

**VERMONT RAIL SYSTEM**

**VERMONT RAILWAY, INC.**

**GREEN MOUNTAIN RAILROAD CORP.**

**CLARENDON AND PITTSFORD RAILROAD CO.**

**WASHINGTON COUNTY RAILROAD CO.**

**AND**

**NEW YORK AND OGDENSBURG RAILWAY CO.**

**FREIGHT TARIFF VTR 9021**

**SUPPLEMENTAL FUEL SURCHARGE**

**APPLYING ON ALL REGULATED, EXEMPT, NON-REGULATED CARLOAD  
TRAFFIC, MOVING UNDER TARIFF RATES OR CONFIDENTIAL RATE  
CONTRACTS, PRIVATE PRICE QUOTATIONS OR OTHER PRICING  
DOCUMENTS, ORIGINATING, TERMINATING OR VIA STATIONS ON  
VERMONT RAILWAY, INC.  
GREEN MOUNTAIN RAILROAD CORP.  
CLARENDON AND PITTSFORD RAILROAD CO.  
WASHINGTON COUNTY RAILROAD CO.  
NEW YORK AND OGDENSBURG RAILWAY CO.**

**SPECIAL NOTICE**

**The surcharge provisions of this tariff are issued and made effective solely for the  
purpose of offsetting fuel increase costs.**

**TARIFF ISSUED: JULY 3, 2008**

**EFFECTIVE: JULY 24 , 2008**

**ISSUED BY  
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**TARIFF VTR 9021 (CONT'D)**

**SURCHARGE TO OFFSET FUEL COSTS**

APPLICATION: This publication applies to: (1) all regulated common carrier line-haul freight rates and tariffs existing or established by VRS on or after July 24, 2008; and (2) all line-haul freight rates existing or established with respect to exempt traffic, and line-haul freight rates and charges in contracts, private price quotations or other pricing documents, which VRS is a party to that either reference this publication and/or are existing or entered into or issued and effective on or after July 24, 2008. VRS includes: VTR, GMRC, CLP, WACR and NYOG. This supplemental surcharge will be assessed in addition to any other applicable surcharge as may be assessed.

Specifically, a supplemental surcharge on freight rates to offset upwardly fluctuating fuel prices will be assessed on all currently effective rates which VRS is a party to and applied as follows:

1. All carload traffic originating or terminating on the VTR, GMRC, CLP, WACR and NYOG.
2. All joint line carload traffic originating or terminating at stations on carriers other than VTR, GMRC, CLP, WACR and NYOG received at interchange points by the VTR, GMRC, CLP, WACR and NYOG and handled beyond such interchange points via VTR, GMRC, CLP, WACR and NYOG under Rule 11 billing.

The afore mentioned surcharge will be billed to the party responsible for payment of freight charges by the VTR, GMRC, CLP, WACR or NYOG as the case may be.

**CALCULATION OF FUEL SURCHARGE**

In the event that the monthly average price per gallon of highway diesel fuel (as determined below, the "HDF Average Price") equals or exceeds 200.0 cents, VRS will apply a fuel surcharge to the line-haul rates and charges described above. The fuel surcharge will be applied as per car charge and will apply 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 July 1 would be based on May'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")<sup>1</sup>. That average price will, in calculating the HDF Average Price, be rounded to the nearest 1/10th of a cent applying conventional rounding principles. When the average price exceeds 200 cents per gallon the supplemental fuel surcharge will be \$80 per car. The supplemental fuel surcharge will increased by \$10 per car for every \$.50 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 449.9 cents up to \$5.50 per gallon. Thereafter, the supplemental fuel surcharge will increased by \$15 per car for every \$.50 per gallon or portion thereof, by which the HDF Average Price for the calendar month two months prior to the calendar month of shipment

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

<b>HDF Average Price Per Gallon</b>		
<b>Over</b>	<b>But Not Over</b>	<b>Per Car Charge</b>
\$0.0100	\$1.9999	\$0
\$2.0000	\$4.5000	\$80
\$4.5100	\$5.0000	\$90
\$5.0100	\$5.5000	\$100
\$5.5100	\$6.0000	\$115
\$6.0100	\$6.5000	\$130

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

<sup>1</sup> The referenced DOE-EIA publication can currently be found at [www.eia.doe.gov](http://www.eia.doe.gov). On the home page 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 entitled "Diesel (On-Highway)." Monthly data is normally published Wednesday after the last Monday of a given month.