### **FUEL SURCHARGE TARIFF 93001**

# NAMING FUEL SURCHARGES ON LOCAL, PROPORTIONAL AND JOINT LINE RATES

### EFFECTIVE: July 1, 2022

ISSUED: June 9, 2022

EFFECTIVE: July 1, 2022

#### **SUBSCRIBING CARRIERS:**

This tariff is issued for the accounts of:

| RAILROAD                                | SCAC      |
|---|-----------|
| Cape Breton & Central Nova Scotia       | CBNS      |
| Goderich-Exeter Railway Company Limited | GEXR      |
| Huron Central Railway Inc.              | HCRY      |
| Ottawa Valley Railway                   | RLK       |
| Quebec Gatineau Railway Inc.            | QGRY      |
| St-Laurent & Atlantique Railroad        | SLQ       |
| St. Lawrence & Atlantic Railroad        | SLR       |
| Southern Ontario Railway                | SOR(RLHH) |

**APPLICATION:** This publication applies to: (1) all regulated common carrier linehaul freight rates existing or established on or after April 1, 2018 (2) all linehaul freight rates and charges with respect to exempt traffic, and linehaul freight rates and charges in contracts and (3) Private price quotations or other pricing document that both reference this publication and are entered into or issued and effective on or after April 1, 2018.

In the event the average price per gallon of highway diesel fuel (as determined below, the "HDF Average Price") equals or exceeds USD\$2.30 per gallon, a mileage-based fuel surcharge (the "Mileage-Based Fuel Surcharge") will apply to the linehaul rates and charges described above. The Mileage-Based Fuel Surcharge shall be applied to applicable shipments beginning the second month following the month the HDF Average Price calculation was based. (e.g., the Mileage-Base Fuel Surcharge applied beginning December 1 would be based on October's HDF Average Price).

In the event that the HDF Average Price equals or exceeds USD\$2.60 per gallon, the railroads will apply a blended fuel surcharge comprised of the Mileage-Based Fuel Surcharge and a flat-fee per carload (inbound or outbound) (the "Flat-Fee") to the linehaul rates (the "Blended Fuel Surcharge"). The Flat-Fee component of Blended Fuel Surcharge will only apply to the haulage portion of the respective railroads in the table above.

The HDF Average Price for a given calendar month will be determined by recording the monthly average Retail On-Highway Diesel Fuel price posted on the U.S. Department of Energy website (eia.doe.gov). The result will be rounded to the nearest ten-thousandths of a cent. If the Department of Energy ceases reporting of the price of Retail On-Highway Diesel Fuel, a suitable substitute source of price or measure will be named. The following table reflects the applicable fuel surcharge (i.e., either the Mileage-Based Fuel Surcharge or the Blended Fuel Surcharge within the HDF Average Price ranges noted in the table below).

For customers who are invoiced in Canadian dollars, the surcharge tariffs mentioned above will be converted to Canadian currency. The exchange rate is based on the Bank of Canada monthly average rate of exchange for U.S. funds in the month where the surcharge will be invoiced. For example, the fuel surcharge in October will be based on the Canadian exchange rate for October. The Canadian exchange rate can be found at: <a href="http://www.bankofcanada.ca/en/rates/exchange-avg.html">http://www.bankofcanada.ca/en/rates/exchange-avg.html</a>.

Fuel surcharge figures for each month will be posted at <u>www.gwrr.com</u>.

### FUEL SURCHARGE MILEAGE RATE (USD\$ / Carload / Mile) AND FLAT -FEE (USD\$ / Carload) - HDF Range\*

| HDF   |       | U.S. Dollars   |                         | HDF   |       | U.S. Dollars  |                         |
|-------|-------|--|-------------------------|-------|-------|---|-------------------------|
| From  | То    | Mileage Based<br>Fuel Surcharge<br>Per Mile / Per<br>Carload | Flat Fee Per<br>Carload | From  | То    | Mileage<br>Based<br>Fuel<br>Surcharge<br>Per Mile /<br>Per<br>Carload | Flat Fee Per<br>Carload |
| 0.000 | 2.299 | \$0.0000   | \$0                     | 2.975 | 2.999 | \$0.1815  | \$28                    |
| 2.300 | 2.324 | \$0.0060   | \$0                     | 3.000 | 3.024 | \$0.1880  | \$31                    |
| 2.325 | 2.349 | \$0.0125   | \$0                     | 3.025 | 3.049 | \$0.1945  | \$31                    |
| 2.350 | 2.374 | \$0.0190   | \$0                     | 3.050 | 3.074 | \$0.2010  | \$31                    |
| 2.375 | 2.399 | \$0.0255   | \$0                     | 3.075 | 3.099 | \$0.2075  | \$31                    |
| 2.400 | 2.424 | \$0.0320   | \$0                     | 3.100 | 3.124 | \$0.2140  | \$31                    |
| 2.425 | 2.449 | \$0.0385   | \$0                     | 3.125 | 3.149 | \$0.2205  | \$31                    |
| 2.450 | 2.474 | \$0.0450   | \$0                     | 3.150 | 3.174 | \$0.2270  | \$31                    |
| 2.475 | 2.499 | \$0.0515   | \$0                     | 3.175 | 3.199 | \$0.2335  | \$31                    |
| 2.500 | 2.524 | \$0.0580   | \$0                     | 3.200 | 3.224 | \$0.2400  | \$34                    |
| 2.525 | 2.549 | \$0.0645   | \$0                     | 3.225 | 3.249 | \$0.2465  | \$34                    |
| 2.550 | 2.574 | \$0.0710   | \$0                     | 3.250 | 3.274 | \$0.2530  | \$34                    |
| 2.575 | 2.599 | \$0.0775   | \$0                     | 3.275 | 3.299 | \$0.2595  | \$34                    |
| 2.600 | 2.624 | \$0.0840   | \$25                    | 3.300 | 3.324 | \$0.2660  | \$34                    |
| 2.625 | 2.649 | \$0.0905   | \$25                    | 3.325 | 3.349 | \$0.2725  | \$34                    |
| 2.650 | 2.674 | \$0.0970   | \$25                    | 3.350 | 3.374 | \$0.2790  | \$34                    |
| 2.675 | 2.699 | \$0.1035   | \$25                    | 3.375 | 3.399 | \$0.2855  | \$34                    |
| 2.700 | 2.724 | \$0.1100   | \$25                    | 3.400 | 3.424 | \$0.2920  | \$37                    |
| 2.725 | 2.749 | \$0.1165   | \$25                    | 3.425 | 3.449 | \$0.2985  | \$37                    |
| 2.750 | 2.774 | \$0.1230   | \$25                    | 3.450 | 3.474 | \$0.3050  | \$37                    |
| 2.775 | 2.799 | \$0.1295   | \$25                    | 3.475 | 3.499 | \$0.3115  | \$37                    |
| 2.800 | 2.824 | \$0.1360   | \$28                    | 3.500 | 3.524 | \$0.3180  | \$37                    |
| 2.825 | 2.849 | \$0.1425   | \$28                    | 3.525 | 3.549 | \$0.3245  | \$37                    |
| 2.850 | 2.874 | \$0.1490   | \$28                    | 3.550 | 3.574 | \$0.3310  | \$37                    |
| 2.875 | 2.899 | \$0.1555   | \$28                    | 3.575 | 3.599 | \$0.3375  | \$37                    |
| 2.900 | 2.924 | \$0.1620   | \$28                    | 3.600 | 3.624 | \$0.3440  | \$40                    |
| 2.925 | 2.949 | \$0.1685   | \$28                    | 3.625 | 3.649 | \$0.3505  | \$40                    |
| 2.950 | 2.974 | \$0.1750   | \$28                    | 3.650 | 3.674 | \$0.3570  | \$40                    |

| HDF   |       | U.S. Dollars                    |                         | HDF   |       | U.S. Dollars                       |                         |
|-------|-------|---------------------------------|-------------------------|-------|-------|------------------------------------|-------------------------|
|       | -     | Mileage Based<br>Fuel Surcharge | Flat Fee Per<br>Carload |       |       | Mileage<br>Based Fuel<br>Surcharge | Flat Fee Per<br>Carload |
| From  | То    | Per Carload                     |                         | From  | То    | Per Carload                        |                         |
| 3.675 | 3.699 | \$0.3635                        | \$40                    | 4.650 | 4.674 | \$0.6170                           | \$55                    |
| 3.700 | 3.724 | \$0.3700                        | \$40                    | 4.675 | 4.699 | \$0.6235                           | \$55                    |
| 3.725 | 3.749 | \$0.3765                        | \$40                    | 4.700 | 4.724 | \$0.6300                           | \$55                    |
| 3.750 | 3.774 | \$0.3830                        | \$40                    | 4.725 | 4.749 | \$0.6365                           | \$55                    |
| 3.775 | 3.799 | \$0.3895                        | \$40                    | 4.750 | 4.774 | \$0.6430                           | \$55                    |
| 3.800 | 3.824 | \$0.3960                        | \$43                    | 4.775 | 4.799 | \$0.6495                           | \$55                    |
| 3.825 | 3.849 | \$0.4025                        | \$43                    | 4.800 | 4.824 | \$0.6560                           | \$58                    |
| 3.850 | 3.874 | \$0.4090                        | \$43                    | 4.825 | 4.849 | \$0.6625                           | \$58                    |
| 3.875 | 3.899 | \$0.4155                        | \$43                    | 4.850 | 4.874 | \$0.6690                           | \$58                    |
| 3.900 | 3.924 | \$0.4220                        | \$43                    | 4.875 | 4.899 | \$0.6755                           | \$58                    |
| 3.925 | 3.949 | \$0.4285                        | \$43                    | 4.900 | 4.924 | \$0.6820                           | \$58                    |
| 3.950 | 3.974 | \$0.4350                        | \$43                    | 4.925 | 4.949 | \$0.6885                           | \$58                    |
| 3.975 | 3.999 | \$0.4415                        | \$43                    | 4.950 | 4.974 | \$0.6950                           | \$58                    |
| 4.000 | 4.024 | \$0.4480                        | \$46                    | 4.975 | 4.999 | \$0.7015                           | \$58                    |
| 4.025 | 4.049 | \$0.4545                        | \$46                    | 5.000 | 5.024 | \$0.7080                           | \$61                    |
| 4.050 | 4.074 | \$0.4610                        | \$46                    | 5.025 | 5.049 | \$0.7145                           | \$61                    |
| 4.075 | 4.099 | \$0.4675                        | \$46                    | 5.050 | 5.074 | \$0.7210                           | \$61                    |
| 4.100 | 4.124 | \$0.4740                        | \$46                    | 5.075 | 5.099 | \$0.7275                           | \$61                    |
| 4.125 | 4.149 | \$0.4805                        | \$46                    | 5.100 | 5.124 | \$0.7340                           | \$61                    |
| 4.150 | 4.174 | \$0.4870                        | \$46                    | 5.125 | 5.149 | \$0.7405                           | \$61                    |
| 4.175 | 4.199 | \$0.4935                        | \$46                    | 5.150 | 5.174 | \$0.7470                           | \$61                    |
| 4.200 | 4.224 | \$0.5000                        | \$49                    | 5.175 | 5.199 | \$0.7535                           | \$61                    |
| 4.225 | 4.249 | \$0.5065                        | \$49                    | 5.200 | 5.224 | \$0.7600                           | \$64                    |
| 4.250 | 4.274 | \$0.5130                        | \$49                    | 5.225 | 5.249 | \$0.7665                           | \$64                    |
| 4.275 | 4.299 | \$0.5195                        | \$49                    | 5.250 | 5.274 | \$0.7730                           | \$64                    |
| 4.300 | 4.324 | \$0.5260                        | \$49                    | 5.275 | 5.299 | \$0.7795                           | \$64                    |
| 4.325 | 4.349 | \$0.5325                        | \$49                    | 5.300 | 5.324 | \$0.7860                           | \$64                    |
| 4.350 | 4.374 | \$0.5390                        | \$49                    | 5.325 | 5.349 | \$0.7925                           | \$64                    |
| 4.375 | 4.399 | \$0.5455                        | \$49                    | 5.350 | 5.374 | \$0.7990                           | \$64                    |
| 4.400 | 4.424 | \$0.5520                        | \$52                    | 5.375 | 5.399 | \$0.8055                           | \$64                    |
| 4.425 | 4.449 | \$0.5585                        | \$52                    | 5.400 | 5.424 | \$0.8120                           | \$67                    |
| 4.450 | 4.474 | \$0.5650                        | \$52                    | 5.425 | 5.449 | \$0.8185                           | \$67                    |
| 4.475 | 4.499 | \$0.5715                        | \$52                    | 5.450 | 5.474 | \$0.8250                           | \$67                    |
| 4.500 | 4.524 | \$0.5780                        | \$52                    | 5.475 | 5.499 | \$0.8315                           | \$67                    |
| 4.525 | 4.549 | \$0.5845                        | \$52                    | 5.500 | 5.524 | \$0.8380                           | \$67                    |
| 4.550 | 4.574 | \$0.5910                        | \$52                    | 5.525 | 5.549 | \$0.8445                           | \$67                    |
| 4.575 | 4.599 | \$0.5975                        | \$52                    | 5.550 | 5.574 | \$0.8510                           | \$67                    |
| 4.600 | 4.624 | \$0.6040                        | \$55                    | 5.575 | 5.599 | \$0.8575                           | \$67                    |
| 4.625 | 4.649 | \$0.6105                        | \$55                    | 5.600 | 5.624 | \$0.8640                           | \$70                    |

For the Mileage Based Fuel Surcharge rate, should the cost of fuel increase beyond the above matrix, apply an additional USD\$0.0065 per mile for any type of Carload commodity (including Bulk) for each USD\$0.025 per gallon increase.

For the Flat-Fee per carload rate, should the cost of fuel increase beyond the above matrix, apply an additional USD\$3 per carload for any type of Carload commodity (including Bulk) for each USD\$0.20 per gallon increase.

\* The Blended Fuel Surcharge is a combination of the Mileage-Based Fuel Surcharge and the Flat-Fee Per Carload. By way of example, if the per gallon fuel cost is USD\$3.65 and the subject Carload travels 10 miles on CBNS, the Blended Fuel Surcharge would be USD  $0.357 \times 10 + USD$ \$40 = USD\$43.57.