CPKC

Mileage Fuel Surcharge Tariff

9700

Revision 2025.1
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CPKC 9700 Revision 2025.1
cancels and supersedes:
CP 9700 Revision #7

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

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Application

This tariff governs fuel surcharge applied to Bulk [Coal, Grain, Sulphur, Fertilizer and Crude Oil] and Carload [non-Bulk] shipments, calculated semi-monthly based on the average On-Highway Diesel (OHD) prices posted by the U.S. Energy Information Administration (EIA). Fuel surcharge in this tariff will be applied to the freight charges in tariff publications and/or contracts that reference this tariff or its predecessor, CP 9700.

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.

This fuel surcharge is calculated in USD. On invoices denominated in CAD, fuel surcharge will be converted to CAD based on the Bank of Canada average exchange rate for the 15 calendar days prior to 20 days preceding each Application Period.

Definitions

Application Period — The semi-monthly period during which each fuel surcharge update applies. Application Period 1 is from the 1st to 15th day of the month. Application Period 2 is from the 16th to the end of the month.

Basis Period — The period over which OHD price is averaged to determine fuel surcharge during the Application Period. Basis Period 1 is the 15 calendar days prior to 20 days preceding the 1st day of the month. Basis Period 2 is the 15 calendar days prior to 20 days preceding the 16th day of the month.

Calculation

This tariff contains two distinct fuel surcharges:

Bulk – When the average OHD price for the Basis Period meets or exceeds $2.25 USD per gallon, fuel surcharge applied during the Application Period will be calculated from a base of $0.005 per revenue mile. For each incremental fluctuation of $0.024 in OHD, fuel surcharge will increase or decrease by an incremental $0.005 per mile – never going below $0.00.

Carload – When the average OHD price for the Basis Period meets or exceeds $2.25 USD per gallon, fuel surcharge applied during the Application Period will be calculated from a base of $0.005 per revenue mile. For each incremental fluctuation of $0.022 in OHD, fuel surcharge will increase or decrease by an incremental $0.005 per mile – never going below $0.00.

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 9700 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.