



May 14, 2020

## **Second Year of Federal Carbon Charge Takes Effect**

Effective April 1, 2020 the Government of Canada increased the federal price of carbon by 50% from \$20 per tonne to \$30 per tonne as part of their Climate Change Plan. This applies to all carbon-emitting fuels throughout the supply chain and impacts prices across the entire economy (fuel for transportation, energy costs for heating business places and homes, equipment purchases, maintenance tools & parts, etc.). As a result of this increase, Gardewine Group LP must increase our Carbon Surcharge on all shipments, effective June 1, 2020.

The Gardewine Group Carbon Surcharge for shipments with our various divisions will now be:

- Gardewine LTL: 1.8% of Freight Revenue
- Gardewine Deck: 2.2% of Base Revenue
- Gardewine Dedicated: 2.2% of Base Revenue
- Gardewine Bulk: 2.5% of Base Revenue

For customers that have a rate agreement based on the Freight Carriers Association Fuel Surcharge, a portion of these costs are already accounted for. However, as noted above, this amount is not sufficient to recover all additional costs. Therefore, a Carbon Surcharge of .73% will be applicable to freight charges for all shipments on your account.

For customers whose rate agreements are not based on the Gardewine Fuel Program or 100% of the FCA Fuel Surcharge, the carbon surcharge percentage will be a calculation based on your individual fuel program. Please contact your local representation for your Carbon Surcharge.

The Carbon Surcharge will show as a separate line item on all invoices.

Thank you for your understanding and continued support.