CPKC

Percentage Fuel Surcharge Tariff

9011

Revision 2025.1
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CPKC 9011 Revision 2025.1
cancels and supersedes:
KCS 9011-G Revision 24,
Items 240 and 245

This document is updated periodically. Current versions of this and other CPKC tariffs are available at www.cpkcr.com.

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Item 240 **Percentage Fuel Surcharge (WTI)**

Application

This fuel surcharge is calculated monthly based on the average West Texas Intermediate Crude Oil (WTI) price on the New York Mercantile Exchange (NYMEX). Fuel surcharge in this item will be applied to the freight charges in tariff publications and/or contracts that reference this tariff or its predecessor, KCS 9011-G Item 240.

Definitions

Application Period The calendar month during which each fuel surcharge update applies.

Basis Period The month over which WTI price is averaged to determine fuel surcharge during the Application Month. The Basis Month is the calendar month two months prior to the Application Month.

Calculation

When the average WTI price for the Basis Period exceeds $23.00 USD per barrel, the fuel surcharge applied during the Application Period will be calculated from a base of 0.4% of the freight charge. For each incremental fluctuation of $1.00 in WTI price, the fuel surcharge will increase or decrease by an incremental 0.4% – never going below 0.00%.

For clarity, when the WTI average is $23.00 or below, the surcharge is 0.00%. When WTI is $23.01 to $24.00 the surcharge is 0.4%, when WTI is $24.01 to $25.00 the surcharge is 0.8%, etc.

The average WTI price for a Basis Month is the simple average of all Daily Close WTI prices posted on dates within that calendar month, inclusive. The source used for NYMEX WTI pricing is the Historical Quotes data on MarketWatch, available at: https://www.marketwatch.com/investing/future/cl.1.

Reference

A schedule of Tariff 9011 fuel surcharge levels is available at: https://www.cpkcr.com/en/customer-resources/pricing-and-tariffs. Those subscribing to this tariff in CPKC Customer Station will receive an email notification of updates.

Item 245 **Percentage Fuel Surcharge (OHD)**

Application

This fuel surcharge is based on the On-Highway Diesel (OHD) prices posted by the U.S. Energy Information Administration (EIA). Fuel surcharge in this item will be applied to the freight charges in tariff publications and/or contracts that reference this tariff or its predecessor, KCS 9011-G Item 245.

Definitions

Application Period

(A) Domestic intermodal shipments – the week (starting on Monday) during which each weekly fuel surcharge update applies.

(B) International intermodal shipments – the calendar month during which each monthly fuel surcharge update applies.

Basis Period

(A) Domestic intermodal shipments – the week (starting on Monday) that starts two weeks prior to the Application Period.

(B) International intermodal shipments – the four-week period (each week starting on Monday) ending with the week containing the 15th day of the month prior to the Application Month.

Calculation

When the average OHD price for the Basis Period exceeds $1.323 USD per gallon, the fuel surcharge applied during the Application Period will be calculated from a base of 0.47% of the freight charge. For each incremental fluctuation of $0.023 in OHD price, the fuel surcharge will increase or decrease by an incremental 0.3% – never going below 0.00%.

For clarity, when OHD is $1.323 or below, the surcharge is 0.00% and when OHD is $1.324 to $1.347 the surcharge is 0.47%. Above this range, the surcharge changes in increments of 0.3%, so when OHD is $1.348 to $1.371 the surcharge is 0.77%, when OHD $1.372 to $1.395 the surcharge is 1.07%, etc.

The weekly and monthly versions of this surcharge are determined as follows:

(A) Domestic intermodal shipments – the OHD price posted by the EIA for the Basis Week is used to calculate the weekly surcharge applicable during the Application Week.

(B) International intermodal shipments – the monthly surcharge in effect for the Application Month is a simple average of the four weekly surcharges that correspond to the Basis Period for the monthly surcharge.

The source for OHD pricing is the EIA's Weekly Retail Diesel Prices, available at: https://www.eia.gov/dnav/pet/pet_pri_gnd_dcus_nus_w.htm [Diesel (On-Highway) - All Types].

Reference

A schedule of Tariff 9011 fuel surcharge levels is available at: https://www.cpkcr.com/en/customer-resources/pricing-and-tariffs. Those subscribing to this tariff in CPKC Customer Station will receive an email notification of updates.