

Wheeling and Lake Erie Railway Co.

WE 40663

GENERAL RULES FUEL COST RECOVERY SURCHARGE

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(except as otherwise provided herein)

WE 40663

Fuel Surcharge

Rail Mileage Based/Highway Diesel Fuel

APPLICATION: This publication applies to: (1) any regulated common carrier linehaul freight rates existing or established by WE; and (2) 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, WE 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, WE 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.

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

HDF Average Price	Cents	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	22
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 fuel surcharge will be 25¢ per mile plus 1¢ per mile for every 4¢ per gallon, or portion thereof, by which the HDF Average Price exceeds 299.9 cents.

When WE is billing railroad with respect to a joint rate as to which another railroad's fuel surcharge is to be applied, the mileage (if any) used in calculating the fuel surcharge will be derived from WE's mileage lookup system and facility.

¹ The reference DOE-EIA publication can currently be found at www.eia.doe.gov. 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.