CPKC

Mileage Fuel Surcharge Tariff

9012

Revision 2025.1
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cancels and supersedes:
KCS 9012 Revision 19,
Item 240

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 **Mileage Fuel Surcharge (OHD)**

Application

This fuel surcharge is calculated monthly based on the average 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 9012 Item 240.

Fuel surcharge in this tariff will be administered using route miles that reflect the 'Fuel Surcharge' miles from PC*Miler|Rail based on the designated routing found within the rate authority(ies) applied against the shipment. When two or more rate authorities are used in combination to form a single rate, miles will be calculated for each authority.

Definitions

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

Basis Period The month over which OHD 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 OHD price for the Basis Period meets or exceeds $2.30 USD per gallon, fuel surcharge applied during the Application Period will be calculated from a base of $0.05 per revenue mile. For each incremental fluctuation of $0.04 in OHD, fuel surcharge will increase or decrease by an incremental $0.01 per mile – never going below $0.00.

For clarity, when OHD is $2.299 or below, the surcharge is $0.00 and when OHD is $2.300 to $2.339 the surcharge is $0.05. Above this range, the surcharge changes in increments of $0.01, so when OHD is $2.340 to $2.379 the surcharge is $0.06, when OHD $2.380 to $2.419 the surcharge is $0.07, etc.

The average OHD price for a Basis Period is the simple average of all OHD prices posted on dates within that period, inclusive. 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 9012 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.