



Indiana Southern Railroad

A RailAmerica Company



Freight Tariff ISRR 9002-A

NAMING FUEL SURCHARGES ON LOCAL, PROPORTIONAL AND JOINT LINE RATES OF INDIANA SOUTHERN RAILROAD

APPLICATION: This publication applies to: (1) all regulated common carrier linehaul freight rates existing or established by ISRR on or after June 24, 2007; 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 June 24, 2007.

In the event that the monthly average price per gallon of highway diesel fuel (as determined below, the "HDF Average Price") equals or exceeds 201.0 cents, ISRR 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 August 1 would be based on June'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 200.9 cents.

If DOE-EIA ceases publication of the above information, ISRR 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
201.0 - 204.9	\$0.05	\$21.00	285.0 - 288.9	\$0.41	\$21.00
205.0 - 208.9	\$0.07	\$21.00	289.0 - 292.9	\$0.43	\$21.00
209.0 - 212.9	\$0.09	\$21.00	293.0 - 296.9	\$0.45	\$21.00
213.0 - 216.9	\$0.11	\$21.00	297.0 - 300.9	\$0.47	\$21.00
217.0 - 220.9	\$0.12	\$21.00	301.0 - 304.9	\$0.48	\$21.00
221.0 - 224.9	\$0.14	\$21.00	305.0 - 308.9	\$0.50	\$21.00
225.0 - 228.9	\$0.16	\$21.00	309.0 - 312.9	\$0.52	\$21.00
229.0 - 232.9	\$0.17	\$21.00	313.0 - 316.9	\$0.53	\$21.00
233.0 - 236.9	\$0.19	\$21.00	317.0 - 320.9	\$0.55	\$21.00
237.0 - 240.9	\$0.21	\$21.00	321.0 - 324.9	\$0.57	\$21.00
241.0 - 244.9	\$0.23	\$21.00	325.0 - 328.9	\$0.59	\$21.00
245.0 - 248.9	\$0.24	\$21.00	329.0 - 332.9	\$0.60	\$21.00
249.0 - 252.9	\$0.26	\$21.00	333.0 - 336.9	\$0.62	\$21.00
253.0 - 256.9	\$0.28	\$21.00	337.0 - 340.9	\$0.64	\$21.00
257.0 - 260.9	\$0.29	\$21.00	341.0 - 344.9	\$0.65	\$21.00
261.0 - 264.9	\$0.31	\$21.00	345.0 - 348.9	\$0.67	\$21.00
265.0 - 268.9	\$0.33	\$21.00	349.0 - 352.9	\$0.69	\$21.00
269.0 - 272.9	\$0.35	\$21.00	353.0 - 356.9	\$0.71	\$21.00
273.0 - 276.9	\$0.36	\$21.00	357.0 - 360.9	\$0.72	\$21.00
277.0 - 280.9	\$0.38	\$21.00	361.0 - 364.9	\$0.74	\$21.00
281.0 - 284.9	\$0.40	\$21.00	365.0 - 368.9	\$0.76	\$21.00

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

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

NOTICE

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

ISSUED: JUNE 1, 2007

EFFECTIVE: JUNE 24, 2007

ISSUED BY:
INDIANA SOUTHERN RAILROAD
P.O. BOX 158
PETERSBURG, IN 47567