Notice To Shippers EMERGENCY FUEL SURCHARGE (EFS)

Computing the Surcharge Exclusion from the Binding Estimate Program

Effective March 15, 2022 an Emergency Fuel Surcharge (EFS) will be in effect to cover the escalating cost of diesel fuel. Under the EFS program:

1) <u>COMPUTING THE SURCHARGE</u>: the fuel surcharge amount will be based on a <u>weekly</u> published DOE/EIA diesel fuel price, the "national U.S. average" price, instead of on the current monthly published price.

The Monday of each week diesel price reported by DOE/EIA (Department of Energy, Energy Information Administration) will be used to determine the fuel surcharge amount you will be charged. The surcharge amount based on the DOE price will be effective the following Monday and apply through the subsequent Sunday. If Monday is a Federal holiday the price will be determined based on the DOE price available on the next business day (Tuesday).

For example, if the reported price of diesel fuel determined on Monday June 4th is \$3.666 per gallon, a 12% surcharge will apply for shipments loaded as of Monday June 11th through Sunday June 17th. Then if the reported price of diesel fuel on Monday June 11th increases to \$4.00 per gallon, a 14% fuel surcharge will apply for shipments loaded as of June 18th through June 24th. There is a one week time lag between the reported fuel update and the effective date of that associated surcharge.

2) <u>EXCLUSION FROM THE BINDING ESTIMATE PROGRAM</u>: The Emergency Fuel Surcharge (EFS) is **excluded** from the Binding Estimate Program as long as this item is in effect (until canceled). Under a Binding Estimate an Emergency Fuel Surcharge (EFS) will be assessed at the tariff rate level **at the time the shipment is picked up**.

Your carrier may estimate the fuel surcharge at the time of your estimate but the actual EFS will be computed and apply to the Binding Estimate total charges based on your actual pickup date.