



IOWA, CHICAGO, & EASTERN RAILROAD

FREIGHT TARIFF ICE 9015

FUEL SURCHARGE TARIFF

APPLYING ON ALL CARLOAD TRAFFIC RATES

MOVING FROM, TO OR VIA STATIONS

ON

IOWA, CHICAGO, & EASTERN RAILROAD

SPECIAL NOTICE

THE SURCHARGE PROVISIONS OF THIS TARIFF ARE ISSUED AND MADE EFFECTIVE SOLELY FOR THE PURPOSE OF OFFSETTING INCREASED FUEL COSTS.

SURCHARGE TARIFF

NOTICE

THE PROVISIONS OF THIS TARIFF WILL NOT HAVE AN EFFECT ON THE QUALITY OF THE HUMAN ENVIRONMENT OR ENERGY CONSUMPTION.

ISSUED: DECEMBER 11, 2002

EFFECTIVE: JANUARY 15, 2003

**ISSUED BY:
IOWA, CHICAGO, & EASTERN RAILROAD
2435 E. KIMBERLY RD., STE 45
BETTENDORF, IA 52722**

SURCHARGE TO OFFSET FUEL COSTS

A fuel surcharge will be assessed on all effective tariff/quote rates and all other pricing documents made subject to this surcharge tariff. (see table below) Miscellaneous and accessorial charges will not be subject to this fuel surcharge.

This Fuel Surcharge will apply on the following traffic:

1. All carload traffic originating on the ICE.
2. All joint line carload traffic originating at stations on carriers other than the ICE received at interchange points by the ICE and handled beyond such interchange points via the ICE under AAR Accounting Rule 11 billing.
3. All joint line carload traffic originating at stations on carriers other than the ICE, received at interchange points by the ICE and terminating at stations on the ICE, where rates are contained in ICE pricing documents and freight charge billing is performed by the ICE.

The foregoing Surcharge will be billed against the payer of the freight charges.

Note: The provisions of this Surcharge Tariff apply on shipments of all commodities.

FUEL SURCHARGE TABLE

When the U.S. Average Price of Retail On-Highway Diesel Fuel (HDF), as published by the U.S. Department of Energy and available from the Energy Information Administration at www.eia.doe.gov, exceeds an average of \$1.30 per gallon for the month (Time Period), ICE retains the right to apply a Fuel Surcharge to the applicable freight charge(s) in effect on the date the Fuel Surcharge is applied, hereinafter referred to as the "Base Freight Charge(s)." If this option is exercised, the Fuel Surcharge will be applied according to the following table. Time Period is the second prior month.

Prior Time Periods' U.S. Average Price of On-highway Diesel Fuel	Applicable Fuel Surcharge (percentage)
\$1.30 to \$1.349	1.0%
\$1.35 to \$1.399	1.5%
\$1.40 to \$1.449	2.0%
\$1.45 to \$1.499	2.5%
\$1.50 to \$1.549	3.0%
\$1.55 to \$1.599	3.5%
\$1.60 to \$1.649	4.0%
\$1.65 to \$1.699	4.5%
\$1.70 to \$1.749	5.0%
\$1.75 to \$1.799	5.5%
\$1.80 to \$1.849	6.0%
\$1.85 to \$1.899	6.5%
\$1.90 to \$1.949	7.0%

Note: Each \$0.05 per gallon increase thereafter, apply an additional 0.5%

Example:

For the fuel surcharge applied for shipments in the month of January 2003. The prior Time Periods' (November) Average monthly price of HDF was \$1.420 per gallon, therefore the Fuel Surcharge will be 2.0%.

The Fuel Surcharge percentage rate will be recalculated for each subsequent calendar month, as outlined above.

Any Fuel Surcharge to be applied under this authority will be removed or reduced when the U.S. Average Price of On-Highway Diesel Fuel remains below the price which triggers a specific Surcharge amount for the prior Time Period. In no case will the freight charge(s) be reduced below the Base Freight Charge(s) nor will the application or removal of the Fuel Surcharge be retroactive.