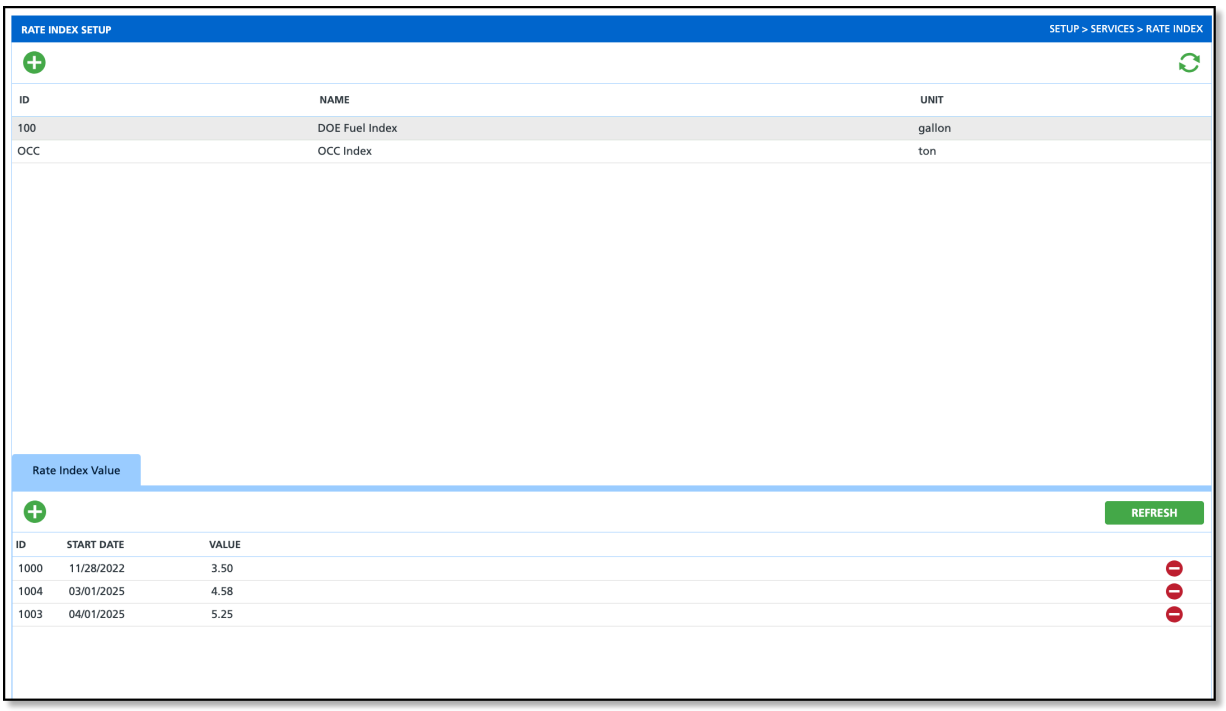
Fuel Rate Index Surcharge Setup and Application

Last Modified on 07/01/2026 10:36 am PDT

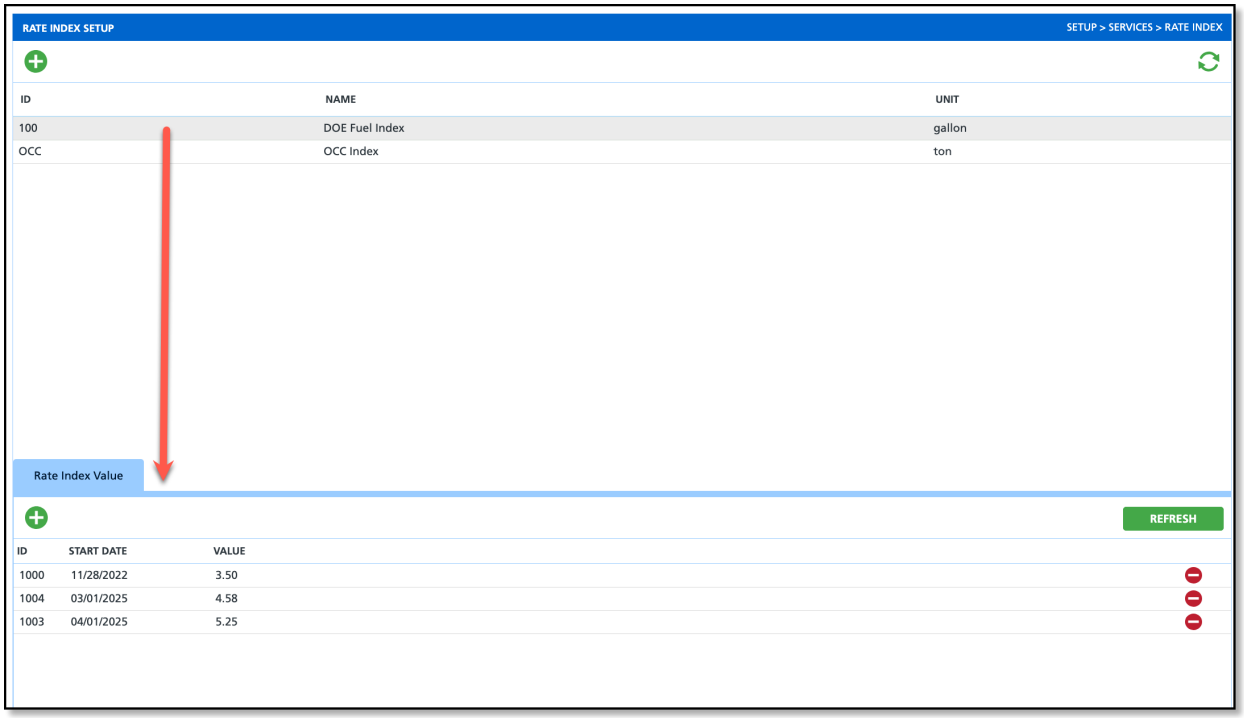
A Fuel Rate Index Surcharge is used to adjust pricing in response to fuel cost changes. Typically associated with a published index, such as the EIA (U.S. Energy Information Administration) diesel average, it allows companies to account for market fluctuations without frequently updating customer contracts. This article explains how to set up and apply a Fuel Rate Index in Navusoft. After the initial setup, rates can be easily maintained from the Rate Index Setup screen.



Rate Index Setup

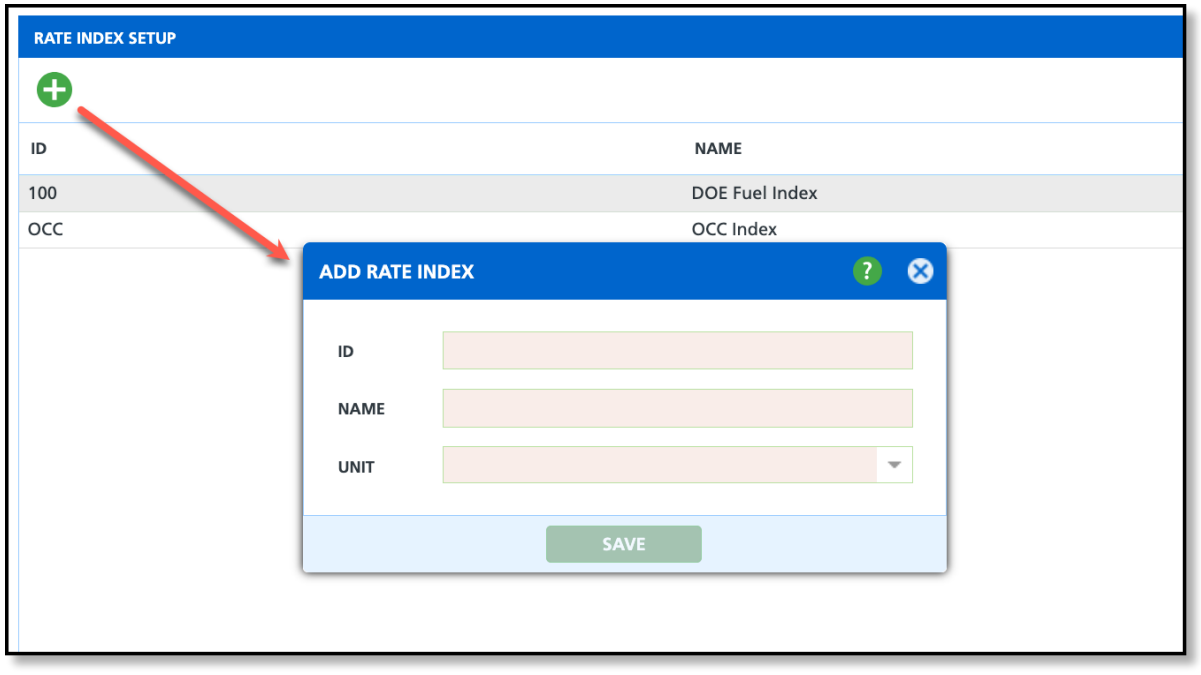
Pathway: *Setup > Services > Rate Index*

The Rate Index Setup screen is used to configure index rates and define their corresponding fuel cost value. The screen is divided into two grids: the upper grid is for adding rate indexes, and the lower grid is for entering values tied to each index. During billing, the applicable rate is determined by the value's start date in relation to the service date on the invoice.



Add Rate Index

Click the **Add** icon to create a new Rate Index for fuel costs. This will act as a container for entering rate index values as fuel prices fluctuate.

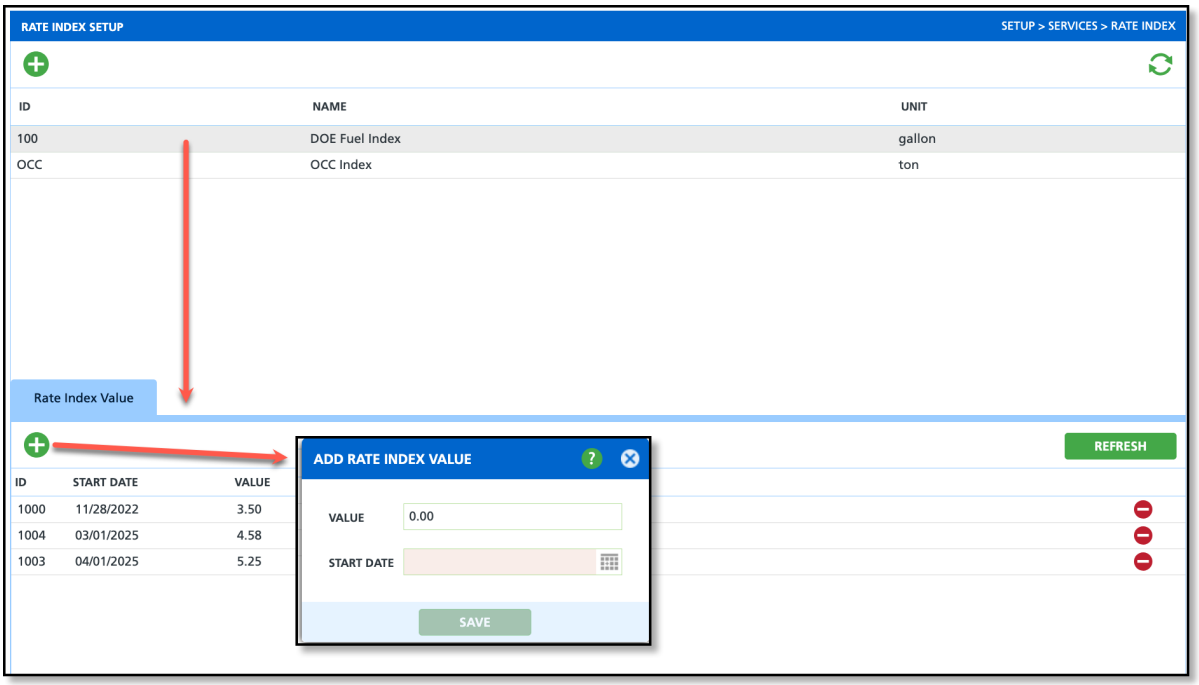


Add & Manage Rate Index Values

Once a Rate Index has been added to the upper grid, select it to open the *Rate Index Value* tab in the lower grid. Here, you can enter the index value (fuel cost) along with the *Start Date* indicating when it takes effect. New index values can be added over time to reflect changes in fuel costs.

Note: The system does not display an *End Date* for each index value. Instead, the *Start Date* of the next

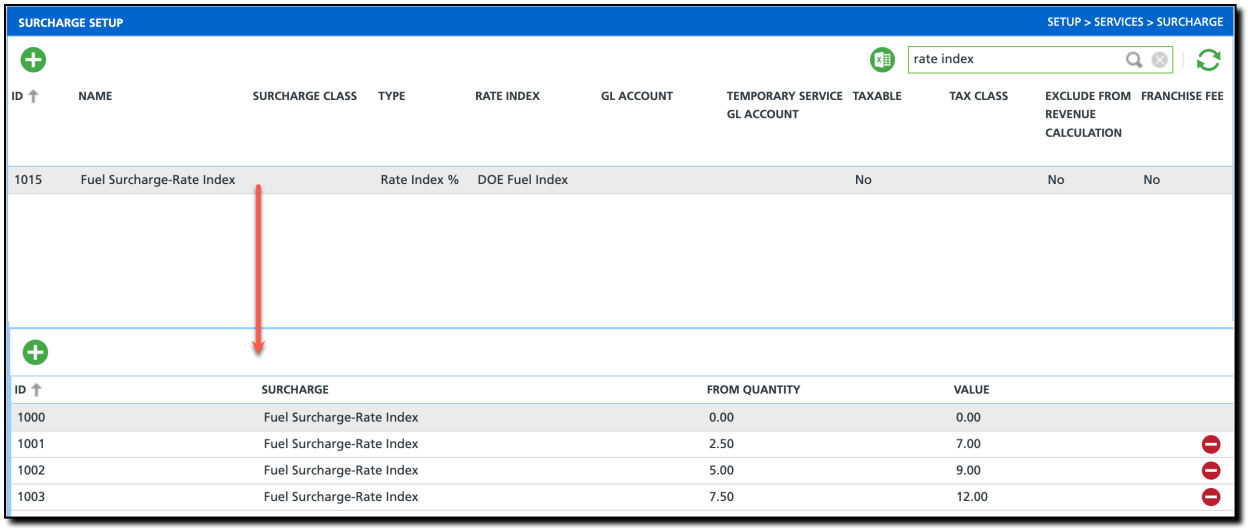
value automatically serves as the end date of the previous value's effective period. When a site is invoiced, the system will compare the service date to the start date of the rate index values. The corresponding value will determine the surcharge that applies.



Surcharge Setup

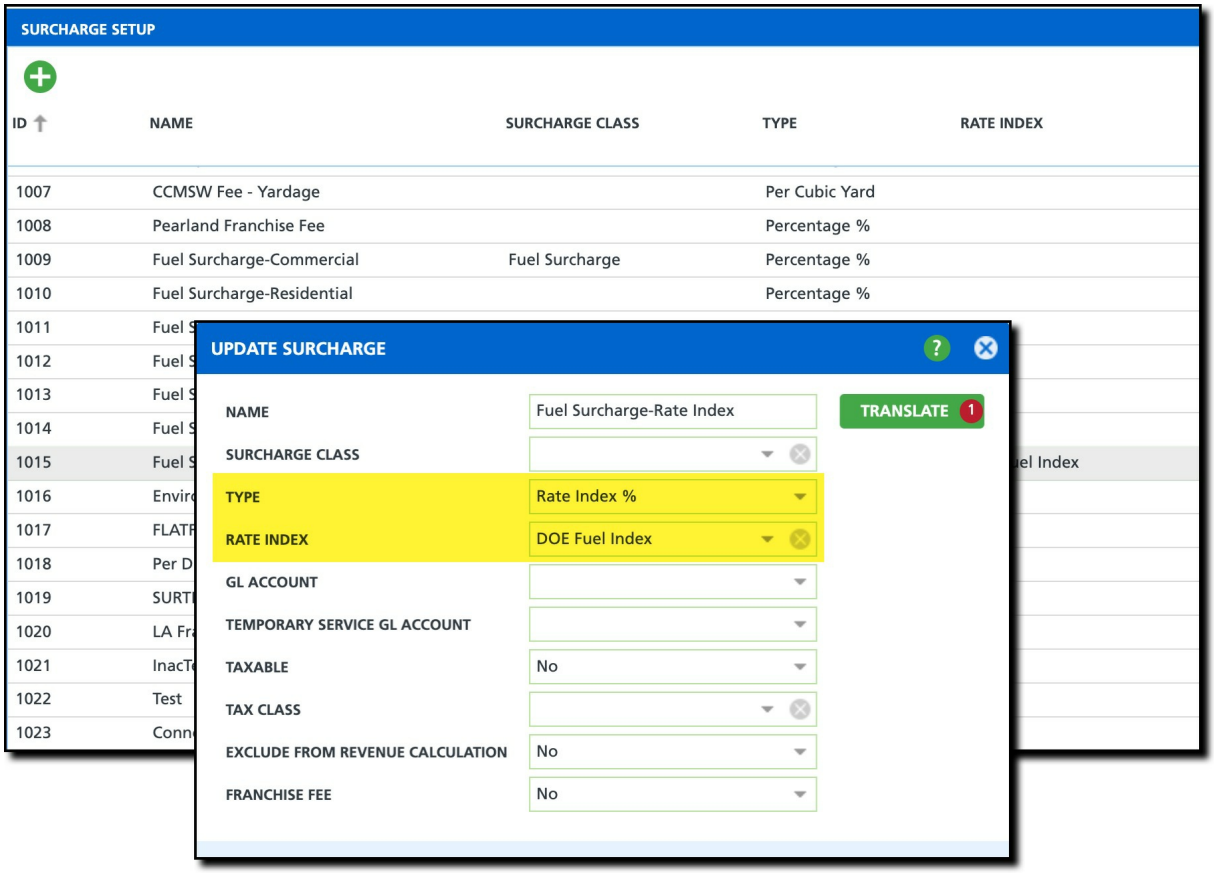
Pathway: *Setup > Services > Surcharge*

Surcharge Setup defines the surcharge amount that can be invoiced to a site, either as a flat fee or a percentage. This setup follows the logic outlined in the previous section, where the applicable surcharge is determined by comparing the service date to the start date of the rate index values.



Add Surcharge

Use the **Add** icon to create a new surcharge where the **Type** is set to a Rate Index option and a specific Rate Index is selected. This must be done before values can be associated.



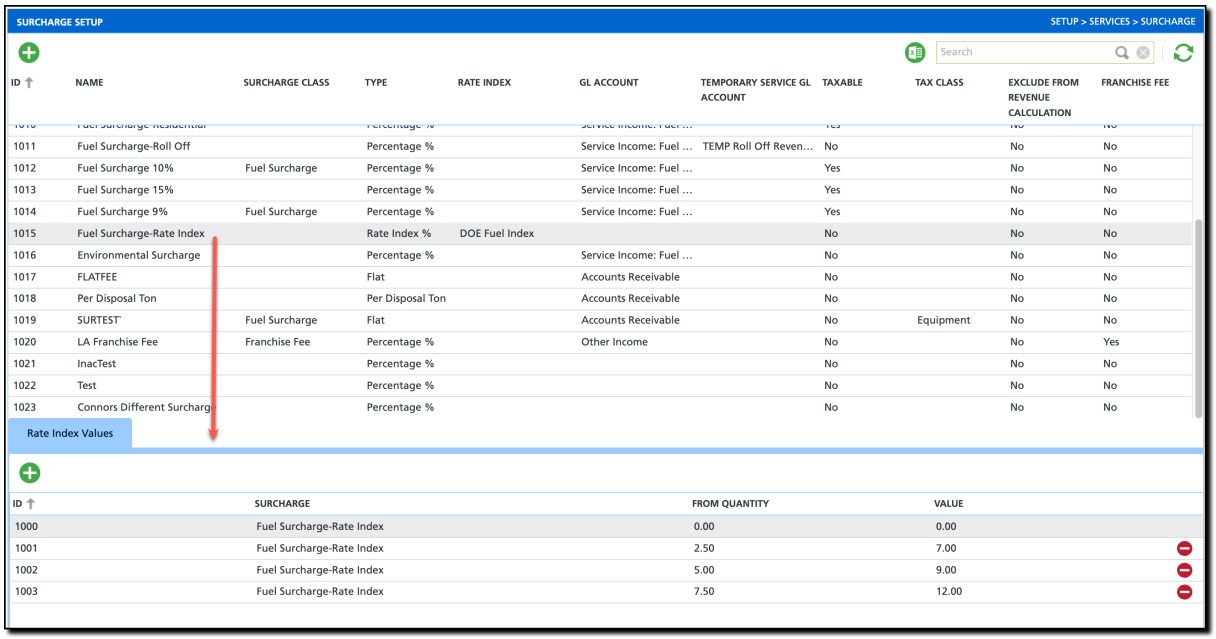
Field Descriptions

Field	Description
Name	The name of the surcharge.
Surcharge Class	Groups the surcharge into a class. When a surcharge is applied to a service, the assigned class will be displayed with it in a separate column/field.
Type	Select a Rate Index option from the *Type* drop down to define the calculation method used for the surcharge.
Rate Index	Select the appropriate Rate Index previously created for this surcharge. This field will only appear if a Rate Index option is selected in the *Type* field.
GL Account	Specifies the GL Account used to track revenue streams associated with the surcharge.
Temporary Service GL Account	If revenue from temporary services is tracked at the surcharge level, select the corresponding GL account it should be tracked under.
Taxable	Indicates if the surcharge is taxable. • 'No' - surcharge is not taxable. • 'Yes' - surcharge amount is included in tax calculations during billing. • 'Tax Class' - taxed through the Tax Class identified in the Tax Class field.

Tax Class	Required field if 'Tax Class' is selected from the Taxable field.
Exclude From Revenue Calculation	Indicates if the Surcharge should be excluded from company's revenue calculations.
Franchise Fee	Indicates if the Surcharge is a Franchise Fee.

Define the Rate Index Values

After a surcharge for rate index pricing has been created, select it from the upper grid to enter the **Rate Index Values** in the lower grid.



Field Descriptions

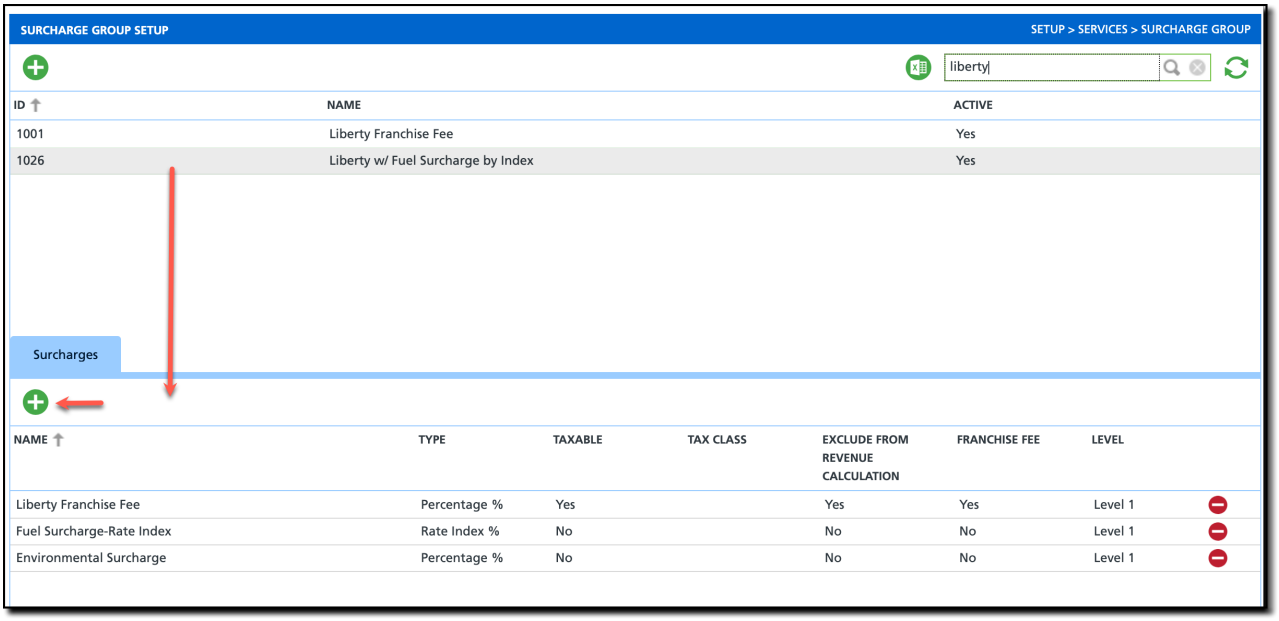
Field	Description
ID	System generated ID.
Surcharge	Identifies the surcharge that will be applied.
From Quantity	The 'From Quantity' fields establish threshold ranges that determine when a Rate Index value qualifies for the surcharge. In the example above, the threshold ranges are: • 0.00 - 2.50 • 2.50 - 5.00 • 5.00 - 7.50
Value	Specifies the amount to be applied, whether as a percentage-based surcharge or a flat fee amount.

Surcharge Group Setup

Pathway: *Setup > Services > Surcharge Group*

Surcharges cannot be applied directly to a site's billing settings. Instead, they must be added to a Surcharge Group, which is then assigned to the site. Once a rate index surcharge is created, it must be included in an appropriate surcharge group to take effect.

As with other setup screens, begin by selecting the appropriate Surcharge Group from the upper grid. Then, add the Rate Index surcharge to the *Surcharges* tab in the lower grid.



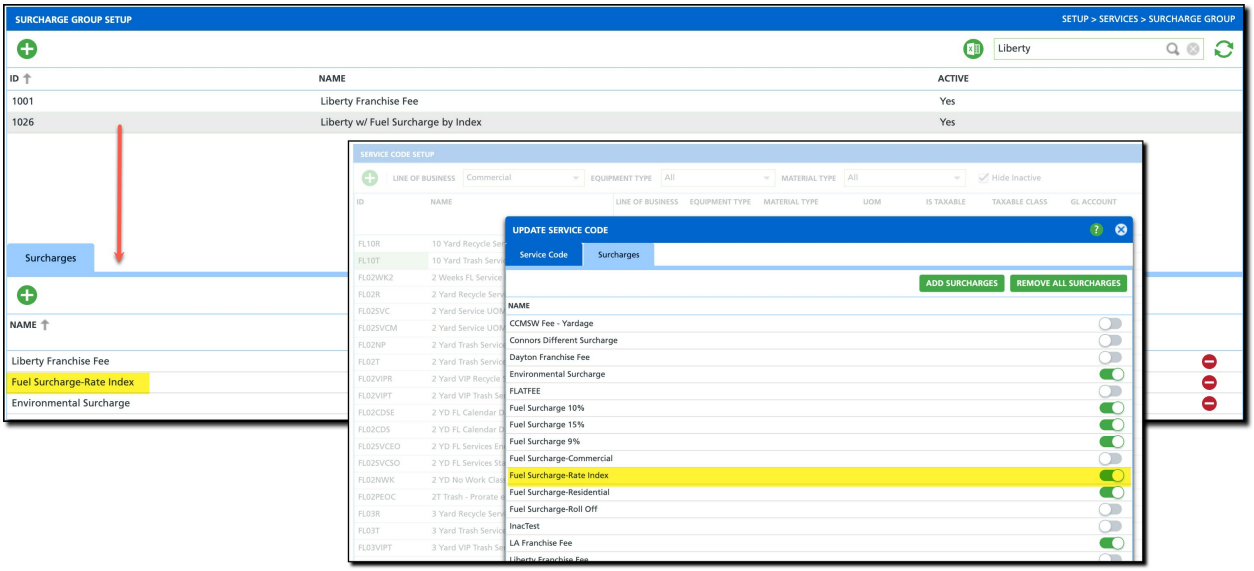
Service Code Setup

Pathway: *Setup > Services > Service Code*

Surcharges are individually assigned to Service Codes, while Surcharge Groups are assigned to Sites. For a Fuel Rate Index Surcharge to be applied during billing, the surcharge must exist in both places: it must be included in the Site's assigned Surcharge Group and also be assigned to the Service Code associated with the Site's active service.

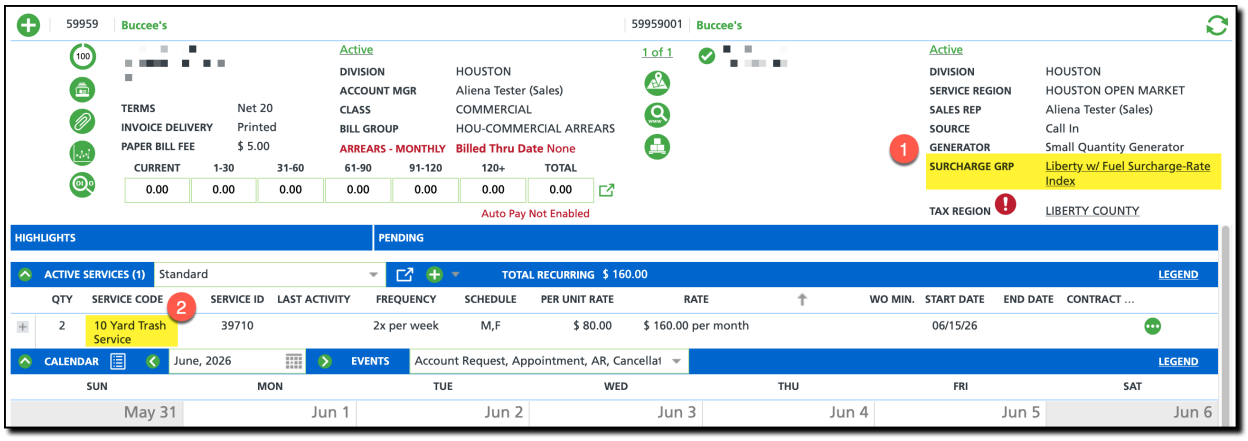
Relationship of Surcharges and Service Codes

A Service Code can have multiple surcharges assigned, while each Site is assigned a single Surcharge Group. This structure allows Service Codes to define the full set of possible surcharges for a service, while Surcharge Groups control which of those surcharges are eligible for a given Site.



Relationship of Surcharge Group to Site's Active Service

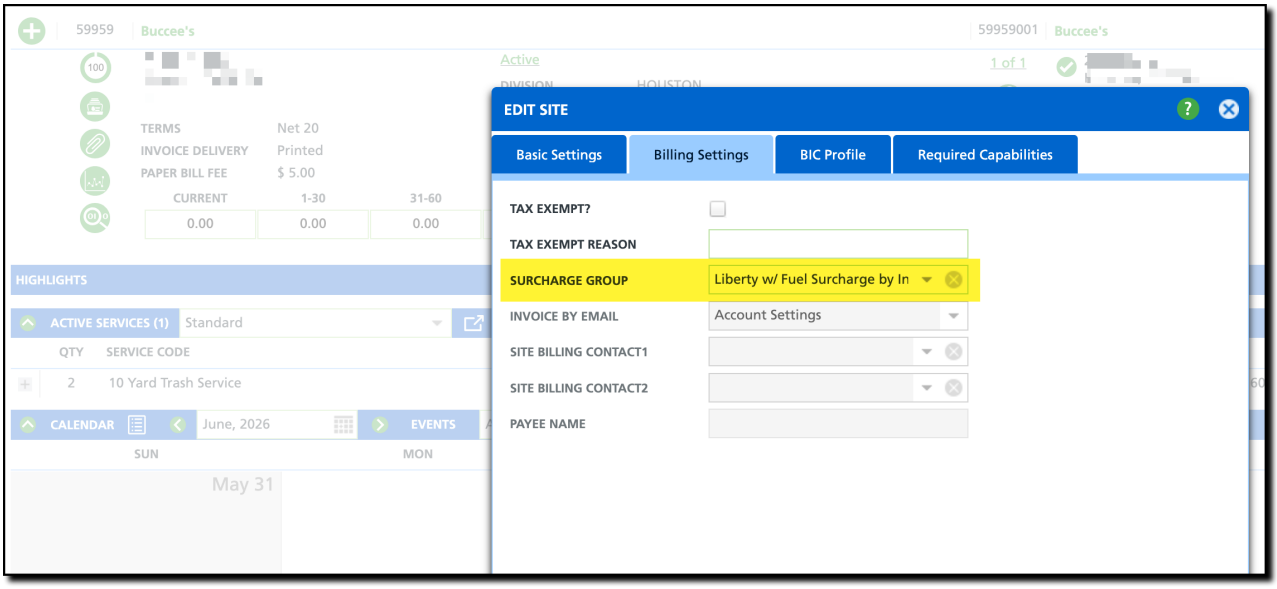
Following from the example above, the site is assigned the Liberty w/ Fuel Surcharge-Rate Index, Surcharge Group. It also is receiving a service using the 10 Yard Trash Service, service code. When the site is billed, only the surcharges that are assigned to both the Service Code and the Liberty w/ Fuel Surcharge-Rate Index Group will be applied.



Add Surcharge Group to a Site

Pathway: *Accounts > Customer Service Screen > Edit Site > Billing Settings [tab]*

A Surcharge Group is assigned to a site from the *Billing Settings* tab within the *Edit Site* popup editor. Any updates to the surcharge or Rate Index values will automatically impact the site's billing in the next billing cycle. **Expand this section to also see the Billing Workflow.**

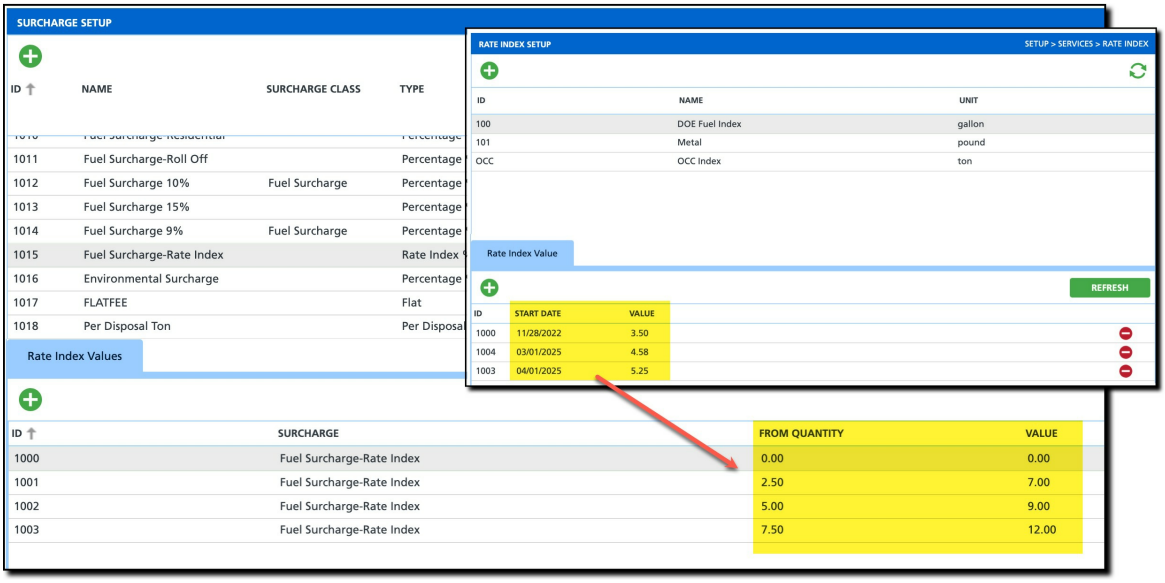


Application of the Fuel Surcharge Rate

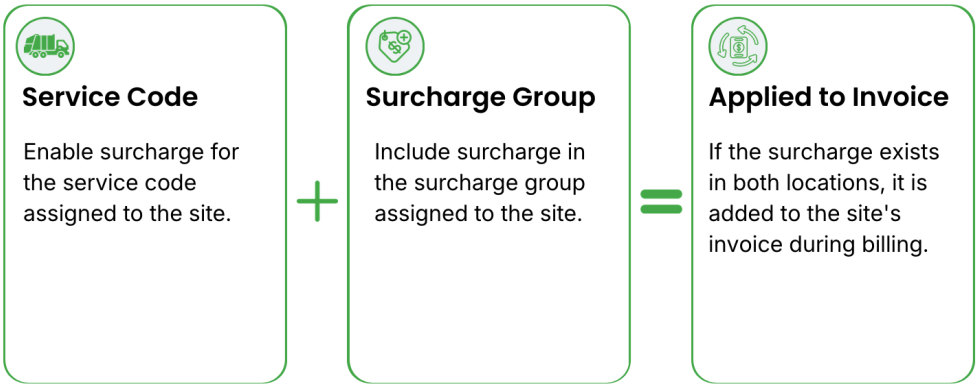
Relationship Between Surcharge Setup and Rate Index Setup in

During the billing process, if a site is subject to a fuel surcharge, the system will first look at the**Start Date** and **Value** (fuel cost) in Rate Index Setup to determine based on the site's service date, which value applies. Once it has identified the appropriate value (in Rate Index Setup), it will then look at the 'From Quantity' and 'Value' columns for the surcharge to identify the surcharge amount to be billed.

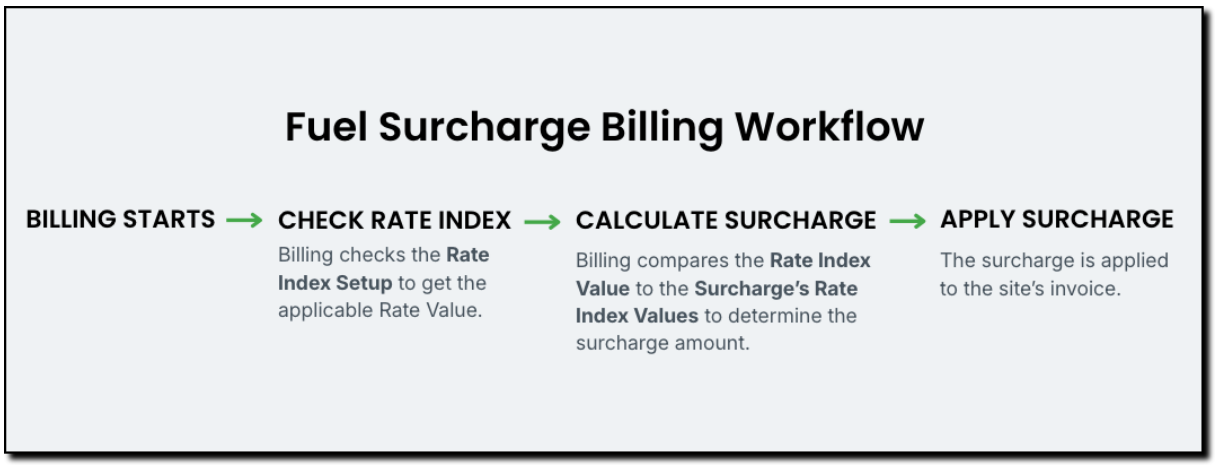
> **Example Scenario:** A site was serviced on February 25, 2025, and invoiced on March 15, 2025. Based on the service date, the applicable Rate Index value is 3.50. Because this value falls within the defined surcharge range of 2.50 to 5.00 (refer to the 'From Quantity' column), the system will apply the surcharge **Value** of 7.00.



How a Surcharge Qualifies for a Site Invoice (Visual)



Billing Workflow to Calculate the Fuel Surcharge Rate (Visual)



Related Articles

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Surcharge Group
Rate Index Setup
Service Code Setup