

Monday, March 14, 2022

Dear Customers,

Since opening Shred Instead in 2011, we have not billed a single Fuel Surcharge. Fortunately, we have not experienced such a swift impact to prices at the pump and are proud to have stood by our word: “not to have any surprise surcharges, trip fees, etc.” This is a phrase many of you heard our staff ensure you of when signing up for services.

We are writing this letter solemnly to inform you, as a result of the higher prices of Fuel that Shred Instead will be asking you, our beloved customers, to help us shoulder some of this burden. Fuel Surcharges are extremely common in the transportation and logistics industry, and we are being forced to implement the surcharge effective immediately.

**Research:**

When researching this matter and trying to figure out a logical approach, we decided to look to the two largest shipping companies in the US and to adopt the average of their fuel surcharges.

Please find FedEx’s Fuel Surcharge Tables here > <https://www.fedex.com/en-us/shipping/fuel-surcharge.html> < and UPS’s Here: ><https://www.ups.com/us/en/support/shipping-support/shipping-costs-rates/fuel-surcharges.page> <

**Method:**

The weekly fuel surcharge percentage will be determined by the “Weekly East Coast No 2 Diesel Retail Prices” provided by the U.S. Energy Information Administration and updated accordingly.


As a local company we feel it makes the most sense to use the East Coast numbers as opposed to the widely referenced National Average. Here is a link provided by the U.S. Energy Information Administration, a commonly used, publicly available widely recognized benchmark for the trucking and transportation industry.

<https://www.eia.gov/dnav/pet/hist/LeafHandler.ashx?n=PET&s=EMD EPD2D PTE R10 DPG&f=W>

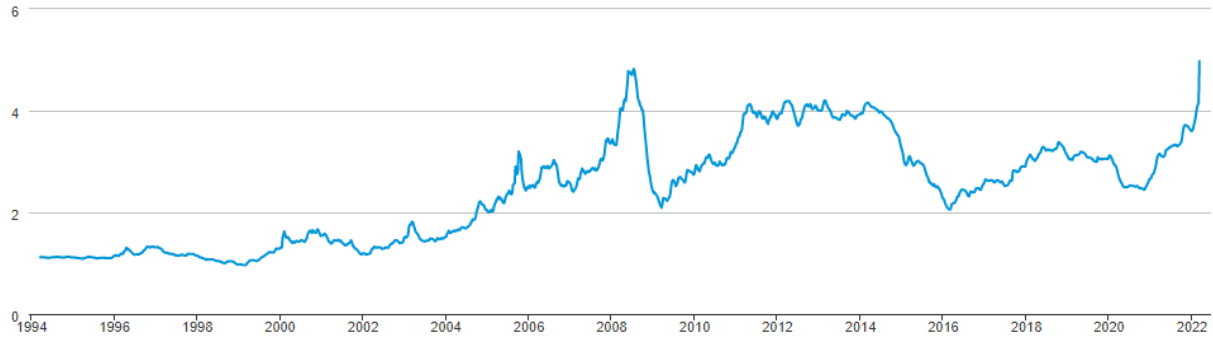
**Rates:**

With the current Diesel Fuel cost per gallon of \$4.97 FedEx is charging 15.5% and UPS is charging 14.75% of their shipping total excluding taxes etc. Thus, the Average rate that Shred Instead would impose based off these numbers would be 15.125%. This number is updated on a weekly basis and will hopefully come down as rapidly as it has gone up!

### Weekly East Coast No 2 Diesel Retail Prices

 DOWNLOAD

Dollars per Gallon



The fuel surcharge rate will be calculated on a weekly basis and will show on your invoice as an additional line item. The amount of the surcharge will be calculated based on the current Fuel surcharge rate and the total cost of your service. For example, if you have a \$100 cost per service your Fuel Surcharge would have been \$15.125 if you had service last week.

We appreciate your continued support and promise to follow this closely. Please feel free to reach out to our office should you like to discuss this or if you have any questions.

Respectfully,

*Chris Chapman*

**Chris Chapman | Owner**

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