

## Fuel Surcharge Frequently Asked Questions

### 1. Why does the Cape May-Lewes Ferry (CMLF) charge a fuel surcharge?

The fuel surcharge is being implemented in response to the ever-increasing and highly volatile oil prices that this country has experienced nationwide. With fuel being a primary and major expense for any transportation provider, when fuel prices escalate, it is not possible for the CMLF to absorb the entirety of increases in fuel costs. The surcharge will be directly tied to the price of fuel. CMLF will continue to absorb a portion of the increase in fuel costs, thus sharing the impact of these increased costs with our passengers.

### 2. How is the Cape May – Lewes Ferry’s fuel surcharge calculated?

The fuel surcharge will vary and will be calculated monthly based on the actual price of fuel compared to a pre-established benchmark, which is the price based on the previous 8-yr. trend in pricing. Should the price of fuel exceed this benchmark, for every \$0.25 above this amount, we will assess a \$1.00 per vehicle surcharge. If the price remains below this amount, or, after implementing a surcharge, the price drops below this amount, no surcharge will be assessed.

### 3. When will the determination be made whether to assess the fuel surcharge?

When the price of fuel exceeds the pre-established benchmark (as described above), the Cape May – Lewes Ferry will, at the 15<sup>th</sup> of each month, determine whether to assess the fuel surcharge at the first of the following month. Notice will be posted at each ticket/toll booth, on the CMLF website, and in the local press.

### 4. Why is the fuel surcharge separate from the regular base fares on CMLF?

The Cape May - Lewes Ferry had been forced to pass along part of the dramatic increases in fuel prices in the form of fuel surcharges. Rather than make the surcharge a part of the fare – thus making this a permanent fare change – the CMLF has elected to implement the surcharge only when the price of fuel dictates that we must pass some of this cost on. The fuel surcharge thus will not become a permanent part of fares, but will turn on and off as the price we pay for fuel increases and decreases.

### 5. Is the fuel surcharge each way? When do I pay it?

Yes, the fuel surcharge is a flat fee that will be applied to vehicle fares for each leg of the voyage. The surcharge is assessed when you make your reservation or when check-in at the tollbooth without a reservation.

### 6. How will 6 pack books be charged the fuel surcharge?

All 6 pack vehicles (including commercial 6 pack vehicles) will have the fuel surcharge assessed for each leg of the voyage.

**7. Where does the money from the fuel surcharge go?**

The Cape May – Lewes Ferry does not profit from the fuel surcharge. It is a pass-through that helps to pay a portion of the additional costs associated with increased fuel costs.

**8. Is the fuel surcharge permanent?**

No. The fuel surcharge will vary depending on the changes in fuel prices in comparison to a benchmark price.