STB LSRC 7676 Cancels N/A MDOT LSRC 7676 Cancels N/A

Tariff LSRC 7676 Cancels N/A

LAKE STATE RAILWAY COMPANY TARIFF 7676 LOCAL FREIGHT TARIFF NAMING SURCHARGES AT STATIONS SERVED BY LAKE STATE RAILWAY COMPANY

SURCHARGE TARIFF FUEL COST RECOVERY SURCHARGE

ISSUED: April 1, 2012

EFFECTIVE: April 1, 2012

Fuel Surcharge Rail Mileage Based/Highway Diesel Fuel

APPLICATION: This publication applies to: any linehaul freight rates and charges with respect to exempt traffic, and line haul freight rates and charges in contracts, private price quotation or other pricing documents, that reference this publication.

In the event that the monthly average price per gallon of highway diesel fuel (as determined below, the "HDF Average Price") equals or exceeds 200.00 cents, LSRC will apply a mileage-based fuel surcharge to the linehaul rates and charges described above. The fuel surcharge will be applied to each qualifying shipment having a bill of lading or other shipping instruction dated on or after the first day of the second calendar month following the calendar month of a given HDF Average Price determination.

The "HDF Average Price" for a month will be the average price for that month of the U.S. No. 2 Diesel Retail Sales by All Sellers, as determined and published by the U.S. Department of Energy, Energy Information Administration ("DOE-EIA", ¹. That average price will, in calculating the HDF Average Price, be rounded to the nearest 1/10th of a cent applying conventional rounding principles. The fuel surcharge will be 1¢ per mile per railcar for every 4¢ per gallon, or portion thereof, by which the HDF Average Price for the calendar month two months prior to the calendar month of shipment exceeds 199.9 cents.

If the DOE-EIA ceases publication of the above information, LSRC will employ a suitable source of price or measure.

The mileage to be applied in calculating the fuel surcharge will be based on rail miles between origin, interchange(s) and destination.

| HDF Average Price | I ente | HDF Average Price | Cents | HDF Average Price | Cents |
|-------------------|----------|----------------------|----------|-------------------------|-----------|
| Cents Per Gallon | Per Mile | Cents Per Gallon | Per Mile | Cents Per Gallon | Per Mile |
| 0 - 199.9 | 0 | 232.0 - 235.9 | 9 | 268.0 - 271.9 | 18 |
| 200.0 - 203.9 | 1 | 236.0 - 239.9 | 10 | 272.0 - 275.9 | 19 |
| 204.0 - 207.9 | 2 | 240.0 - 243.9 | 11 | 276.0 - 279.9 | 20 |
| 208.0 - 211.9 | 3 | 244.0 - 247.9 | 12 | 280.0 - 283.9 | 21 |
| 212.0 - 215.9 | 4 | 248.0 - 251.9 | 13 | 284.0 - 287.9 | 222 |
| 216.0 - 219.9 | 5 | 252.0 - 255.9 | 14 | 288.0 - 291.9 | 23 |
| 220.0 - 223.9 | 6 | 256.0 - 259.9 | 15 | 292.0 - 295.9 | 24 |
| 224.0 - 227.9 | 7 | 260.0 - 263.9 | 16 | 296.0 - 299.9 | 25 |
| 228.0 - 231.9 | 8 | 264.0 - 267.9 | 17 | Above 299.9 | See Below |

The following table reflects a sampling of the fuel surcharge within the included HDF Average Price ranges.

| Month | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|-----------|---------|---------|---------|---------|---------|---------|---------|
| January | \$ 0.44 | \$ 0.11 | \$ 0.27 | \$ 0.33 | \$ 0.23 | \$ 0.11 | \$ 0.12 |
| February | \$ 0.42 | \$ 0.15 | \$ 0.27 | \$ 0.29 | \$ 0.23 | \$ 0.13 | \$ 0.08 |
| March | | \$ 0.18 | \$ 0.27 | \$ 0.25 | \$ 0.26 | \$ 0.15 | \$ 0.04 |
| April | | \$ 0.22 | \$ 0.23 | \$ 0.25 | \$ 0.27 | \$ 0.15 | \$ 0.00 |
| May | | \$ 0.29 | \$ 0.19 | \$ 0.27 | \$ 0.25 | \$ 0.14 | \$ 0.03 |
| June | | \$ 0.29 | \$ 0.13 | \$ 0.29 | \$ 0.28 | \$ 0.15 | \$ 0.04 |
| July | | \$ 0.31 | \$ 0.10 | \$ 0.30 | \$ 0.32 | \$ 0.15 | \$ 0.08 |
| August | | \$ 0.33 | \$ 0.11 | \$ 0.28 | \$ 0.32 | \$ 0.13 | \$ 0.11 |
| September | | \$ 0.34 | \$ 0.11 | \$ 0.27 | \$ 0.31 | \$ 0.13 | \$ 0.11 |
| October | | \$ 0.34 | \$ 0.11 | \$ 0.26 | \$ 0.31 | \$ 0.15 | \$ 0.09 |
| November | | \$ 0.35 | \$ 0.11 | \$ 0.26 | \$ 0.32 | \$ 0.20 | \$ 0.10 |
| December | | \$ 0.41 | \$ 0.10 | \$ 0.27 | \$ 0.35 | \$ 0.20 | \$ 0.12 |

The fuel surcharge will be 75ϕ per mile plus 1ϕ per mile for every 4ϕ per gallon, or portion thereof, by which the HDF Average Price exceeds 499.9 cents.

¹ The reference DOE-EIA publication can currently be found at <u>www.eia.doe.gov</u>. On the homepage select "Petroleum;" under "Prices" select "Weekly Retail Gasoline and Diesel Prices;" for the "Area" select "U.S.;" for the "Period" select "Monthly;" then refer to the data on the line entitles "Diesel (On-Highway)." Monthly data is normally published Wednesday after the last Monday of a given month.