VIRACON®

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Notification: Energy Surcharge and Freight Charge

Viracon's quotations now include an energy surcharge **estimate** and freight **estimate**. The **actual** energy surcharge and freight charge will be determined at time of the purchase order confirmation for the first major release to production for the entire project. This document will be updated quarterly and included with all new/revised quotations.

The **energy surcharge** calculation is computed based on actual quarterly communications received from float glass manufacturers and is converted into a square foot price for each truckload delivered. The surcharge included on our invoice will be the rate that was determined at the time of the purchase order confirmation for the first major release to production.

Current and Historical Energy Surcharge:

		Mono	2 Lites	>2 Lites
October-20	December-20	$0.35	$0.70	$1.05
January-21	March-21	$0.35	$0.70	$1.05
April-21	June-21	$0.39	$0.78	$1.17
July-21	September-21	$0.39	$0.78	$1.17
October-21	December-21	$0.50	$1.00	$1.50
January-22	March-22	$0.56	$1.12	$1.68
April-22	**June-22**	**$0.52**	**$1.04**	**$1.56**

The **freight charge** is also computed at time of purchase order confirmation for first major release to production and will be computed based on changes in the Viracon Index from time of quotation. The Viracon Index is updated quarterly and is computed multiplying the 3-month rolling average of the U.S. Diesel Retail Prices (https://www.eia.gov/petroleum/gasdiesel/), weighted at 15% and the 3-month rolling average of the Cass Truckload (https://www.cassinfo.com/freight-audit-payment/cass-transportation-indexes/), weighted at 85%.

Historical Freight Multipliers:

		Diesel Retail Diesel	Freight Cass Truckload	Viracon Index
October-20	December-20	2.42	131	111.3
January-21	March-21	2.41	135	114.9
April-21	June-21	2.70	139	118.7
July-21	September-21	3.17	146	124.7
October-21	December-21	3.33	148	126.4
January-22	March-22	3.57	150	128.3
April-22	**June-22**	**3.80**	**155**	**132.0**

To calculate the freight charge at time of purchase order confirmation, the freight estimate amount on the quotation will be multiplied by the Viracon Index at that time divided by the Index at time of most recent quotation.

Example:

Most Recent Quote Date: October-21 — Viracon Index on that Date: **126.4**

Quoted Freight Estimate: **$1.25psf**

Production Ready Purchase Order Date: January-22 — Viracon Index on that Date: **128.3**

Freight Charged: $1.25psf * 128.3 / 126.4 = $1.27psf

The freight calculation above applies for units <= 110" in both dimensions. Additional freight charges will apply for units with both dimensions exceeding 110". Please contact Viracon for an estimate of these charges.