



CBNS RAILWAY

Cape Breton & Central Nova Scotia Railway

A RailAmerica Company



Freight Tariff CBNS 9002

NAMING FUEL SURCHARGES ON
LOCAL, PROPORTIONAL AND JOINT LINE RATES OF
CAPE BRETON & CENTRAL NOVA SCOTIA RAILWAY

APPLICATION: This publication applies to: (1) all regulated common carrier linehaul freight rates existing or established by CBNS on or after May 1, 2011; and (2) all linehaul freight rates and charges with respect to exempt traffic, and linehaul freight rates and charges in contracts, private price quotations or other pricing documents, that both reference this publication and are entered into or issued and effective on or after May 1, 2011.

In the event that the monthly average price per gallon of highway diesel fuel (as determined below, the "HDF Average Price") equals or exceeds 326.0 cents, CBNS will apply a combined mileage-based and flat-fee 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 (e.g., a fuel surcharge applied beginning December 1 would be based on October's HDF average price).

The "HDF Average Price" for a month will be the average price for that month of 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 applied according to the attached schedule, by which the HDF Average Price for the calendar month two months prior to the calendar month of shipment exceeds 326.0 cents.

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

The mileage to be applied in calculating the fuel surcharge will be based on PC*Miler Rail from ALK Technologies. If interline routing is involved, mileages will be calculated via the revenue route junction(s) of the price used to rate the shipment.

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

HDF	MILEAGE	FLAT	HDF	MILEAGE	FLAT
\$3.260 - \$3.299	\$ 0.21	\$ 20.00	\$4.100 - \$4.139	\$ 0.44	\$ 20.00
\$3.300 - \$3.339	\$ 0.23	\$ 20.00	\$4.140 - \$4.179	\$ 0.45	\$ 20.00
\$3.340 - \$3.379	\$ 0.24	\$ 20.00	\$4.180 - \$4.219	\$ 0.46	\$ 20.00
\$3.380 - \$3.419	\$ 0.25	\$ 20.00	\$4.220 - \$4.259	\$ 0.47	\$ 20.00
\$3.420 - \$3.459	\$ 0.26	\$ 20.00	\$4.260 - \$4.299	\$ 0.48	\$ 20.00
\$3.460 - \$3.499	\$ 0.27	\$ 20.00	\$4.300 - \$4.339	\$ 0.49	\$ 20.00
\$3.500 - \$3.539	\$ 0.28	\$ 20.00	\$4.340 - \$4.379	\$ 0.50	\$ 20.00
\$3.540 - \$3.579	\$ 0.29	\$ 20.00	\$4.380 - \$4.419	\$ 0.51	\$ 20.00
\$3.580 - \$3.619	\$ 0.30	\$ 20.00	\$4.420 - \$4.459	\$ 0.53	\$ 20.00
\$3.620 - \$3.659	\$ 0.31	\$ 20.00	\$4.460 - \$4.499	\$ 0.54	\$ 20.00
\$3.660 - \$3.699	\$ 0.32	\$ 20.00	\$4.500 - \$4.539	\$ 0.55	\$ 20.00
\$3.700 - \$3.739	\$ 0.33	\$ 20.00	\$4.540 - \$4.579	\$ 0.56	\$ 20.00
\$3.740 - \$3.779	\$ 0.34	\$ 20.00	\$4.580 - \$4.619	\$ 0.57	\$ 20.00
\$3.780 - \$3.819	\$ 0.35	\$ 20.00	\$4.620 - \$4.659	\$ 0.58	\$ 20.00
\$3.820 - \$3.859	\$ 0.36	\$ 20.00	\$4.660 - \$4.699	\$ 0.59	\$ 20.00
\$3.860 - \$3.899	\$ 0.38	\$ 20.00	\$4.700 - \$4.739	\$ 0.60	\$ 20.00
\$3.900 - \$3.939	\$ 0.39	\$ 20.00	\$4.740 - \$4.779	\$ 0.61	\$ 20.00
\$3.940 - \$3.979	\$ 0.40	\$ 20.00	\$4.780 - \$4.819	\$ 0.62	\$ 20.00
\$3.980 - \$4.019	\$ 0.41	\$ 20.00	\$4.820 - \$4.859	\$ 0.63	\$ 20.00
\$4.020 - \$4.059	\$ 0.42	\$ 20.00	\$4.860 - \$4.899	\$ 0.64	\$ 20.00
\$4.060 - \$4.099	\$ 0.43	\$ 20.00	\$4.900 - \$4.939	\$ 0.65	\$ 20.00

Should the cost of fuel increase beyond the above matrix, the increase will be \$.01 per mile for each \$.04 increase in the DOE fuel price index.

Fuel surcharge percentage for each month will be posted at www.railamerica.com.

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

Item 001 – FLAT FEE

The flat fee shall accrue solely to the issuing carrier, and will not be divided in any interline divisions.

Item 002 – MILEAGE FEE

The mileage fee shall be apportioned according to the amount of miles per carrier as defined in PC Miler/Rail-series.

NOTICE

THE PROVISIONS HEREIN WILL, IF EFFECTIVE, NOT HAVE A NEGATIVE IMPACT ON THE QUALITY OF THE HUMAN ENVIRONMENT OR ENERGY CONSUMPTION.

ISSUED: MAY 1, 2011

EFFECTIVE: MAY 1, 2011

ISSUED BY:

CAPE BRETON & CENTRAL NOVA SCOTIA RAILROAD
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