



The Fuel Recovery Fee (“Fee”) on customer bills is a recurring charge that is a fluctuating percentage of invoice charges for services. The Fee is intended to help Priority Waste recover both direct and indirect petroleum-related costs associated with the operation of its hauling and disposal facilities, and it includes an amount designed to achieve a reasonable operating margin. It is not a tax or surcharge mandated by or remitted to any governmental or regulatory agency. Each Fee rate is determined by cross-checking the [chart herein](#) with the Midwest (P.A.D.D.2) per gallon on highway diesel price as reported by [the Energy Information Administration of the U.S. Department of Energy](#). Priority Waste monitors these costs regularly and reserves the right to change its method of determining the Fee at its discretion.

The amount or percentage of the Fee is not specifically tied to the direct or indirect costs to service a specific customer account. By contract, or at Priority Waste’s discretion, some customers pay a non-standard Fee or are exempt from any Fee. Through these Fees, Priority Waste attempts to collectively recover all company-wide costs for fuels and products used by Priority Waste, above the \$2.00/gallon diesel cost baseline, from only those customers subject to a Fee, excluding any exempt or non-paying customers.