



July 19, 2022

Dear Sound Disposal,

As I'm sure you're well aware, the cost of gas and diesel fuels has risen dramatically over the last several months. It is within this climate that we are implementing fuel surcharge August 1, 2022.

The cost of the increase will be 6.44% per ton.

We are comparing index price at May 2022 to May 2021 and using a floor of the 2021 calendar year average price. We compute the percentage increase and then multiplied by the current month's off-road fuel cost to related revenue percentage. It would be the 2021 Index average of \$3.78/gallon (the designated floor in the table)

May 2022 Index Price	\$5.84
May 2021 Index Price	\$3.65
Average 2021 Index price (Floor)	\$3.78
Percentage Increase	54.69%
May 2022 % of off-road fuel cost to related revenue	12%
Fuel Surcharge	6.44%

We apologize for this measure, but it is one that all businesses, particularly those in the transportation industry, are facing and having to deal with. We appreciate your understanding in this regard.

Sincerely,

Cedar Grove Composting

<http://www.eia.gov/petroleum/gasdiesel>

West Coast (Padd 5)	
Month	Price
January-21	\$3.113
February-21	\$3.176
March-21	\$3.432
April-21	\$3.659
May-21	\$3.651
June-21	\$3.751
July-21	\$3.839
August-21	\$3.934
September-21	\$3.997
October-21	\$4.032
November-21	\$4.278
December-21	\$4.450
January-22	\$4.371
February-22	\$4.544
March-22	\$4.711
April-22	\$5.874
May-22	\$5.841