

## **Commercial Rate Phase in:**

The new commercial rate structure implements a phased approach to minimize the impact to our customers. The initial increase is capped at 25% of your current bill, the new initial rate (NIR). The difference between the NIR and the rate matrix will then phase in over the next 18 months in thirds every 6 months.

Example: 2 Yard Commercial trash service 3X per week

Current Bill (Hypothetical): \$125

New Initial Rate (Oct 1): = \$125 x 1.25 = \$156.25

Franchise Rate = \$290.37

FR – NIR = Remainder = \$290.37 - \$156.25 = \$134.12

1/3 Phase in = \$44.71

April 2018 Rate = NIR + first 1/3 Phase in = \$156.25 + \$44.71 = \$200.96

Oct 1 2018 Rate = April 2018 Rate + second 1/3 Phase in Rate = \$200.96 + \$44.71 = \$245.67

April 1 2019 Rate = April 2018 Rate + Last 1/3 Phase in = \$245.67 +\$44.70 = \$290.37

|     |         | Frequency |          |                        |            |            |            |            |
|-----|---------|-----------|----------|------------------------|------------|------------|------------|------------|
|     |         | 1         | 2        | 3                      | 4          | 5          | 6          | 7          |
| 32  | Gallons | \$18.14   | \$36.28  | \$54.43                | \$72.57    | \$90.71    | \$108.85   | \$152.39   |
| 64  | Gallons | \$27.21   | \$54.41  | \$81.62                | \$108.83   | \$136.04   | \$163.24   | \$228.54   |
| 96  | Gallons | \$38.34   | \$76.68  | \$115.02               | \$153.36   | \$191.69   | \$230.03   | \$322.05   |
| 1   | Yard    | \$55.76   | \$111.51 | \$167.27               | \$223.02   | \$278.78   | \$334.54   | \$468.35   |
| 300 | Gallons | \$75.56   | \$151.13 | \$226.69               | \$302.25   | \$377.82   | \$453.38   | \$634.74   |
| 1.5 | Yards   | \$76.18   | \$152.36 | \$228.54               | \$304.72   | \$380.90   | \$457.08   | \$639.91   |
| 2   | Yards   | \$96.79   | \$193.58 | \$ <mark>290.37</mark> | \$387.15   | \$483.94   | \$580.73   | \$813.02   |
| 3   | Yards   | \$138.03  | \$276.05 | \$414.08               | \$552.11   | \$690.13   | \$828.16   | \$1,159.43 |
| 4   | Yards   | \$179.25  | \$358.51 | \$537.76               | \$717.02   | \$896.27   | \$1,075.53 | \$1,505.74 |
| 6   | Yards   | \$261.71  | \$523.42 | \$785.13               | \$1,046.84 | \$1,308.55 | \$1,570.25 | \$2,198.36 |
| 8   | Yards   | \$344.16  | \$688.33 | \$1,032.49             | \$1,376.66 | \$1,720.82 | \$2,064.98 | \$2,890.98 |

<sup>\*</sup>Rate Matrix subject to change based on the agreed interim year rate increases per the franchise agreement.