

SURCHARGE TARIFF

A fuel surcharge will be assessed unless otherwise governed by existing contracts, exempt quotes and/or tariffs as outlined below:

1. All movement of pulpboard originating or terminating at Ontonagon, MI.
2. All local and joint line pulpwood or saw log traffic originating on the ELS and billed by the ELS..
3. The fuel surcharge will be billed against the payer of freight charges.

In the event the average price of Retail On-Highway Diesel Fuel, as reported weekly on the U.S. Department of Energy website, (www.eia.doe.gov), equals or exceeds \$1.30 per gallon, a surcharge beginning at .50% will apply. The monthly fixed service charge will be adjusted by the surcharge in effect based on the average price of HDF for the last four (4) weeks of the preceding month.

The fuel surcharge shall be applied according to the following schedule.

| <u>HDF Average Price Per Gallon</u> | <u>FSC %</u> | <u>HDF Average Price Per Gallon</u> | <u>FSC %</u> |
|---|--------------|---|--------------|
| \$1.30 to \$1.349 | 0.50 | \$2.400 to \$2.449 | 6.00 |
| \$1.35 to \$1.399 | 0.75 | \$2.450 to \$2.499 | 6.50 |
| \$1.40 to \$1.449 | 1.00 | \$2.500 to \$2.549 | 6.50 |
| \$1.45 to \$1.499 | 1.25 | \$2.550 to \$2.599 | 7.00 |
| \$1.50 to \$1.549 | 1.50 | \$2.600 to \$2.649 | 7.00 |
| \$1.55 to \$1.599 | 1.75 | \$2.650 to \$2.699 | 7.50 |
| \$1.60 to \$1.649 | 2.00 | \$2.700 to \$2.749 | 7.75 |
| \$1.65 to \$1.699 | 2.25 | \$2.750 to \$2.799 | 8.00 |
| \$1.70 to \$1.749 | 2.50 | \$2.800 to \$2.849 | 8.25 |
| \$1.75 to \$1.799 | 2.75 | \$2.850 to \$2.899 | 8.50 |
| \$1.80 to \$1.849 | 3.00 | \$2.900 to \$2.949 | 8.75 |
| \$1.85 to \$1.899 | 3.25 | \$2.950 to \$2.999 | 9.00 |
| \$1.90 to \$1.949 | 3.50 | \$3.000 to \$3.049 | 9.25 |
| \$1.95 to \$1.999 | 3.75 | \$3.050 to \$3.099 | 9.50 |
| \$2.00 to \$2.049 | 4.00 | \$3.100 to \$3.149 | 9.75 |
| \$2.050 to \$2.099 | 4.50 | \$3.150 to \$3.199 | 10.00 |
| \$2.100 to \$2.149 | 4.75 | \$3.200 to \$3.249 | 10.25 |
| \$2.150 to \$2.199 | 5.00 | \$3.250 to \$3.299 | 10.50 |
| \$2.200 to \$2.249 | 5.00 | \$3.300 to \$3.349 | 10.75 |
| \$2.250 to \$2.299 | 5.50 | \$3.350 to \$3.399 | 11.00 |
| \$2.300 to \$2.349 | 5.50 | \$3.400 to \$3.449 | 11.25 |
| \$2.350 to \$2.399 | 6.00 | \$3.450 to \$3.499 | 11.50 |

Each \$.05 per gallon increase thereafter apply an additional .25%.

Notification of any fuel surcharge changes will be posted on the ELS website at www.elsrr.com, or by calling 1-800-562-4829. Any fuel surcharge applied to the line haul freight charge(s) referencing this authority will be increased or reduced monthly when the DOE On-Highway Diesel Fuel triggers a specific surcharge bracket as shown above into a lower or higher surcharge price range. Reductions will be made promptly after they become applicable. In no case will the freight charge(s) be reduced, nor will the application or removal of fuel surcharge be retroactive.

FREIGHT TARIFF ELS 9006

ESCANABA & LAKE SUPERIOR RAILROAD COMPANY

FUEL SURCHARGE TARIFF

APPLICABLE ON:

**PULPBOARD - STCC 26 311 17
APPLYING TO OR FROM ONTONAGON, MI**

PULPWOOD – STCC 24 211 XX

And

LOGS – STCC 24 111 XX

CARLOAD RATES

APPLYING TO OR FROM STATIONS ON THE

ESCANABA & LAKE SUPERIOR RAILROAD COMPANY

AS PROVIDED IN TARIFF OPSL 6000-SERIES

SPECIAL NOTICE

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

PULPBOARD, PULPWOOD and LOGS SURCHARGE TARIFF

This tariff is applicable on interstate and intrastate traffic and is applicable when referenced.

ISSUED: December 31, 2007

EFFECTIVE DATE: February 1, 2008

Issued by:
John Larkin, President
ESCANABA & LAKE SUPERIOR RAILROAD COMPANY
Wells, Michigan 49894