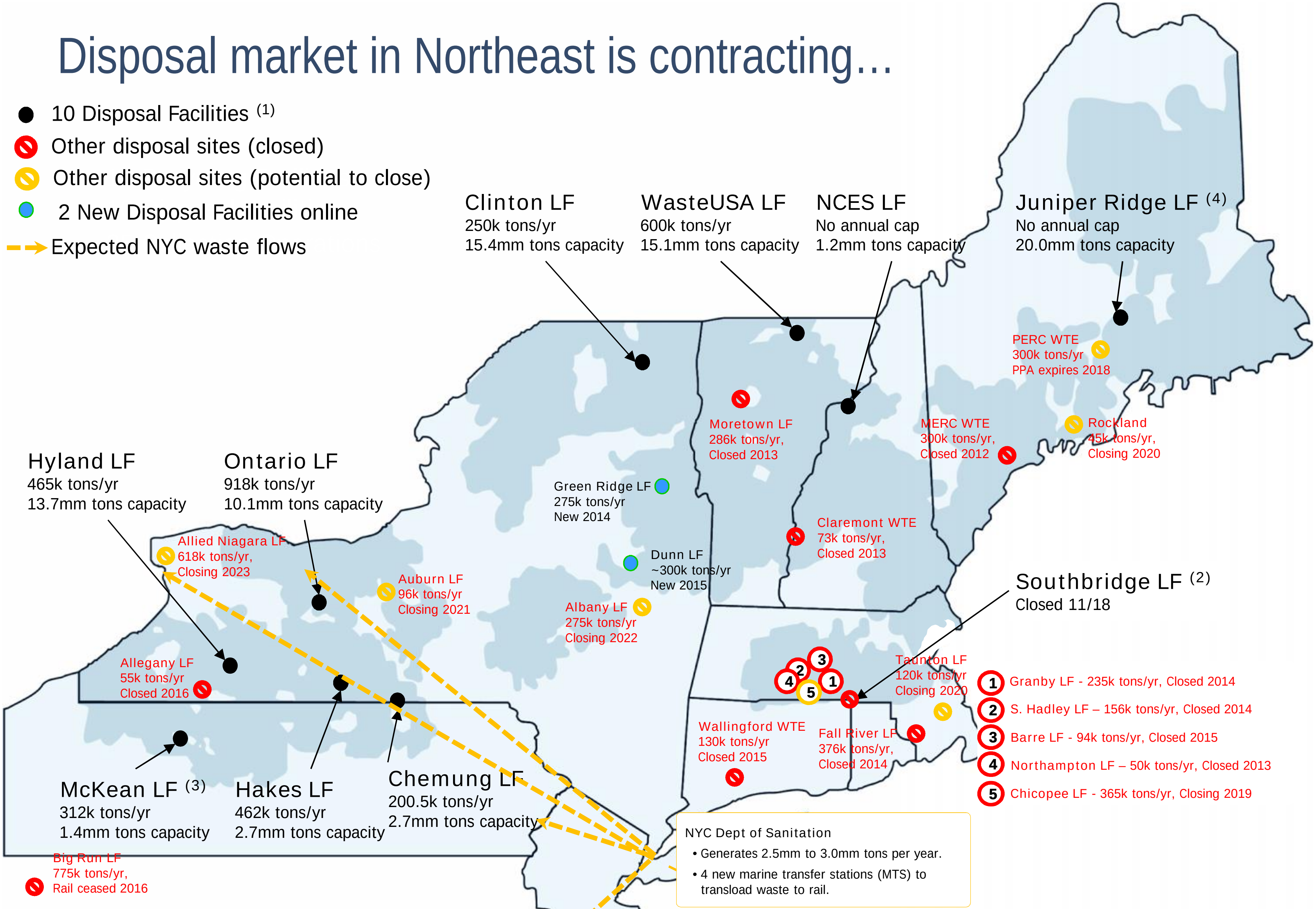
- Q3 2018 reported landfill price up +4.1% and avg price per ton up +8.0% with continued tightening disposal capacity across the northeast.
- Landfill volumes up +2.8% in Q3 2018 as higher tons in the Western Region offset our ramp-down at Southbridge.

Market dynamics are improving across our footprint area.

- Disposal site closures (and expected closures) are creating a supply-demand imbalance.
- Within our footprint, roughly 2.1mm tons/yr of disposal capacity has closed since Dec 2012, and an additional 1.8mm tons/yr of disposal capacity is expected to permanently close in the next couple years, offset by 0.4mm tons/yr of new disposal capacity (= <u>net closure of -3.6mm tons/yr</u>).
- NYC Dept. of Sanitation marine transfer stations expected to shift roughly +1.0mm tons/yr of additional waste to competitor landfills in upstate NY (reducing excess capacity in market).

Disposal market in Northeast is contracting…

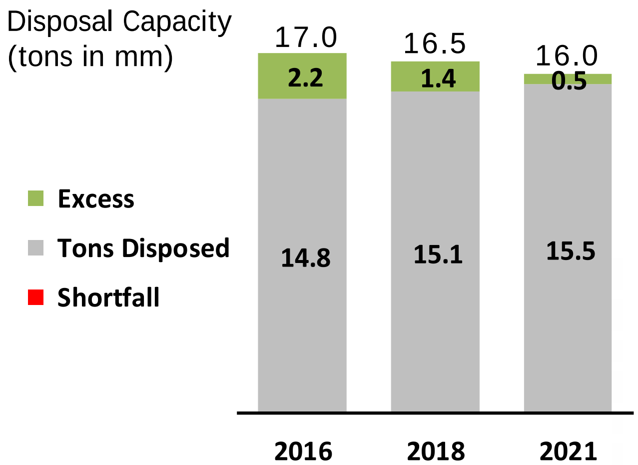
- 10 Disposal Facilities [1]
- Other disposal sites (closed)
- Other disposal sites (potential to close)
- 2 New Disposal Facilities online
- Expected NYC waste flows



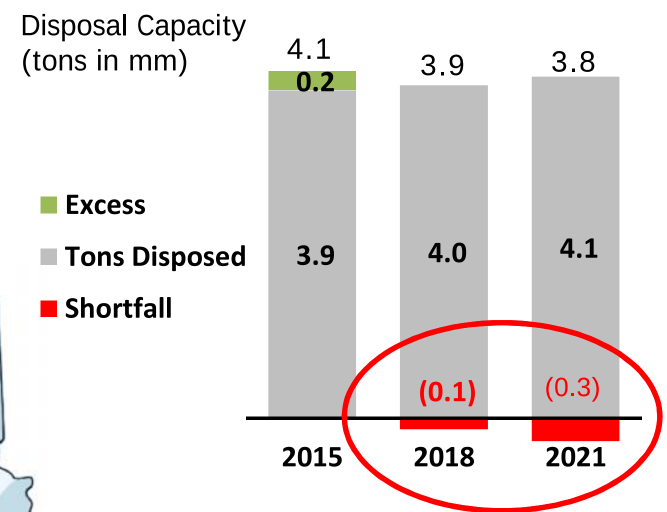
(1) Total disposal capacity includes permitted and permittable airspace estimates at each site as of 12/31/17. (2) The Company announced plans to abandon efforts to pursue additional permits at the Southbridge LF on 8/2/17, please refer to the Company's Form 10-Q for the quarter ended 6/30/17; (3) McKean LF annual capacity does not include the 1.5mm tons/yr rail permit; (4) Juniper Ridge LF has an annual limit of 81.8k tons/yr of MSW through 3/31/21.

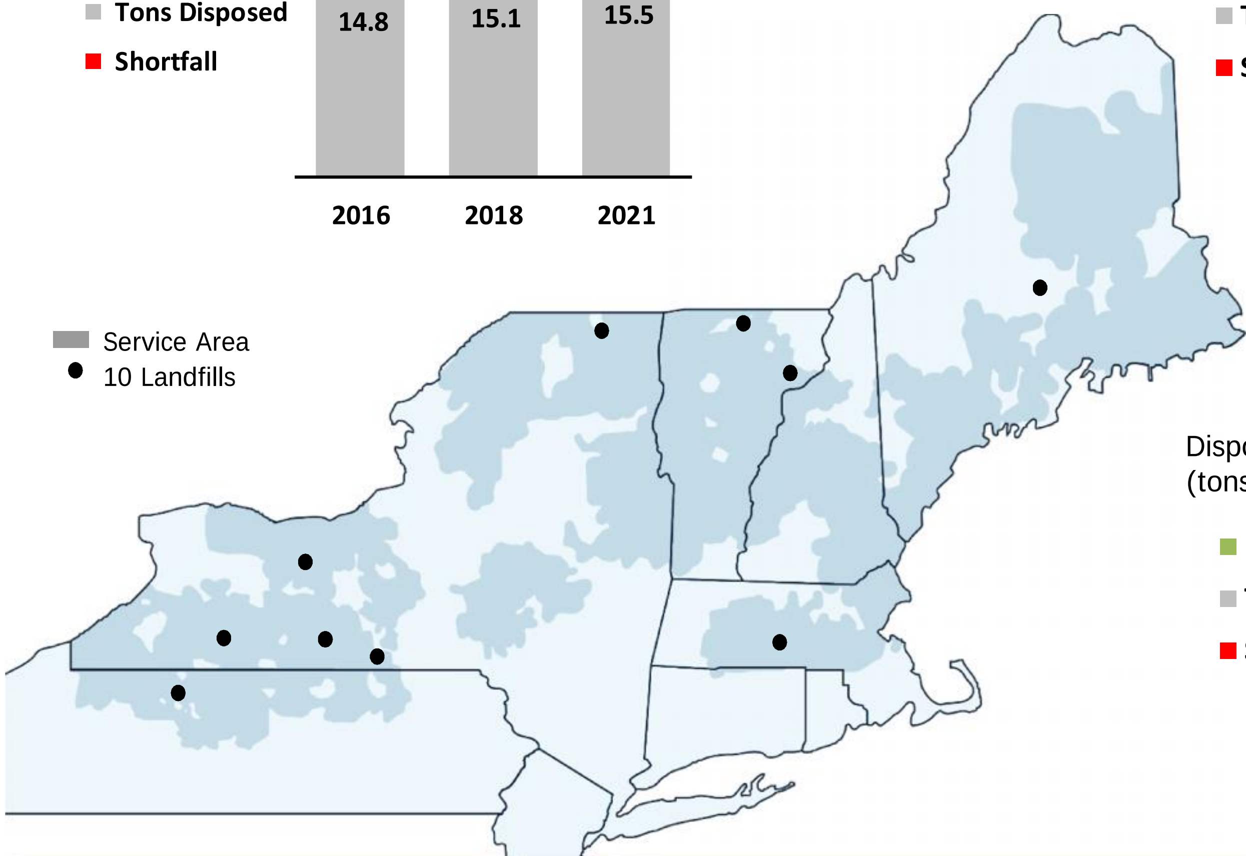
…creating a supply-demand imbalance

New York

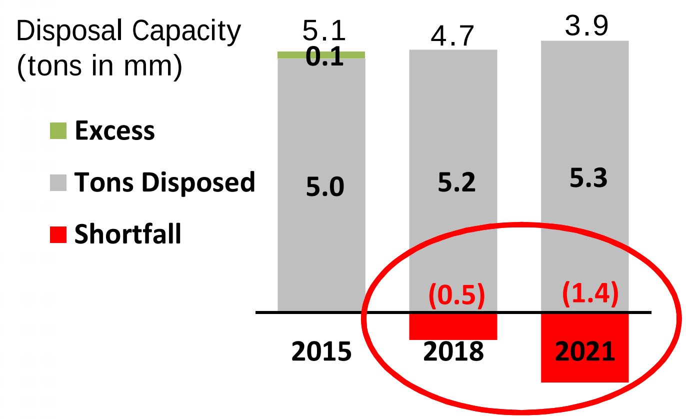


Vermont, New Hampshire & Maine





Massachusetts

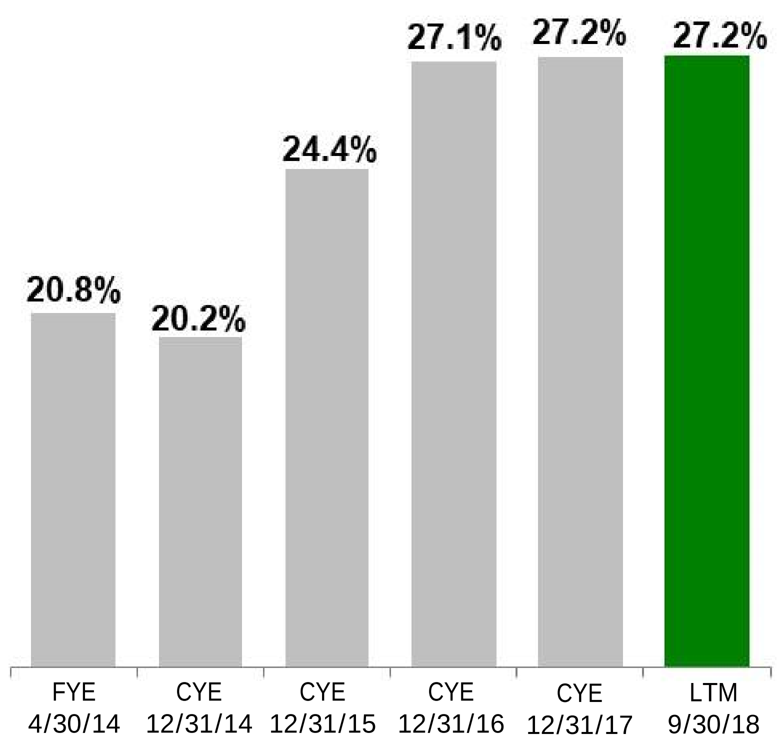


Note: Data collected from active landfill and waste to energy facilities from State Annual Facility Reports for 2015 and 2016, and includes company estimates.

2

Driving additional profitability in collection operations

Collection Adjusted EBITDA Margins



Strategies to improve Collection profitability:

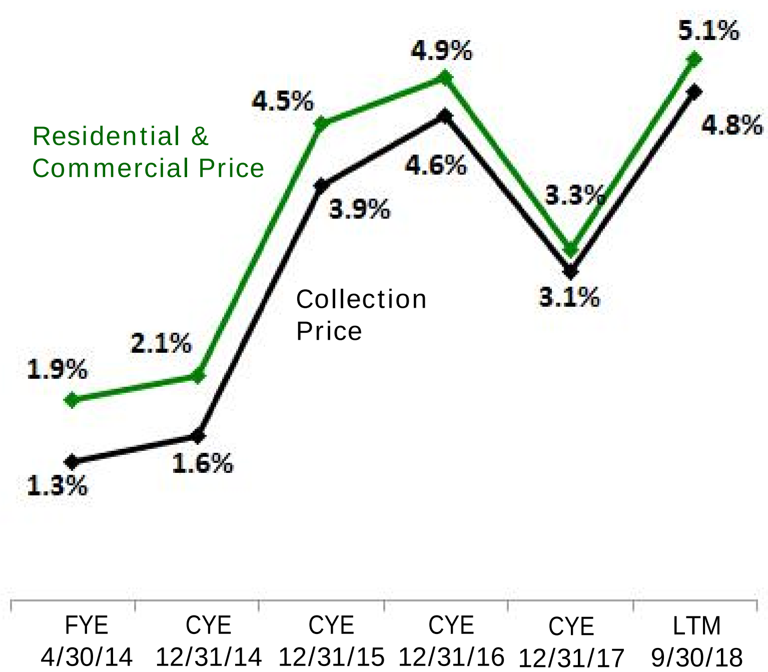
1) Pricing over inflation;
2) Operating efficiencies; and
3) Selling or swapping under-performing routes or operations.

Collection margins flat over last year.

- LTM Q3 2018 Adj EBITDA margins negatively impacted by -80bps by cost recovery fees.
- Our SRA fee and E&E fees are fully recovering the dollar impact of higher recycling and fuel costs, but margins have been compressed.

2 Driving additional profitability in collection operations - continued

Collection Price



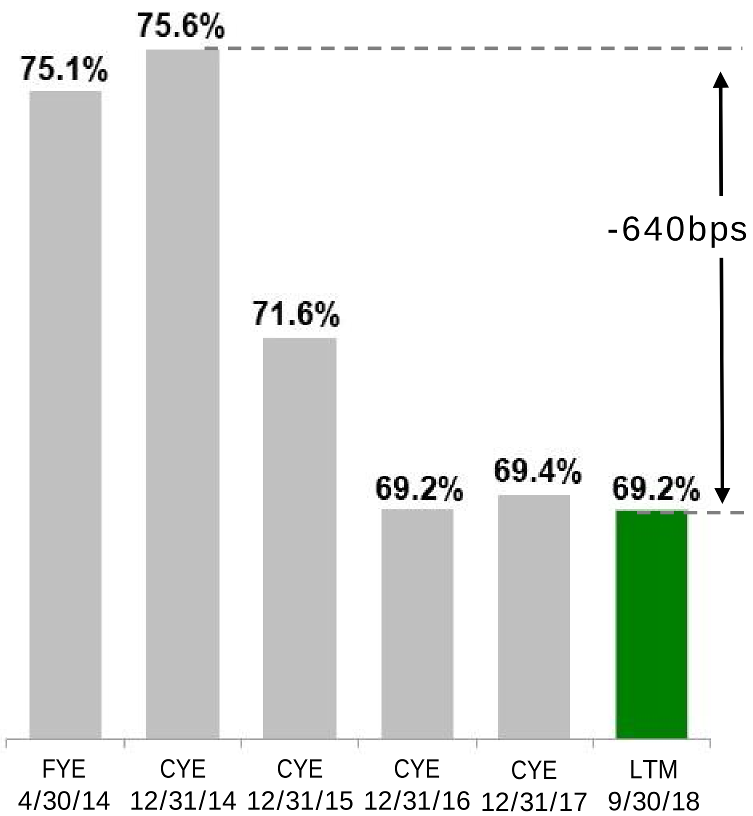
(1) Focus on pricing discipline.

- Collection pricing up +5.7% YOY in Q3 2018.
- Centralized pricing strategy with a decentralized sales model focused on pricing execution and quality of revenues.
- Launched an Sustainability Recycling Adjustment ("SRA") fee in Q2 2015 to offset lower recycling commodity values.
- Launched an Energy & Environmental ("E&E") fee in Q2 2017 to offset fuel volatility and environmental inflation.

2

Driving additional profitability in collection operations – continued

Collection Cost of Operations as % of Collection Revenues



(2) Focus on operating efficiencies.

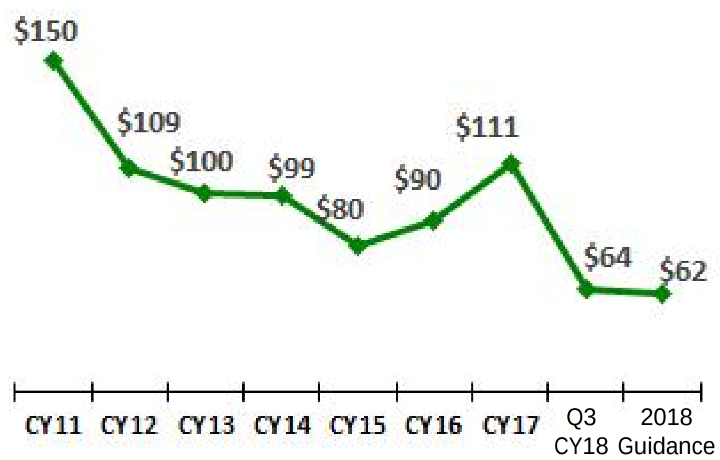
- Cost of Operations as a % of revenues down -640bps since CYE 12/31/14.
- Route profitability - improving routing efficiency with new routing tools, on-route marketing for improved route density, and equipment choices.
- Fleet optimization - implementing fleet plan to standardize fleet selection, reducing maintenance costs, reducing spare ratios, and solving lingering fleet issues.
- Reducing volatility by locking in roughly 38% of fuel at fixed forward prices.

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

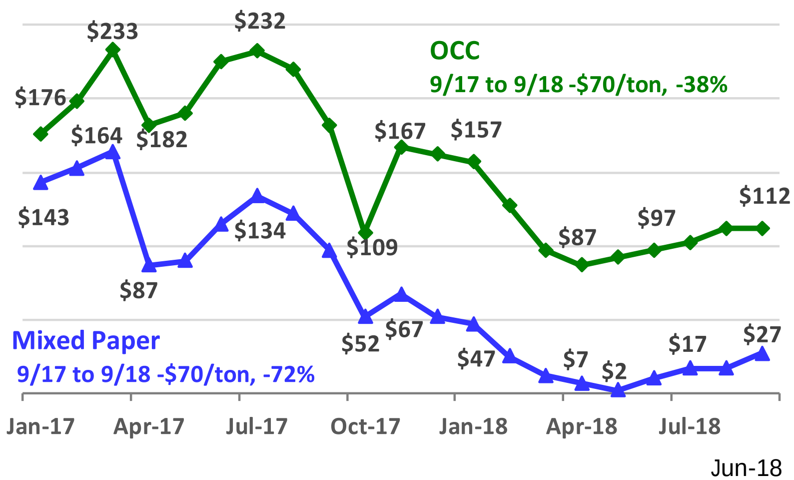
- Continuous review of opportunities.

3 Creating incremental value through Resource Solutions

Average Commodity Revenue per ton (ACR)



Mixed Paper & OCC export prices (1)



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.

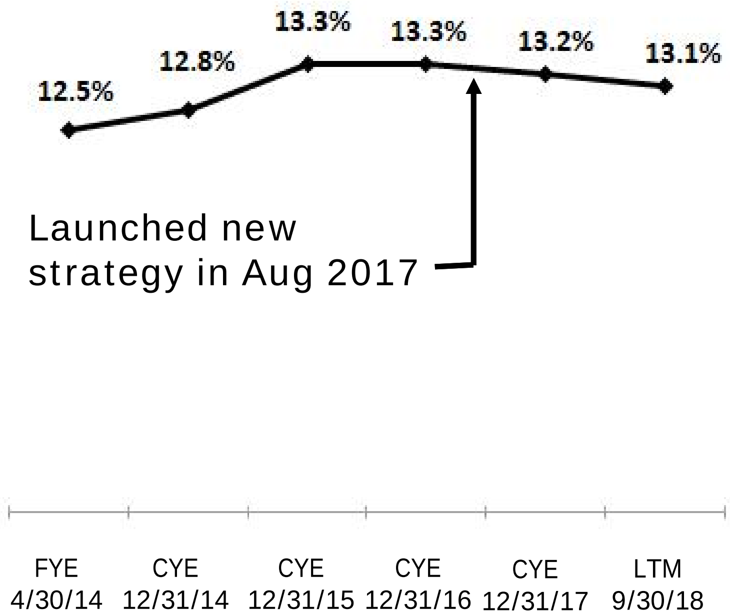
Commodity prices down -48% YOY.

- China's National Sword program has driven declines as they drastically reduced purchases & reduced contamination standards.
- Mixed Paper prices down -72% year-over-year, pricing slightly up form Q2 to Q3 2018.
- Forecasting Recycling Adj. EBITDA down -$10.0mm in 2018.

(1) Pulp & Paper Week, Yellow Sheet data for Recovered Paper exports to Asia

4 Using technology to drive profitable growth & efficiencies

G&A Costs
as % of Revenues



Goal to improve G&A costs as a % of revenues by +75 to +100bps through CY 2021:

1) Update key systems to drive finance and back-office transformation.
   - Launched an effort to update our financial systems and to transform the finance organization. NetSuite chosen as ERP system; launched in Feb. 2018 on-time & on-budget.
   - 5-year technology plan focuses investment into core systems and infrastructure to drive cost efficiencies, customer value, and growth.

2) Optimize sales organization and activities.
   - Migrated from 5 antiquated CRM systems to Microsoft Dynamics CRM.
   - Focused on enhancing opportunity and retention management activities, enhancing cross-selling, and driving higher salesforce effectiveness and efficiency.

5 Allocating capital to balance delevering with smart growth

Over the last 5 years we have focused capital strategy on reducing risk, improving the balance sheet, and increasing free cash flow. [1]

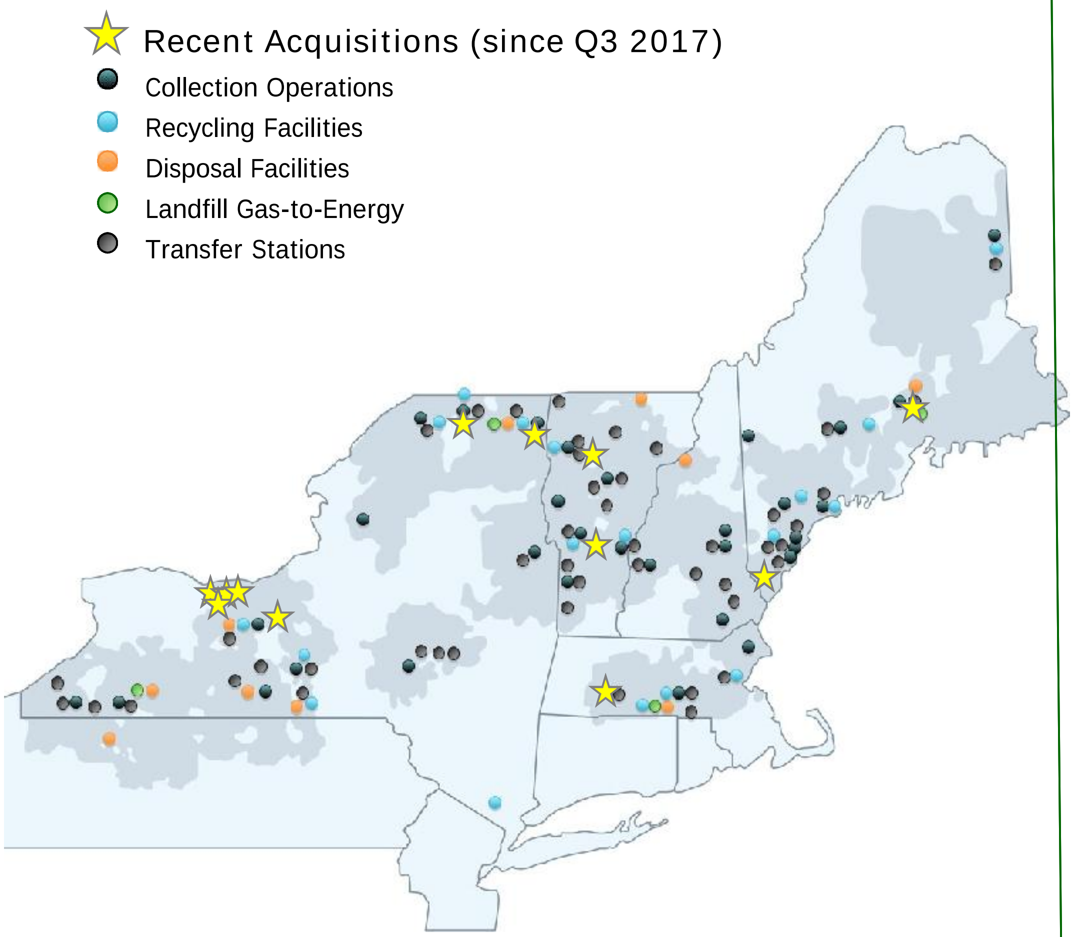
- Sold non-core and negative cash flow operations and investments.
- Completed multiple refinancing efforts to reduce cash interest costs, improve financial flexibility, and extend debt maturities.

We pivoted capital strategy in August 2017 to balance delevering with smart acquisition and development growth.

- Targeted $20 million to $40 million of acquisitions or development activity per year.
- Acquisitions or development activity will be opportunistic, and will strictly adhere to our disciplined capital return hurdles and rigorous review process.
- We have identified roughly $400mm of potential acquisition opportunity in our northeast markets (either tuck-in or could be strategically integrated with our assets).

Tracking ahead of our acquisition targets for 2018

Acquisition activity



Completed 10 acquisitions with $77mm of revenues in 2018.

- 5 tuck-in collection acquisitions, with roughly $15.0mm of revenues.
- 5 larger strategic acquisitions, with roughly $62.0mm of revenues.

Acquired Youngblood Disposal, Silvarole Transfer, Boon & Sons & Al's Maintenance in Rochester, NY since 9/1/18.

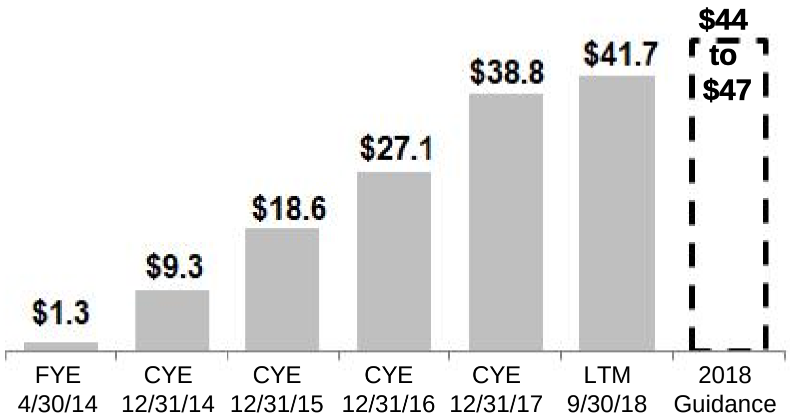
- Four separate complimentary acquisitions in an adjacent market with roughly $45.0mm of combined revenues.
- Youngblood, Boon and Al's provide collection services, while Silvarole operates a 950 tons/day transfer station.
- Plan to integrate operations and internalize waste volumes to landfills.

Robust pipeline of potential deals.

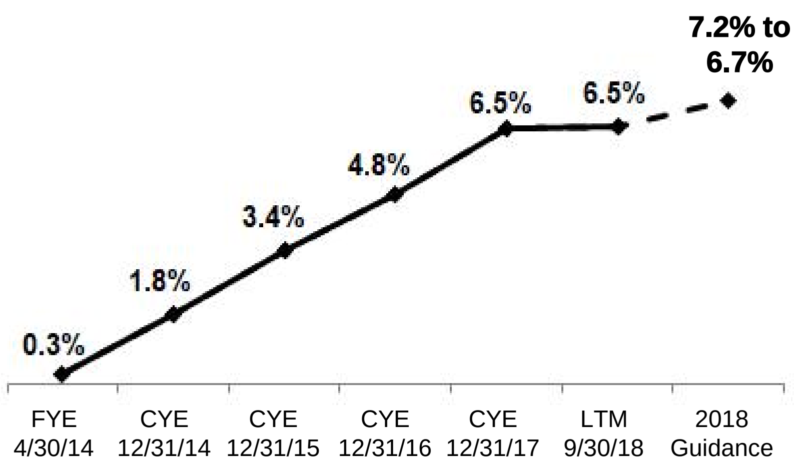
Strategic execution driving higher Free Cash Flows

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

CAGR >100%.



Normalized Free Cash Flow Yield (as % of revenues) (1), (2)



Focused on improving Free Cash Flow:

- Goal to grow Free Cash Flow +10% to +15% per year through 2021.
- Normalized FCF +$41.7m LTM 9/30/18.
- Strategic actions taken since Dec 2012 have reduced risk and improved free cash flows.
- Plan to use excess cash to repay debt, along with select strategic tuck-in acquisitions or investments.
- Driving higher Free Cash Flow through operating cash flows, lower interest costs, and maintaining strict capital discipline.
- Adjusted Tax loss carryforwards will help to accelerate delevering (as of 12/31/17, $110.4mm of Federal NOLs and tax credits).(3)

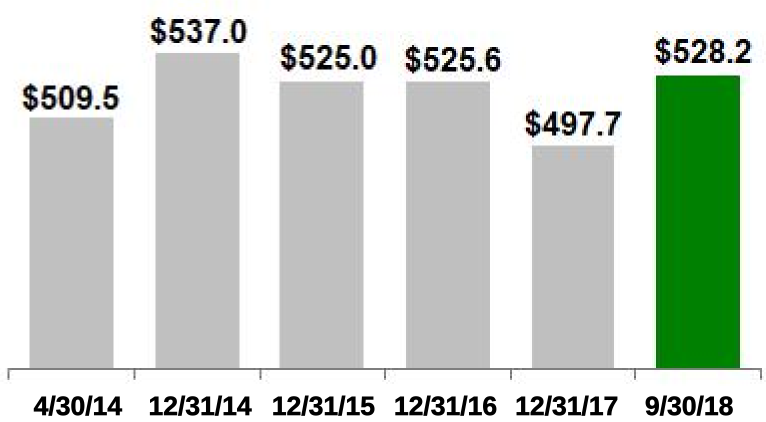
(1) See attached appendix for further information and for a reconciliation of Free Cash Flow and Normalized Free Cash Flow to net cash provided by operating activities, which is the most directly comparable GAAP measure. Net cash provided by operating activities for the periods presented above was $49.6mm for FYE 4/30/14, $62.2mm for CYE 12/31/14, $70.5mm for CYE 12/31/15, $80.4mm for CYE 12/31/16, $107.5mm for CYE 12/31/17, and $118.4mm for twelve months ended 9/30/18.

(2) CY 2018 Guidance as raised on 11/1/18.

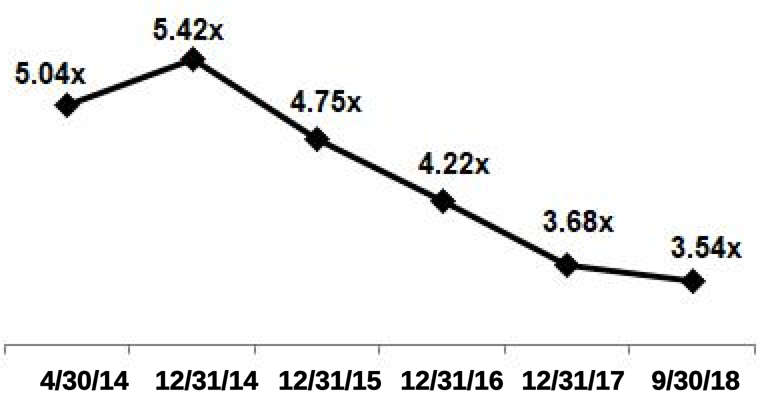
(3) Total tax carryforwards include $101.2mm of Federal NOLs and $9.2mm of Federal tax credits; total tax carry forwards exclude $114.4mm of State NOLs.

Balancing delevering with smart growth

Total Debt [1] ($mm)



Consolidated Net Leverage Ratio [2]



Targeting Consolidated Net Leverage Ratio of 3.00x to 3.25x by CY 2021.

Reduced leverage by -1.88x since 12/31/14.[2]

- Upgraded from 'B' to 'B+' with a Positive Outlook by S&P on 2/26/18; upgraded from 'B2' to 'B1' by Moody's on 3/2/18.
- Refinanced Credit Facility on 5/14/18; expect to save > $2.0mm/yr of cash interest and enhance financial flexibility.
- Completed several refinancings and repricings since 10/17/16 that have saved $14.8mm/yr of cash interest.
- Roughly 61% of debt at fixed rates.

(1) As of December 31, 2018, the Company had outstanding total debt of $555.2 million, as compared to outstanding total debt of $528.2 million as of September 30, 2018, with the increase due mainly to acquisition activity during the fourth quarter of 2018.

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

Casella's value drivers…

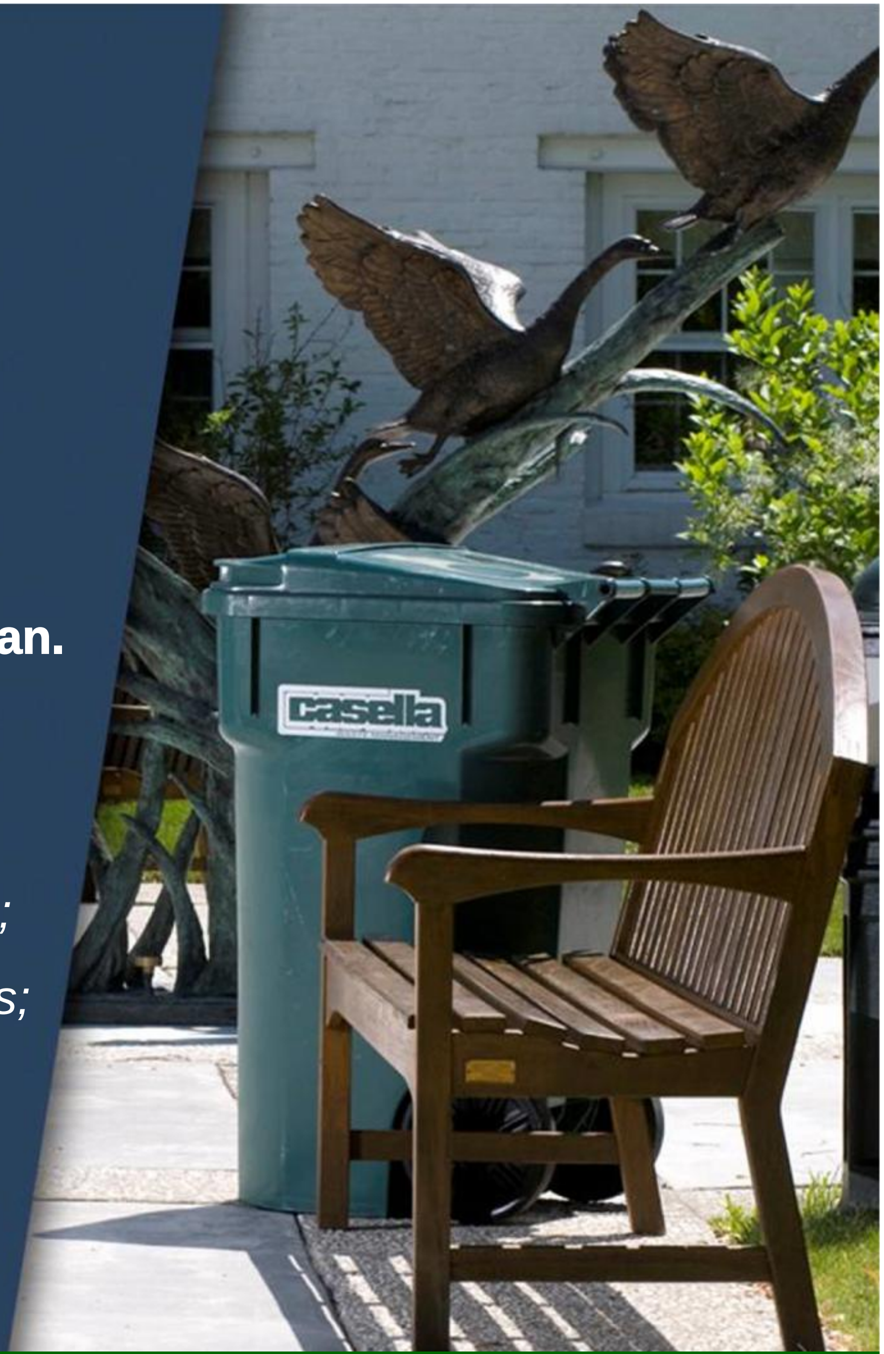
Valuable integrated solid waste assets in disposal limited Northeast markets.

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

Results demonstrate strong execution of plan.

Near term focus of team:

- *Increasing landfill returns;*
- *Driving profitability of collection operations;*
- *Creating value through Resource Solutions;*
- *Using technology to drive profitable growth & efficiencies;*
- *Allocating capital to balance delevering with smart growth.*



Appendix

Reconciliation of Adjusted EBITDA

Non-GAAP Reconciliation of Adjusted EBITDA to Net (Loss) Income (1)

	Fiscal year ended Apr. 30, 2014	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 Sep. 30, 2018
Revenue	$ 497,633	$ 525,938	$ 546,500	$ 565,030	$ 599,309	$ 637,159
Net (loss) income	$ (27,404)	$ (29,136)	$ (11,781)	$ (6,858)	$ (21,799)	$ 40,111
Loss on disposal of discontinued operations, net	378	-	-	-	-	-
Income from discontinued operations, net	(284)	-	-	-	-	-
Provision (benefit) for income taxes	1,799	1,340	1,351	494	(15,253)	(16,980)
Other income	(1,059)	(1,177)	(1,119)	(1,090)	(935)	(965)
Loss on derivative instruments	280	575	227	-	-	-
Loss (gain) from equity method investments	936	(90)	-	-	-	-
(Gain) loss on sale of equity method investment	(593)	221	-	-	-	-
Impairment of investments	-	2,320	2,099	-	-	-
Loss on debt extinguishment	-	-	999	13,747	517	7,352
Interest expense, net	37,863	38,082	40,090	38,652	24,887	25,201
Southbridge landfill closure (settlement) charge, net	-	-	-	-	65,183	(7,425)
Gain on settlement of acquisition related contingent consideration	(1,058)	(1,058)	-	-	-	-
Expense from divestiture, acquisition and financing costs	144	24	-	-	176	1,106
Severance and reorganization costs	586	426	302	-	-	-
Environmental remediation charge	400	950	-	900	-	-
Development project charge	1,394	1,394	-	-	-	311
Divestiture transactions	7,455	6,902	(5,517)	-	-	-
Contract settlement charge	-	-	1,940	-	-	2,100
Depreciation and amortization	60,339	61,206	62,704	61,856	62,102	67,367
Fiscal year-end transition costs	-	538	-	-	-	-
Proxy contest costs	-	-	1,902	-	-	-
Depletion of landfill operating lease obligations	9,948	10,725	9,428	9,295	9,646	10,639
Interest accretion on landfill and environmental remediation liabilities	3,985	3,606	3,449	3,606	4,482	5,568
Adjusted EBITDA	$ 95,109	$ 96,848	$ 106,074	$ 120,602	$ 129,006	$ 134,385
Solid Waste	89,720	92,346	98,086	108,982	116,313	130,562
Recycling segment	1,913	2,609	2,074	6,754	6,930	(2,026)
Other segment	3,476	1,893	5,914	4,866	5,763	5,849
Adjusted EBITDA	$ 95,109	$ 96,848	$ 106,074	$ 120,602	$ 129,006	$ 134,385
Adjusted EBITDA Margin (%)	19.1%	18.4%	19.4%	21.3%	21.5%	21.1%

(1) We present Adjusted EBITDA, a non-GAAP measure, 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. Management uses Adjusted EBITDA to further understand our "core operating performance." We believe 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. We further believe that providing this information allows our investors greater transparency and a better understanding of our core financial performance. In addition, the instruments governing our indebtedness use EBITDA (with additional adjustments) to measure our compliance with covenants.

Reconciliation of Free Cash Flow and Normalized Free Cash Flow

Non-GAAP Reconciliation of Free Cash Flow and Normalized Free Cash Flow to Net Cash Provided by Operating Activities (1)

	Fiscal year ended Apr. 30, 2014	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 Sep. 30, 2018
Net Cash Provided By Operating Activities	$ 49,642	$ 62,158	$ 70,507	$ 80,434	$ 107,538	$ 118,355
Capital expenditures (i)	(43,326)	(67,252)	(49,995)	(54,200)	(64,393)	(73,004)
Payments on landfill operating lease contracts	(6,505)	(5,440)	(5,385)	(7,249)	(7,240)	(8,515)
Proceeds from sale of property and equipment	1,524	815	715	1,362	711	663
Proceeds from divestiture transactions	-	-	5,335	-	-	-
Proceeds from property insurance settlement	-	-	546	-	-	992
Contributions from (distribution to) noncontrolling interest holders	-	-	(1,495)	-	-	-
Free Cash Flow	$ 1,335	$ (9,719)	$ 20,228	$ 20,347	$ 36,616	$ 38,491
Landfill closure, site improvement and remediation expenditures (ii)		7,494	1,447	-	2,182	(3,140)
New contract and project capital expenditures (iii)		11,528	-	-	-	-
Cash proceeds, net from CARES dissolution (iv)		-	(3,055)	-	-	-
Interest payment on redemption of senior subordinated notes (v)		-	-	6,770	-	-
Contract settlement costs (vi)		-	-	-	-	2,100
Expense from acquisition activities and other items (vii)		-	-	-	-	689
Non-recurring capital expenditures (viii)		-	-	-	-	3,578
Normalized Free Cash Flow		$ 9,303	$ 18,620	$ 27,117	$ 38,798	$ 41,718

(i) Capital expenditures exclude acquisition related cap ex through the period reported the 12-months ended December 31, 2017. Capital expenditures for the period 12-months ended September 30, 2018 include acquisition related cap ex, which is then adjusted out within normalized free cash flow through the line containing non-recurring capital expenditures.

(ii) 2015 cash outlays associated with: Worcester landfill capping, BioFuels site improvement, Maine Energy decommissioning, demolition & site remediation. 2017 and 2018 cash inflows and cash outlays associated with the Southbridge landfill closure.

(iii) Includes cash outlays related to capital investments associated with certain new contracts and projects, including: the Thiopaq gas treatment system, the Lewiston, ME Zero-Sort material recovery facility, the Rockland, NY material recovery facility, the Concord, NH waste services contract, the City of Boston, MA recycling contract, and the Brookline, MA, Otsego, NY, Tompkins, NY and Schoharie, NY transfer stations.

(iv) Includes cash proceeds and cash distribution associated with the dissolution of CARES.

(v) Includes interest payment required upon redemption of the senior subordinated notes.

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

(vii) Includes cash outlays associated with potential acquisition activities.

(viii) Includes capital expenditures related to acquisitions or assumption of new customers from a distressed or defunct market participant.

(1) We present Free Cash Flow, a non-GAAP measure, 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. Management uses Free Cash Flow and Normalized Free Cash Flow to further understand our “core operating performance.” We believe our “core operating performance” is helpful in understanding our ongoing performance in the ordinary course of operations. We believe that providing Free Cash Flow and Normalized Free Cash Flow to investors, in addition to the corresponding cash flow 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. We further believe that providing this information allows our investors greater transparency and a better understanding of our core financial performance.

Reconciliation of Consolidated Leverage Ratio

Reconciliation of Consolidated EBITDA (as defined by the applicable credit facility agreement) to Net Cash Provided by Operating Activities (1)

($ in millions)	Fiscal Year ended Apr. 30, 2014	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 Sep. 30, 2018
Net Cash Provided By Operating Activities	$ 49.6	$ 62.2	$ 70.5	$ 80.4	$ 107.5	$ 118.4
Changes in assets and liabilities, net of effects of acquisitions and divestitures	9.2	(2.2)	(5.0)	9.4	4.6	5.5
Divestiture transactions	(7.5)	(6.9)	5.5	-	-	-
Gain (loss) on sale of property and equipment	0.8	0.5	0.1	0.6	(0.0)	0.3
Gain (loss) on sale of equity method investment	0.6	(0.2)	-	-	-	-
Loss on debt extinguishment	-	-	(1.0)	(13.7)	(0.5)	(7.4)
Non-cash expense from acquisition and other activities	-	-	-	-	-	(0.2)
Stock based compensation and related severance expense, net of excess tax benefit	(2.4)	(2.3)	(2.9)	(3.4)	(6.4)	(8.0)
Development project charge	(1.4)	(1.4)	-	-	-	(0.3)
Impairment of investments	-	(2.3)	(2.1)	-	-	-
Loss on derivative instruments	(0.3)	(0.6)	(0.2)	-	-	-
Southbridge landfill non-cash closure (settlement) charge, net	-	-	-	-	(63.5)	(1.4)
Southbridge landfill insurance recovery for investing activities	-	-	-	-	-	3.5
Interest expense, less amortization of debt issuance costs and discount on long-term debt	37.9	38.2	40.1	35.1	22.5	22.9
Provision for income taxes, net of deferred taxes	0.2	0.2	0.6	(0.1)	0.3	(1.2)
Gain on settlement of acquisition related contingent consideration	1.1	1.1	-	-	-	-
Environmental remediation charge	-	-	-	(0.9)	-	-
EBITDA adjustment as allowed by the applicable credit facility agreement	9.3	7.5	(2.5)	-	-	-
Other adjustments as allowed by the applicable credit facility agreement	4.0	5.3	7.4	17.1	71.0	16.9
Minimum Consolidated EBITDA	$ 101.1	$ 99.1	$ 110.5	$ 124.5	$ 135.4	$ 149.1
Consolidated Funded Debt (Total Debt)	$ 509.5	$ 537.0	$ 525.0	$ 525.0	$ 497.7	$ 528.2
Consolidated Leverage Ratio (Total Debt-to-EBITDA)	5.04	5.42	4.75	4.22	3.68	3.54

(1) The amortization of debt issuance costs is included as a component of changes in assets and liabilities, net of effects of acquisitions and divestitures and has not been conformed to the 12-months ended 12/31/17 presentation of interest expense, less the amortization of debt issuance costs and the discount on long-term debt.

Capital Expenditure Detail

Capital Expenditure Detail [(1)]

($ in thousands)	Fiscal year ended Apr. 30, 2014	12 months ended Dec. 31, 2014	12 months ended Dec. 31, 2015	12 months ended Dec. 31, 2016	12 months ended Dec. 31, 2017
Total Growth Capital Expenditures	$ 4,664	$ 13,789	$ 7,244	$ 5,373	$ 3,552
Replacement Capital Expenditures:					
Landfill development	24,019	23,216	18,828	29,666	33,697
Vehicles, machinery / equipment and containers	10,465	25,102	18,866	15,512	21,581
Facilities	3,170	3,605	2,873	2,581	3,155
Other	1,008	1,540	2,184	1,068	2,408
Total Replacement Capital Expenditures	38,662	53,463	42,751	48,827	60,841
Total Capital Expenditures	$ 43,326	$ 67,252	$ 49,995	$ 54,200	$ 64,393
Capital Expenditures as % of Revenues	8.7%	12.8%	9.1%	9.6%	10.7%

(1) Our capital expenditures are broadly defined as pertaining to either growth, replacement or acquisition activities. Growth capital expenditures are defined as costs related to development of new airspace, permit expansions, and new recycling contracts along with incremental costs of equipment and infrastructure added to further such activities. Growth capital expenditures include the cost of equipment added directly as a result of organic business growth as well as expenditures associated with adding infrastructure 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. Acquisition capital expenditures, which are not included in the table above, are defined as costs of equipment added directly as a result of new business growth related to an acquisition.

Reconciliations for Preliminary 2018 results

Following is a reconciliation, in the form of a range, of preliminary estimated Adjusted EBITDA to preliminary estimated Net income for fiscal year 2018; and Adjusted EBITDA to Net (loss) for fiscal year 2017 (in millions):

$ in millions	(Preliminary) Fiscal Year Ending December 31, 2018	Fiscal Year Ending December 31, 2017
Net income (loss)	$7.2 - $7.8	-$21.8
Benefit for income taxes	(0.1) - (0.7)	(15.3)
Other income	(0.7)	(0.9)
Loss on debt extinguishment	7.4	0.5
Interest expense, net	26.1	24.9
Expense from acquisition activities and other items	1.8	0.2
Southbridge landfill closure charge, net	7.6 - 8.6	65.2
Contract settlement charge	2.1	-
Development project charge	0.3	-
Depreciation and amortization	70.5	62.1
Depletion of landfill operating lease obligations	9.7	9.6
Interest accretion on landfill and environmental remediation liabilities	5.7	4.5
Adjusted EBITDA	$137.7 - $138.3	$129.0

(1) We present Adjusted EBITDA, a non-GAAP measure, 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. Management uses Adjusted EBITDA to further understand our "core operating performance." We believe 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. We further believe that providing this information allows our investors greater transparency and a better understanding of our core financial performance. In addition, the instruments governing our indebtedness use EBITDA (with additional adjustments) to measure our compliance with covenants.

Following is a reconciliation, in the form of a range, of preliminary estimated Free Cash Flow and preliminary estimated Normalized Free Cash Flow to preliminary estimated Net cash provided by operating activities for fiscal year 2018; and Free Cash Flow and Normalized Free Cash Flow to Net cash provided by operating activities for fiscal year 2017 (in millions):

$ in millions	(Preliminary) Fiscal Year Ending December 31, 2018	Fiscal Year Ending December 31, 2017
Net Cash Provided by Operating Activities	$120.5 - $121.1	$107.5
Capital expenditures	(73.0) - (73.4)	(64.9)
Payments on landfill operating lease contracts	(7.4)	(7.2)
Proceeds from sale of property and equipment	0.9	0.7
Proceeds from property insurance settlement	1.0	-
Free Cash Flow	$41.7 - $42.3	$36.1
Contract settlement charge (i)	2.1	-
Landfill closure, site improvement and remediation expenditures (ii)	(2.8)	2.2
Expense from acquisitions and other items (iii)	1.3	-
Non-recurring capital expenditures (iv)	4.2 - 4.6	0.5
Normalized Free Cash Flow	$46.8 - $47.4	$38.8

(i) Includes a contract settlement cash outlay associated with exiting a contract.
(ii)Includes cash inflows and cash outlays associated with the Southbridge Landfill closure. This includes $6.5 million of the $10.0 million recovery of the environmental insurance settlement and excludes $3.5 million pertaining to the recovery of cash flows from investing activities.
(iii) Includes cash outlays associated with acquisition activities and other items.
(iv) Includes capital expenditures related to acquisitions or assumption of new customers from a distressed or defunct market participant.

(1) We present Free Cash Flow, a non-GAAP measure, 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. Management uses Free Cash Flow and Normalized Free Cash Flow to further understand our "core operating performance." We believe our "core operating performance" is helpful in understanding our ongoing performance in the ordinary course of operations. We believe that providing Free Cash Flow and Normalized Free Cash Flow to investors, in addition to the corresponding cash flow 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. We further believe that providing this information allows our investors greater transparency and a better understanding of our core financial performance.