

## RYEGATE FUEL ADJUSTMENT

**Effective: NOVEMBER 1 - DECEMBER 31, 2018**

*Using July - September 2018 Wood Purchase Costs*

TOTAL QUARTERLY VOLUME	67,741.23 TONS
TOTAL QUARTERLY AMOUNT	\$1,719,584.89
<b>QUARTERLY FUEL PRICE</b>	<b>\$25.38</b>

### FORMULA

Fuel Price Adjustment = (Quarterly Fuel Price - Fuel Price Benchmark) X Efficiency Factor X Passthrough Percentage

Quarterly Fuel Price                      \$25.38 /TON

Fuel Price Benchmark \$                      29.00 /TON

Efficiency Factor (effective Nov 1, 2017)      **0.00158** TONS/KwH

*Passthrough Percentage*                      37%

Fuel Price Adjustment = \$	(0.00210)
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Base Rate: Effective Nov 1, 2018 to Oct 31, 2019	\$      0.102
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Fuel Price Adjustment: Jul - Sep 2018	\$      (0.00210)
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NEW Contract RATE EFFECTIVE: 11/1/2018 - 12/31/2018	\$      0.09990
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**Note: Quarterly Fuel Price is below \$26/ton therefore per contract the Passthrough Percentage is:**

$(\$26/\text{ton} - \text{Quarterly Fuel Price}) \times 70\% + \$0.90/\text{ton}$

*Fuel Price Benchmark - Quarterly Fuel Price*