

STOS NOTICE

(Per Item 1300 of the Standard Tender of Service, GSA National Rules Tender No. 100-D)

Fuel-Related General Rate Adjustment (Fuel Surcharge or Discount)

- A. **General:** This provision provides the flexibility needed to provide individual carriers reasonable relief from unforeseeable and sudden increases in diesel fuel costs as well as reduced rates for STOS participating Federal Agencies when there are unforeseeable and sudden decreases in fuel prices. Since rate adjustments for more gradual changes in carrier fuel and related costs over longer time periods are beyond the purpose of this provision, carriers should consider the more gradual changes in fuel prices when submitting or supplementing rates during rate filing open windows for long-term relief.
- B. **Issue Date:** The issue date of this notice is February 1, 2001.
- C. **Effective Date:** The effective date of this notice is May 1, 2001.
- D. **Expiration Date:** The expiration date of this notice is OPEN until further notice.
- E. **Application:** All shipments transported pursuant to the terms and conditions of the Standard Tender of Service (STOS), supplements thereto and reissues thereof, will be subject to a Fuel Related General Rate Adjustment.
- F. **Computation:**
- Shipment Application:** Applicability of the Fuel-Related General Rate Adjustment will be based on the date of pickup. Application of the Fuel-Related General Rate Adjustment will become effective on each Wednesday following the National Average diesel fuel price posting by the Department of Energy, Energy Information Administration (EIA) on every Monday or the first working day after Monday if the Monday falls on a Federal Holiday
 - Determination of Adjustment:** ONLY the National Average diesel fuel price as published by the Department of Energy, Energy Information Administration (EIA) on every Monday or the first working day after a Monday if the Monday falls on a Federal Holiday (hereinafter called "Monday") may be used as the basis for determining the applicability of a Fuel-Related General Rate Adjustment for shipments picked up the following Wednesday through Tuesday. The diesel fuel prices published by the EIA may be found via the following sources:
 - EIA Website: <http://www.eia.doe.gov/>
 - EIA Weekly Petroleum Status Report
 - EIA Hotline: (202) 586-6966

It is the responsibility of the carrier to monitor diesel fuel prices via one of the sources identified above every Monday. National Average diesel fuel prices published on the days identified above will serve as the basis for determining the possible entitlement to a Fuel-Related General Rate Adjustment, beginning on Wednesday, during the week until the next National Average diesel fuel prices are published on the following Monday.

3. **Amount of Adjustment:** In accordance with paragraph E of this STOS Notice, if during the effective period of the STOS Notice, National Average diesel fuel prices as published by the sources identified in Paragraph F2 exceed or fall below the neutral range as published in this STOS Notice on any given Monday, carriers:
- a. may add an increase (see G, below for procedure) to their linehaul transportation charges or;
 - b. must add a decrease (see G, below, for procedure) to their linehaul transportation charges.
 - c. Increase/Decrease Schedule: Adjustments are as identified in the schedule below:

	Cost Per Gallon	Percent Decrease	Percent Increase
	For each 5 cents per gallon below \$1.00, subtract ½%		
NEUTRAL RANGE	\$1.00 – 1.10	0	0
	\$1.11 – 1.15		0.5
	\$1.16 – 1.20		1.0
	\$1.21 – 1.25		1.5
	\$1.26 – 1.30		2.0
	\$1.31 - \$1.35		2.5
	\$1.36 – 1.40		3.0
	\$1.41 - \$1.45		3.5
	For each 5 cents per gallon above \$1.45, add ½%		

G. **Billing Procedures:** Carriers will clearly show on all affected freight bills/Government Bills of Lading, the amount of any diesel fuel rate surcharge or discount as a separate line item