Reveel

2026

General Rate Increase & Surcharge Survival Guide

REVEELGROUP.COM

A Message from Our Founder

Understanding and Surviving the Evolution of Carrier Pricing

The 2026 General Rate Increases from FedEx and UPS reinforce a reality shippers have been steadily coming to terms with: the GRI itself is no longer the main event. While the annual announcement still draws headlines, the real cost story is increasingly shaped by a steady stream of changes introduced throughout the year. Incremental rate adjustments, evolving surcharge definitions, and shifting qualification rules have steadily diminished the once outsized importance of the single, annual increase, which even in past years belied additional charges which could have a dramatic impact on what it costs to ship any one parcel.

Throughout 2025, both carriers leaned heavily into this approach. Fuel surcharge mechanics were adjusted multiple times, new surcharges were introduced, and existing fees were expanded or redefined. Rather than concentrating pricing pressure into one moment, carriers effectively front-loaded many of the increases that would historically have arrived with the GRI. By the time the 2026 rates were announced, much of the damage had already been done.

What stands out this year, however, is the relative restraint shown by both FedEx and UPS with the GRIs themselves. The announced 2026 base rate increases are comparatively conservative, with modest escalations across transportation rates and most surcharges. Large and bulky package charges — which saw dramatic jumps of 15–20% or more in recent years — rose by a more measured 6–10%, marking a clear departure from recent precedent.

After several years in which real-world shipper costs far outpaced the published GRI, 2026 represents a rare alignment. The headline 5.9% average increase is, for many shipping profiles, closer to what will actually be felt. That alignment is less a gesture of goodwill and more the natural result of pricing actions already implemented earlier in the calendar year — fuel changes, zone and Zip code reclassifications, and revised surcharge rules that quietly raised costs well before the GRI took effect.

This moderation should not be mistaken for softness. Earnings commentary from both FedEx and UPS makes clear that discipline — not concession — is driving the strategy. Management continues to emphasize yield improvement, margin expansion within core networks, and structural cost reductions, even as overall volume growth remains muted and competitive pressure from alternative carriers such as USPS and Amazon intensifies. Rather than relying on a single, attention-grabbing annual increase, both carriers appear to be doubling down on more dynamic, data-driven pricing — using frequent, targeted adjustments to protect revenue quality while keeping the headline GRI more predictable.

A Message from Our Founder

(Continued)

For shippers, the takeaway is straightforward. The GRI may finally look manageable again on paper, but it no longer tells the full story. Costs are now shaped continuously, not annually, and the most meaningful increases often arrive quietly, outside of the traditional rate season. Staying ahead requires more than a once-a-year review — it demands ongoing visibility into how carrier pricing evolves month by month, rule by rule.

This year's guide is designed to make those mechanics visible, actionable, and fully traceable so that shippers have room to repackage, reroute, or renegotiate for measurable savings. Scenario modeling allows teams to test contract alternatives or operational changes before they commit, giving teams a real, shared, and defensible view of the tradeoffs between cost, speed, and reliability.

Ultimately, the goal of our guide — and our company — is simple: to help shippers anticipate changes before they show up on an invoice. With mid-year price adjustments becoming the norm, cost control will depend on real-time clarity, not retrospective analysis. Reveel prides itself on providing that visibility; turning the unknown into predictable, manageable inputs for a smarter parcel shipping strategy.

We here at Reveel are here to help, this year and every year.

Sincerely,

Josh Dunham

CEO and co-founder, Reveel

Looking Ahead: Strategic Implications for 2026

The 2026 GRI marks an inflection point in carrier pricing strategy — one defined less by aggressive headline increases and more by strategic precision in how costs are allocated across the network. After years of steep, broad-based surcharge escalation, both FedEx and UPS have shifted to a more measured approach that reflects intensifying competitive pressure and a fundamental rebalancing of priorities around revenue quality over volume growth.

This strategic evolution carries important implications for how shippers should approach their 2026 rate analysis. The traditional practice of comparing headline GRI percentages and calling it sufficient will miss the real story: carriers are no longer moving in lockstep, rate impacts are increasingly segment-specific, and the "right" carrier choice now depends heavily on your unique shipment profile — weight distribution, zone mix, service commitment, and surcharge exposure.

Beyond the base rate structure itself, the 2026 GRI intersects with another critical pressure point many shippers faced throughout 2025: maintaining earned incentive discount tiers. As macroeconomic headwinds slowed e-commerce growth and reduced overall shipment volumes, Reveel watched many shippers fall short of the revenue thresholds needed to preserve their discount levels, resulting in a compounding penalty where lower volumes triggered worse pricing, further eroding margins at precisely the wrong time.

Against this backdrop, the 2026 rate structure takes on heightened significance. Published rate increases directly impact the gross transportation charges that determine tier qualification, and because tier thresholds are calculated on revenue before discounts are applied, even modest base rate increases can organically elevate shippers closer to — or above — the revenue bands required to maintain or improve their incentive percentages.

For shippers whose volumes stabilized or declined slightly in 2025, the 5.9% base rate increase may provide unexpected relief: the same volume at higher published rates generates more gross revenue, potentially offsetting volume shortfalls and preserving tier status without requiring actual shipment growth. In some cases, shippers sitting just below a tier threshold may find themselves pushed into the next bracket purely through rate inflation — effectively converting a cost increase into an opportunity for improved net pricing.

However, this silver lining only materializes for shippers who approach the 2026 GRI with appropriate analytical rigor. Understanding whether rate increases help or hurt requires continuous, data-driven monitoring — not just of rates and surcharges, but of how those changes interact with your contract structure, incentive tiers, and evolving shipment characteristics. The carriers have made their strategic intentions known through the specificity of their pricing actions. Shippers who respond with equal precision — understanding exactly where they sit within each carrier's priority framework — will be best positioned to optimize costs and capture value in the year ahead.

FedEx & UPS GRI - 2026 Modeled Increase

The Snapshot

UPS

Announced increase: 5.9%

Modeled increase: 5.8%

Biggest Service Impact

Ground Commercial

Ground Residential

Next Day Air

Additional Handling

Large Package Surcharges

Businesses Likely Hit the Hardest

Economy (Ground) Shippers

Furniture / Home Goods

Sports Equipment

Automotive

FedEx

Announced increase: 5.9%

Modeled increase: 6.1%

Biggest Service Impact

Ground Commercial

Home Delivery

Priority Overnight

FedEx 2Day

Additional Handling

Oversize Surcharges

Adult Signature Charges

Businesses Likely Hit the Hardest

Economy (Ground) Shippers

Retail / eCommerce

Automotive

Furniture / Home Goods

Healthcare / Pharmaceuticals

Wine / Alcohol Shippers

[1]Modeled Reveel analysis reflects all 2026 published transportation rates, surcharges, and carrier rule changes reflected in carrier pricing.

Entering 2026, the General Rate Increase strategies implemented by FedEx and UPS reflect a clear shift toward moderation — and a growing divergence in how each carrier is pursuing revenue quality. After several years of aggressive pricing actions, both carriers implemented relatively modest increases for 2026, notably bucking the recent trend of outsized hikes on large and bulky packages. Surcharges tied to size and weight, such as Additional Handling and Large Package charges, saw far more restrained adjustments than in prior years, signaling a recalibration rather than a retreat.

That moderation is reflected in the data. When Reveel modeled the 2026 published rate impact, base transportation rates (exclusive of any additional charges) came in below the headline 5.9% GRI for both carriers. UPS totaled a 5.7% year-over-year increase, while FedEx totaled 5.8%. While some deviation from the published average is expected — given that different weights and zones see different adjustments — the tight clustering around the headline number is telling. It underscores the relative restraint shown not just in base rates, but across surcharges and accessorials as well, none of which meaningfully pushed total increases higher than current levels. Notably though, these same accessorials can – and we expect they will – be continually changed to further increase revenue per package.

At the same time, 2026 marks a noticeable departure from the near-mirror-image pricing strategies that have largely defined carrier pricing since 2020. While overall increase levels remain close, FedEx and UPS are no longer moving in lockstep on cell-by-cell pricing. Rate changes increasingly reflect distinct strategic priorities, with each carrier emphasizing different combinations of zones, weights, and service commitments (see analyses below). Rather than applying broad-based pressure on heavier shipments, pricing actions are more selectively targeted, reinforcing specific network and margin objectives.

As a result, shippers should avoid treating the 2026 GRI as a simple head-to-head comparison between FedEx and UPS. Neither carrier is categorically more expensive, nor is one uniformly more aggressive. Instead, differences in impact stem from how each carrier is choosing to shape its book of business. FedEx and UPS are signaling their preferences through where increases are concentrated — whether by weight breaks, distance, or service level — rather than through blanket size-and-weight penalties.

This divergence underscores a broader evolution in carrier pricing strategy. With leadership teams focused on yield improvement and revenue quality, pricing is being used less as a blunt instrument and more as a precision tool. For shippers, the implication is clear: understanding which segments of volume each carrier values most in 2026 requires a closer look at the specific rate and surcharge changes, not just the headline GRI. Base transportation increases, in particular, offer valuable insight into the shipment profiles each carrier is actively prioritizing.

2025 - 2026 Published Transportation Net Increase by Service Level

FedEx

Across U.S. domestic services, FedEx and UPS arrived at nearly identical percentage increases in their 2026 base transportation rates, exclusive of accessorials and surcharges. When viewed at a high level, the aggregated average increase across comparable service levels is effectively the same between the two carriers. However, this surface-level similarity masks meaningful differences in how those increases are distributed — and, ultimately, how they will be felt by shippers once weight and zone are factored in.

FedEx took a more uniform approach to its 2026 pricing actions, with narrower variation across services, weights, and zones. Ground services appear to be a clear area of focus, with both FedEx Ground and Home Delivery increasing by approximately 6.4%. This consistency suggests a continued emphasis on revenue quality within FedEx's economy network. Priority Overnight also saw more pronounced increases, particularly for lighter shipments in the 1–10 lb. range, where rates rose by roughly 6.7%.

By contrast, Express Saver received meaningful relief in 2026. After experiencing increases of approximately 7.0% entering 2025, Express Saver rates rose by an average of just 4.0% in 2026, providing a notable break for shippers that rely heavily on this service level.

From a zone perspective, FedEx's strategy further reinforces these priorities. Increases were more heavily weighted toward higher zones for Express and Air services, while lower-zone shipments saw more modest adjustments. This aligns with usage patterns, as express services are more frequently deployed over longer distances. The result is a pricing structure that more precisely targets network cost drivers while maintaining relative stability closer to origin.

2025 - 2026 Published Transportation Net Increase by Weight (FedEx)

	A) 1-5 lbs.	B) 6-10 lbs.	C) 11-20 lbs.	D) 21-100 lbs.	E) 101-150 lbs.
1 Day Early AM	5.0%	5.4%	5.7%	6.3%	6.1%
1 Day Priority	6.7%	6.7%	5.7%	6.3%	6.1%
1 Day Standard	5.1%	5.0%	4.8%	4.9%	4.9%
2 Day Early AM	5.8%	5.8%	5.8%	5.7%	5.5%
2 Day Standard	6.6%	6.3%	6.2%	6.3%	6.0%
3 Day Standard	4.1%	4.1%	4.0%	3.8%	4.0%
Ground Commercial	6.0%	5.9%	6.5%	6.4%	6.5%
Ground Residential	6.0%	5.9%	6.5%	6.4%	6.5%

*** Weight Analysis includes all Zones per Service*

2025 - 2026 Published Transportation Net Increase by Zone (FedEx)

	2	3	4	5	6	7	8
1 Day Early AM	5.6%	5.8%	6.3%	6.1%	6.2%	6.1%	6.3%
1 Day Priority	6.7%	6.6%	6.8%	6.5%	6.6%	6.5%	6.6%
1 Day Standard	4.8%	6.0%	4.6%	4.5%	4.5%	4.5%	4.5%
2 Day Early AM	5.1%	6.4%	6.6%	6.6%	4.9%	4.9%	4.9%
2 Day Standard	4.5%	4.7%	6.5%	6.8%	6.6%	6.6%	6.6%
3 Day Standard	3.9%	3.9%	3.9%	3.8%	4.4%	3.8%	3.6%
Ground Commercial	5.9%	5.9%	5.9%	5.9%	6.0%	6.2%	6.2%
Ground Residential	5.9%	5.9%	5.9%	5.9%	6.0%	6.2%	6.2%

FedEx shippers most likely impacted by the 2026 GRI — those that will see an increase above +6% — will likely fit one or more of the following profile characteristics:

- One point of origin located on the East or West Coast
- Heavy utilization of Ground or 1-Day (First Overnight, Priority Overnight) services
- Average parcel weight greater than 10 lbs.
- Surcharges exceed ~20% of total spend

UPS

Similar to the increases entering 2025, UPS applied a relatively uniform increase across zones in its 2026 transportation rates, while placing greater emphasis on weight-based pricing. One factor that may help explain why UPS' increases appear slightly less aggressive than FedEx's in certain areas is its tendency to implement incremental pricing actions throughout the year — often earlier and more frequently than FedEx — reducing the need to concentrate increases into the annual GRI.

Within the 2026 rate structure, UPS targeted lighter-weight shipments, particularly in the 1–5 lb. range, across most domestic services. Increases for these weights generally fell between 6.0% and 6.5%, reinforcing UPS' continued focus on optimizing yield within high-volume, residential-heavy segments. Next Day Early AM and Next Day Air were notable exceptions, with comparatively lower increases — likely reflecting the stronger margins and strategic value of these premium services.

Ground services also remain a priority for UPS, with increases closely aligned to the 5.9% published average. At the same time, shippers moving heavier freight may see modest relief in 2026. Packages above 100 lbs. experienced increases closer to 5%, signaling a more measured approach toward higher-weight shipments relative to prior years.

2025 - 2026 Published Transportation Net Increase by Weight (UPS)

	A) 1-5 lbs.	B) 6-10 lbs.	C) 11-20 lbs.	D) 21-100 lbs.	E) 101-150 lbs.
1 Day Early AM	4.7%	4.3%	4.9%	5.1%	5.1%
1 Day Priority	4.7%	4.3%	4.9%	5.1%	5.1%
1 Day Standard	6.1%	5.4%	5.8%	5.6%	5.4%
2 Day Early AM	6.5%	4.5%	5.5%	5.4%	5.3%
2 Day Standard	6.0%	5.0%	6.0%	5.6%	4.5%
3 Day Standard	6.5%	5.2%	5.9%	5.6%	5.1%
Ground Commercial	6.0%	5.6%	6.0%	5.7%	5.2%
Ground Residential	6.0%	5.6%	6.0%	5.7%	5.2%

*** Weight Analysis includes all Zones per Service*

2025 - 2026 Published Transportation Net Increase by Zone (UPS)

	2	3	4	5	6	7	8
1 Day Early AM	4.6%	4.8%	5.0%	5.1%	5.1%	5.1%	5.1%
1 Day Priority	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%
1 Day Standard	5.3%	5.3%	5.3%	5.3%	5.4%	5.3%	5.6%
2 Day Early AM	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%	5.3%
2 Day Standard	5.3%	5.3%	5.2%	5.2%	5.2%	5.2%	5.2%
3 Day Standard	5.1%	5.1%	5.1%	5.1%	5.1%	5.1%	5.0%
Ground Commercial	5.5%	5.6%	5.4%	5.4%	5.5%	5.5%	5.5%
Ground Residential	5.5%	5.6%	5.4%	5.4%	5.5%	5.5%	5.5%

UPS shippers most likely impacted by the 2026 GRI — those that will see an increase above +6% — will likely fit one or more of the following profile characteristics:

- Heavy utilization of Ground services
- Average parcel weight less than 10 lbs.
- Surcharges exceed ~20% of total spend

Reveel Simplifies Managing Carrier Rate and Fee Changes

Reveel offers a next-generation Parcel Spend Management (PSM) platform designed to help organizations navigate annual carrier rate increases, peak season surcharges, and other service fee adjustments. By leveraging advanced analytics, modeling, simulation, and statistical analysis, Reveel delivers machine-generated, real-time insights that pinpoint where shipping operations can be optimized to reduce costs.

What sets Reveel apart is its ability not only to identify inefficiencies but also to provide actionable guidance for managing the financial impact of carrier changes. The platform transforms complex shipping data into clear recommendations, enabling organizations to make informed decisions that keep shipping expenses under control.

Key capabilities include:

- Impact Analysis: Provides personalized insights on how annual General Rate Increases (GRIs), peak season surcharges, and other carrier changes affect your operations.
- Simulation and Modeling: Forecasts the financial impact of different shipping strategies before implementation.
- Actionable Recommendations: Converts analytics into clear steps for mitigating cost increases and improving operational efficiency.

By combining these capabilities, Reveel helps organizations proactively manage shipping costs, adapt to carrier rate and fee changes, and maintain control during peak shipping periods.

2026 Changes of Note

Among the traditional rate increases, there are often a few additional charges and changes to carrier pricing that are worth emphasizing. Here are some highlights:

- The GRIs of FedEx and UPS represent a +34% increase in overall shipping costs since 2021 - not including accessorials and surcharges.

- Accessorials now shape the majority of unexpected increases. These increases come throughout the year — instead of on an annual basis, like the GRI — in the form of new rules and fees, new surcharges and definitional changes.
  - Delivery Area Surcharges (DAS), oversize, residential delivery, fuel, and address correction fees are not only rising, but are also becoming more context sensitive.
  - Details such as packaging dimensions, service selection, or minor operational habits can materially change a shipper's expenses.
  - Pricing changes remain highly correlative to carrier earnings and profitability.

- Both carriers will increase ground residential rates at a rate higher than the announced GRI - UPS will increase the cost of these services by 6.14%, and FedEx by 6.77%.

- UPS increased the costs associated with targeted lighter-weight shipments, mainly in the 1–5 lb. range, by 6.0% to 6.5%. These increases reinforce UPS' continued focus on optimizing yield within high-volume, residential-heavy segments.
  - Next Day Early AM and Next Day Air were notable exceptions, with lower increases reflecting the stronger margins and strategic value of these premium services.
  - Ground services remain a UPS priority, with increases aligned to the 5.9% GRI.
  - Shippers moving heavier freight may see some relief, as packages above 100 lbs. can expect increases closer to 5%.

- Ground services appear to be a clear area of focus for FedEx's increases, as both FedEx Ground and Home Delivery increased by 6.4%.
  - This suggests a planned emphasis on revenue quality.
  - Priority Overnight saw more pronounced increases, particularly for lighter shipments in the 1–10 lb. range, with increases of 6.7%.

- Address correction fees will increase — again. These are applied when the shipper provides an incorrect or incomplete address, or in the case of FedEx, also when the destination is a P.O. box or has a P.O. box Zip code.
  - UPS will increase address correction fees 7.45% over last year, while FedEx's increase will be 6.25%.

- Starting in January, FedEx Date Certain Home Delivery®, FedEx Evening Home Delivery®, and FedEx Appointment Home Delivery® surcharges

will now be applied per package, rather than per shipment.

- Previously, one surcharge applied per shipment regardless of package count. Now, each individual package incurs the fee separately — meaning a three-package order will pay three times the surcharge instead of one.

- FedEx has also added a new cubic volume criterion for next year - Additional Handling Surcharge — Dimension
  - This will apply to any package with a cubic volume greater than 10,368 cubic inches (calculated as length x width x height).
  - More packages may qualify for this, even if they previously avoided it based on length or girth measurements alone.

- FedEx Adult Signature fees will be increasing from $8.65 to $10.00 in 2026. This represents a 15.6% increase year-over year.
- One other interesting increase of note: the fee for renting a printer from UPS will increase a whopping 233%, starting in late December 2025.

Keep reading for an in-depth look at the 2026 general rate increases for FedEx and UPS.

FedEx GRI Increase Since 2021

Cumulative Increase Since 2021

UPS GRI Increase Since 2021

Cumulative Increase Since 2021

Rate Increases Over Time

Year	UPS Air	UPS Ground	FedEx Air	FedEx Ground
2026	**5.9%**	**5.9%**	**5.9%**	**5.9%**
2025	5.9%	5.9%	5.9%	5.9%
2024	5.9%	5.9%	5.9%	5.9%
2023	6.9%	6.9%	6.9%	6.9%
2022	5.9%	5.9%	5.9%	5.9%
2021	4.9%	4.9%	4.9%	4.9%
2020	4.9%	4.9%	4.9%	4.9%
2019	4.9%	4.9%	4.9%	4.9%
2018	4.9%	4.9%	4.9%	4.9%
2017	4.9%	4.9%	3.9%	4.9%

Minimum Charges

Package minimums dictate the price floor that you pay in transportation costs to send packages. That means that your minimum net charge can never be less than this floor, no matter what discounts are applied. These charges are another area where carriers steadily raise the price year over year to increase your cost.

Many shippers don't know how carrier package minimum charges affect their shipping spend. In fact, most shippers don't even know they exist. Carriers use these price floors to negate discounts to protect their margins — more often than shippers realize.

Ground Residential Minimums

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2026	**$18.49**	**6.14%**	**$18.44**	**6.77%**
2025	$17.42	6.22%	$17.27	6.27%
2024	$16.40	6.84%	$16.25	6.56%
2023	$15.35	8.02%	$15.25	8.07%
2022	$14.21	7.57%	$14.16	8.01%
2021	$13.21	7.14%	$13.11	7.20%
2020	$12.33	4.49%	$12.23	4.97%
2019	$11.80	5.64%	$11.65	4.20%
2018	$11.17	4.20%	$11.18	4.49%
2017	$10.72	5.20%	$10.70	5.00%

Note: All figures include the carrier's residential surcharge, which apply to all residential packages

Ground Commercial Minimums

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2026	**$11.99**	**5.92%**	**$11.99**	**5.92%**
2025	$11.32	5.79%	$11.32	5.79%
2024	$10.70	5.94%	$10.70	5.94%
2023	$10.10	7.91%	$10.10	7.91%
2022	$9.36	6.85%	$9.36	6.85%
2021	$8.76	6.44%	$8.76	6.44%
2020	$8.23	4.84%	$8.23	4.84%
2019	$7.85	3.70%	$7.85	3.56%
2018	$7.57	3.41%	$7.58	4.55%
2017	$7.32	5.48%	$7.25	4.47%

Key Surcharges

Surcharges, which are not included as part of the general rate increase, typically account for more than a third of the average price of a package, and they have the potential to impact your shipping costs drastically. Carriers often raise surcharges at a higher rate than list rates, so it's important to stay apprised of changes as they happen.

Additional Handling

An **additional handling surcharge** applies to any package that meets any one of the following criteria:

	UPS
Dimension	Effective January 26, 2026, Domestic Packages with a cubic size greater than 10,368 cubic inches will be subject to the Domestic Additional Handling Charge (AHC). Other factors currently used to determine AHC applicability will remain unchanged.

	FedEx
Dimension	The package's dimensions measure more than 48 inches along its longest side or measure greater than 30 inches along its second-longest side, or if the package's length plus girth exceeds 105 inches.
Weight	U.S. Express and U.S. Ground: Actual weight is greater than 50 lbs. International Express and International Ground: Actual weight is greater than 55 lbs.
Packaging	Any package in non-standard packaging, including any package that is not fully encased in an outer shipping container; is encased in an outer shipping container not made of corrugated fiberboard (cardboard) materials, including but not limited to metal, wood, canvas, leather, hard plastic, soft plastic (e.g., plastic bags), or expanded polystyrene foam (e.g., Styrofoam); is encased in an outer shipping container covered in shrink wrap or stretch wrap; is encased in a soft-sided pack (e.g., courier packs, poly bags, and bubble mailers) that exceeds 18 inches along its longest side or 13 inches along its second-longest side or 5 inches in height; is round or cylindrical, including (without limitation) mailing tubes, cans, buckets, barrels, tires, drums, or pails; is bound with metal, plastic, or cloth banding, or has wheels, casters, handles, or straps (e.g., a bicycle) (including packages where the outer surface area is loosely wrapped, or where the contents protrude outside the surface area); or could become entangled in or cause damage to other packages or the FedEx sortation system.

Additional Handling Rates – UPS

Packages that Exceed the Weight Limit					
Net Rates	**2022**	**2023**	**2024**	**2025**	**2026**
Zone 2	$25.25	$29.00	$34.50	$43.50	**$46.50**
Zones 3-4	$27.50	$31.50	$37.50	$47.50	**$50.75**
Zones 5-6	$30.50	$34.50	$41.50	$52.75	**$56.25**
Zones 7+				$55.00	**$58.75**

% Increase	2022	2023	2024	2025	2026
Zone 2	-1%	14.85%	18.97%	26.00%	**6.9%**
Zones 3-4	7.84%	14.55%	19.05%	26.67%	**6.84%**
Zones 5-6	19.61%	13.11%	20.29%	27.11%	**6.64%**
Zones 7+				32.53%	**6.82%**

Packages that Exceed the Dimensional Limit					
Net Rates	**2022**	**2023**	**2024**	**2025**	**2026**
Zone 2	$15.75	$18.50	$22.00	$28.00	**$30.00**
Zones 3-4	$17.50	$20.50	$24.50	$31.00	**$33.25**
Zones 5-6	$20.50	$23.50	$28.25	$36.00	**$38.50**
Zones 7+				$38.00	**$40.50**

% Increase	2022	2023	2024	2025	2026
Zone 2	-1.76%	17.46%	18.92%	27.27%	**7.14%**
Zones 3-4	9.38%	17.14%	19.51%	26.53%	**7.26%**
Zones 5-6	28.13%	14.63%	20.21%	27.43%	**6.94%**
Zones 7+				34.51%	**6.58%**

Additional Handling Rates – UPS (Continued)

Parcels with Non-Standard Packaging					
Net Rates	**2022**	**2023**	**2024**	**2025**	**2026**
Zone 2	$14.00	$16.50	$19.50	$25.00	**$26.75**
Zones 3-4	$16.00	$19.00	$23.00	$29.00	**$31.00**
Zones 5-6	$17.50	$20.50	$24.50	$31.00	**$33.25**
Zones 7+				$31.50	**$33.75**

% Increase	2022	2023	2024	2025	2026
Zone 2	-8.20%	17.86%	18.18% %	28.21%	**7.00%**
Zones 3-4	4.92%	18.75%	21.05%	26.09%	**6.90%**
Zones 5-6	14.75%	17.14%	19.51%	26.53%	**7.26%**
Zones 7+				28.57%	**7.14%**

Additional Handling Rates – FedEx Express and Ground

Packages that Exceed the Weight Limit					
Net Rates	**2022**	**2023**	**2024**	**2025**	**2026**
Zone 2	$25.25	$29.00	$34.50	$43.50	**$46.00**
Zones 3-4	$27.50	$31.50	$37.50	$47.50	**$50.25**
Zones 5-6	$29.50	$33.50	$40.00	$52.75	**$56.25**
Zones 7+	$31.50	$36.00	$43.50	$55.00	**$58.75**
% Increase	**2022**	**2023**	**2024**	**2025**	**2026**
Zone 2	-1%	14.85%	18.97%	26.09%	**5.75%**
Zones 3-4	7.84%	14.55%	19.05%	26.67%	**5.79%**
Zones 5-6	15.69%	13.56%	19.40%	31.88%	**6.64%**
Zones 7+	23.53%	14.29%	20.83%	26.44%	**6.82%**

Packages that Exceed the Dimensional Limit					
Net Rates	**2022**	**2023**	**2024**	**2025**	**2026**
Zone 2	$15.75	$18.50	$22.00	$28.00	**$29.50**
Zones 3-4	$17.50	$20.50	$24.50	$31.00	**$32.75**
Zones 5-6	$19.50	$22.50	$27.00	$36.00	**$38.50**
Zones 7+	$21.50	$25.00	$30.00	$38.00	**$40.75**
% Increase	**2022**	**2023**	**2024**	**2025**	**2026**
Zone 2	-1.56%	17.46%	18.92%	27.27%	**5.36%**
Zones 3-4	9.38%	17.14%	19.51%	26.53%	**5.66%**
Zones 5-6	21.88%	15.38%	20.00%	33.33%	**6.94%**
Zones 7+	34.38%	16.28%	20.00%	26.67%	**7.24%**

Additional Handling Rates – FedEx Express and Ground (Continued)

Parcels with Non-Standard Packaging					
Net Rates	**2022**	**2023**	**2024**	**2025**	**2026**
Zone 2	$14.00	$16.50	$19.50	$25.00	**$26.50**
Zones 3-4	$16.00	$19.00	$23.00	$29.00	**$30.75**
Zones 5-6	$17.00	$20.00	$24.00	$31.00	**$33.00**
Zones 7+	$18.00	$21.00	$25.00	$31.50	**$33.75**

% Increase	2022	2023	2024	2025	2026
Zone 2	0.0%	17.86%	18.18% %	28.21%	**6.00%**
Zones 3-4	14.29%	18.75%	21.05%	26.09%	**6.03%**
Zones 5-6	21.43%	17.65%	20.00%	29.17%	**6.45%**
Zones 7+	28.57%	16.67%	19.05%	26.00%	**7.14%**

Address Corrections

Address corrections are applied at the carrier's discretion when the shipper provides an incorrect or incomplete address. FedEx also adds this surcharge when the destination is a P.O. box or has a P.O. box Zip code.

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2026	**$25.25**	**7.45%**	**$25.50**	**6.25%**
2025	$23.50	6.82%	$24.00	6.67%
2024	$22.00	12.82%	$22.50	7.14%
2023	$19.50	22.26%	$21.00	7.69%
2022	$15.95	2.90%	$19.50	8.33%

Residential Delivery Surcharge

This surcharge is applied to shipments going to homes or private residences, including businesses operated out of homes. This fee can also be added to any shipment where the shipper has designated the delivery address as a residence, regardless of if it's accurate or not.

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2026	**Ground: $6.50** **Air: $7.00**	**6.56%** **6.87%**	**Home Delivery: $6.45** **Ground: $6.45** **Express: $6.95**	**8.40%** **8.40%** **6.11%**
2025	Ground: $6.10 Air: $6.55	7.96% 5.65%	Home Delivery: $5.95 Ground: $5.95 Express: $6.55	7.21% 7.21% 6.50%
2024	Ground: $5.65 Air: $6.20	7.62% 5.98%	Home Delivery: $5.55 Ground: $5.55 Express: $6.15	7.77% 0.91% 6.03%
2023	Ground: $5.25 Air: $5.85	8.25% 9.34%	Home Delivery: $5.15 Ground: $5.50 Express: $5.80	8.42% 5.77% 9.43%
2022	Ground: $4.85 Air: $5.35	8.99% 7.00%	Home Delivery: $4.75 Ground: $5.20 Express: $5.30	9.20% 5.05% 7.70%

Delivery Area for Residential & Commercial Shipments

You'll see this surcharge appear on your invoice when packages are shipped to U.S. Zip codes in non-urban areas.

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2026	**Residential** **Ground: $6.55** **Air: $6.55** **Commercial** **Ground: $4.50** **Air: $4.50**	**6.50%** **6.50%%** **7.14%** **7.14%**	**Home Delivery** **$6.60** **Residential** **Ground: $6.60** **Express: $6.60** **Commercial** **Ground: $4.45** **Express: $4.45**	**6.45%** **6.45%** **6.45%** **8.33%** **8.33%**
2025	**Residential** Ground: $6.15 Air: $6.15 **Commercial** Ground: $4.20 Air: $4.20	7.89% 5.13% 6.33% 6.33%	**Home Delivery** $6.20 **Residential** Ground: $6.20 Express: $6.20 **Commercial** Ground: $4.20 Express: $4.20	11.71% 8.77% 5.98% 6.33% 6.33%
2024	**Residential** Ground: $5.70 Air: $5.85 **Commercial** Ground: $3.95 Air: $3.95	7.55% 5.41% 6.76% 6.76%	**Home Delivery** $5.55 **Residential** Ground: $5.70 Express: $5.85 **Commercial** Ground: $3.95 Express: $3.95	4.72% 7.55% 5.41% 6.76% 6.76%
2023	**Residential** Ground: $5.30 Air: $5.55 **Commercial** Ground: $3.70 Air: $3.70	10.42% 6.73% 8.82% 4.23%	**Home Delivery** $5.30 **Residential** Ground: $5.30 Express: $5.55 **Commercial** Ground: $3.70 Express: $3.70	10.42% 10.42% 6.73% 8.82% 4.23%
2022	**Residential** Ground: $4.80 Air: $5.20 **Commercial** Ground: $3.40 Air: $3.55	11.62% 10.64% 9.68% 9.23%	**Home Delivery** $4.80 **Residential** Ground: $4.80 Express: $5.20 **Commercial** Ground: $3.40 Express: $3.55	11.63% 2.13% 10.64% 9.68% 14.52%

Extended Delivery Area for Residential & Commercial Shipments

This surcharge is applied to package shipments destined for select U.S. Zip codes, particularly those in remote areas that are difficult or inconvenient for parcel carriers.

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2026	**Residential** **Ground: $8.85** **Air: $8.85** **Commercial** **Ground: $5.70** **Air: $5.70**	**6.63%** **6.63%** **6.54%** **6.54%**	**Residential** **$8.80** **Commercial** **$5.55**	**6.02%** **5.71%**
2025	**Residential** Ground: $8.30 Air: $8.30 **Commercial** Ground: $5.35 Air: $5.35	7.79% 7.79% 9.18% 9.18%	**Residential** $8.30 **Commercial** $5.25	7.79% 7.14%
2024	**Residential** Ground: $7.70 Air: $7.70 **Commercial** Ground: $4.90 Air: $4.90	7.69% 7.69% 8.89% 8.89%	**Residential** $7.70 **Commercial** Ground: $4.90 Express: $4.90	7.69% 8.89% 8.89%
2023	**Residential** Ground: $7.15 Air: $7.15 **Commercial** Ground: $4.50 Air: $4.50	10% 10% 9.75% 5.88%	**Residential** $7.15 **Commercial** Ground: $4.50 Express: $4.50	10% 9.76% 5.88%
2022	**Residential** $6.50 **Commercial** Ground: $4.10 Air: $4.25	10.17% 10.81% 10.39%	**Residential** $6.50 **Commercial** Ground: $4.10 Express: $4.25	10.17% 10.81% 10.39%

Large & Oversize Packages

UPS

Effective January 26, 2026, Domestic Packages with a cubic size greater than 17,280 cubic inches will be subject to the Domestic Large Package Surcharge (LPS).

Domestic Packages that weigh over 110 lbs will also be subject to the LPS.

Other factors currently used to determine LPS applicability will remain unchanged.

FedEx

FedEx expanded its criteria for Oversize entering 2026. Packages that fulfill one of the following criteria will be subject to this charge:

1) measures greater than 96 inches along its longest side;

2) measures greater than 130 inches in length and girth — the length and girth is length plus (two times the height) plus (two times the width);

3) measures greater than 17,280 inches in cubic volume (cubic volume is measured by multiplying length times width times height);

4) or has an actual weight greater than 110 lbs.

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2026	**Residential** **Zone 2: $254.50** **Zones 3–4: $274.50** **Zones 5–6: $320.50** **Zones 7+: $331.00**	**6.04%** **5.58%** **7.73%** **8.52%**	**Home Delivery** **Zone 2: $255.00** **Zones 3–4: $275.00** **Zones 5–6: $320.00** **Zones 7+: $330.00**	**6.25%** **5.77%** **7.56%** **8.20%**
	Commercial **Zone 2: $219.00** **Zones 3–4: $239.50** **Zones 5–6: $273.00** **Zones 7+: $286.00**	**6.83%** **6.44%** **9.20%** **10.00%**	**Express & Ground** **Zone 2: $255.00** **Zones 3–4: $275.00** **Zones 5–6: $320.00** **Zones 7+: $330.00**	**6.25%** **5.77%** **7.56%** **8.20%**
2025	**Residential** Zone 2: $240.00 Zones 3–4: $260.00 Zones 5–6: $297.50 Zones 7+: $305.00	26.32% 26.83% 26.60% 29.79%	**Home Delivery** Zone 2: $240.00 Zones 3–4: $260.00 Zones 5–6: $297.50 Zones 7+: $305.00	26.32% 26.83% 29.35% 27.08%
	Commercial Zone 2: $205.00 Zones 3–4: $225.00 Zones 5–6: $250.00 Zones 7+: $260.00	28.13% 28.57% 26.58% 31.65%	**Express & Ground** Zone 2: $240.00 Zones 3–4: $260.00 Zones 5–6: $297.50 Zones 7+: $305.00	50.00% 48.57% 35.53% 48.78%
2024	**Residential** Zone 2: $190.00 Zones 3–4: $205.00 Zones 5+: $235.00	18.75% 20.59% 20.51%	**Home Delivery** Zone 2: $190.00 Zones 3–4: $205.00 Zones 5–6: $230.00 Zones 7+: $240.00	18.75% 20.59% 21.05% 20.00%
	Commercial Zone 2: $160.00 Zones 3–4: $175.00 Zones 5+: $197.50	18.52% 20.69% 19.70%	**Express & Ground** Zone 2: $160.00 Zones 3–4: $175.00 Zones 5–6: $190.00 Zones 7+: $205.00	18.52% 20.69% 18.75% 20.59%

Large & Oversize Packages (Continued)

Year	UPS		FedEx	
	Rate	% Increase	Rate	% Increase
2023	**Residential** Zone 2: $160.00 Zones 3–4: $170.00 Zones 5+: $195.00 **Commercial** Zone 2: $135.00 Zones 3–4: $145.00 Zones 5+: $165.00	18.52% 17.24% 18.18% 22.73% 20.83% 17.88%	**Home Delivery** Zone 2: $160.00 Zones 3–4: $170.00 Zones 5–6: $190.0 Zones 7+: $200.00 **Express & Ground** Zone 2: $135.00 Zones 3–4: $145.00 Zones 5–6: $160.00 Zones 7+: $170.00	18.52% 17.24% 18.75% 17.65% 22.73% 20.83% 18.52% 17.24%
2022	**Residential** Zone 2: $135.00 Zones 3–4: $145.00 Zones 5+: $165.00 **Commercial** Zone 2: $110.00 Zones 3–4: $120.00 Zones 5+: $140.00	3.85% 11.54% 26.92% 4.76% 14.29% 33.33%	**Home Delivery** Zone 2: $135.00 Zones 3–4: $145.00 Zones 5–6: $160.00 Zones 7+: $170.00 **Express & Ground** Zone 2: $110.00 Zones 3–4: $120.00 Zones 5–6: $135.00 Zones 7+: $145.00	3.85% 11.54% 23.08% 30.77% 4.76% 14.29% 28.57% 38.10%

Peak Season

Peak season surcharges can dramatically impact shipping budgets, often adding 20-50% (or more) to standard rates during high-demand periods. It's crucial for shippers to stay informed about peak season surcharges to avoid budget surprises, plan inventory timing strategically, and potentially negotiate better rates or explore alternative shipping options before peak periods hit.

This year, shippers can expect higher costs from both carriers on large, bulky, or residential shipments throughout the peak season.

Finance and budget teams should also account for increased holiday-week surcharges.

If your team has historically exceeded volume thresholds, it's time to reevaluate your shipping strategy. High-volume shippers will also now face stricter penalties if weekly volumes exceed baseline thresholds.

To gear up for increased shipping volumes - and increased demand fees - shippers should:

- Ship Early and Smooth Demand: Avoid last-minute peaks that trigger higher surcharge tiers.
- Diversify Carriers and Service Levels: Spread shipments across options to reduce concentrated exposure.
- Focus on Execution: Look into what you're spending on key cost drivers such as Address Corrections, Additional Handling, and Large Package Surcharges.

The below sections detail exactly what the demand surcharges are for each carrier, but some of the key highlights are:

UPS

- Customers shipping over 20,000 packages per week will face escalated surcharges tied to weekly volumes. UPS has revised its methodology by adding a "0% to 105% of Baseline Volume" category and including Commercial Air / Express shipments in the calculation.
- The additional handling fee has increased to $8.25 per package from last year's peak season fee of $7.75 per package. But that's only between Sept. 28th and Nov. 22nd. In the height of peak season – Nov. 23rd to Dec. 27th, the charge will be $10.80 per package, an increase of 8.5% over last year's charges.
- Ground Saver and Ground Residential fees are now $0.40 per package off-peak, $0.60 at peak (vs. $0.25/$0.50 in 2024).

Peak Season (Continued)

- Large package or oversize package charges have also increased, going from $84.75 - $99 last year to $90.50 - $107.00. That's an increase between 6.8% and 8% depending on shipping date.
- The fee for packages that are over the stated maximums has increased 9% from last year, to $540 per package this year at the busiest time of the year.

FedEx

- Similarly to last year, FedEx's 2025 peak demand surcharge increases range from 5-9%, year over year.
- The "additional handling" charge for U.S. Express Package Services, U.S. Ground Services, and International Ground Service will increase from $7.75 to $10 a package to $8.25 - $10.90 a package, depending on timing. That's an increase of 6.5% - 9% over the previous year.
- The "oversize" charge for the peak season increases from $84.50 - $100 per package to $90 - $108.50 this year, depending on timing.

UPS Demand Surcharges

Service	October 26, 2025 - November 22, 2025	November 23, 2025 - December 27, 2025	December 28, 2025 - January 17, 2026
Ground Saver	$0.40 Per Package	$0.60 Per Package	$0.40 Per Package
Ground Residential	$0.40 Per Package	$0.60 Per Package	$0.40 Per Package
Next Day Air Residential	$1.10 Per Package	$2.05 Per Package	$1.10 Per Package
All other Air Residential	$1.10 Per Package	$2.05 Per Package	$1.10 Per Package

UPS Demand Surcharges - Additional Handling, Large Packages and Over Maximum

Surcharge	Price	Services	Effective Dates
Additional Handling	$8.25 per package	All	September 28, 2025 - November 22, 2025
	$10.80 per package		November 23, 2025 - December 27, 2025
	$8.25 per package		December 28, 2025 - January 17, 2026
Large Package	$90.50 per package	All	September 28, 2025 - November 22, 2025
	$107.00 per package		November 23, 2025 - December 27, 2025
	$90.50 per package		December 28, 2025 - January 17, 2026
Over Maximum Limits	$485.00 per package	All	September 28, 2025 - November 22, 2025
	$540.00 per package		November 23, 2025 - December 27, 2025
	$485.00 per package		December 28, 2025 - January 17, 2026

UPS Volume Surcharges

These fees apply to qualifying customers who shipped more than 20,000 packages during any week following October 2021. Previously, the threshold was more than 25,000 packages during the same timeframe.

Service	October 27, 2024 - November 23, 2024	November 24, 2024 - December 28, 2024	December 29, 2024 - January 18, 2025
SurePost	$0.25 per package	$0.50 per package	$0.25 per package
Ground Residential	$0.25 per package	$0.50 per package	$0.25 per package
Next Day Air Residential	$1.00 per package	$2.00 per package	$1.00 per package
All other Air Residential	$1.00 per package	$2.00 per package	$1.00 per package

UPS Volume Surcharges

These fees apply to qualifying customers who shipped more than 20,000 packages during any week following October 2024.

Effective Dates: October 26, 2025 - November 22, 2025							
Service	0% – 105% of Baseline Volume	105% – 125% of Baseline Volume	>125% – 150% of Baseline Volume	>150% – 200% of Baseline Volume	>200% – 300% of Baseline Volume	>300% – 400% of Baseline Volume	>400% of Baseline Volume
Ground Saver	$0.40 Per Package	$1.60 Per Package	$2.15 Per Package	$2.45 Per Package	$3.10 Per Package	$5.30 Per Package	$7.50 Per Package
Ground Residential	$0.40 Per Package	$1.60 Per Package	$2.15 Per Package	$2.45 Per Package	$3.10 Per Package	$5.30 Per Package	$7.50 Per Package
Next Day Air Residential	$1.10 Per Package	$2.75 Per Package	$3.40 Per Package	$3.70 Per Package	$4.25 Per Package	$6.45 Per Package	$8.75 Per Package
All other Air Residential	$1.10 Per Package	$2.75 Per Package	$3.40 Per Package	$3.70 Per Package	$4.25 Per Package	$6.45 Per Package	$8.75 Per Package
Next Day Air Commercial	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package
All Other Air Commercial	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package

Effective Dates: November 23, 2025 - December 27, 2025							
Service	0% – 105% of Baseline Volume	105% – 125% of Baseline Volume	>125% – 150% of Baseline Volume	>150% – 200% of Baseline Volume	>200% – 300% of Baseline Volume	>300% – 400% of Baseline Volume	>400% of Baseline Volume
Ground Saver	$0.60 Per Package	$1.60 Per Package	$2.15 Per Package	$2.45 Per Package	$3.10 Per Package	$5.30 Per Package	$7.50 Per Package
Ground Residential	$0.60 Per Package	$1.60 Per Package	$2.15 Per Package	$2.45 Per Package	$3.10 Per Package	$5.30 Per Package	$7.50 Per Package
Next Day Air Residential	$2.05 Per Package	$2.75 Per Package	$3.40 Per Package	$3.70 Per Package	$4.25 Per Package	$6.45 Per Package	$8.75 Per Package
All other Air Residential	$2.05 Per Package	$2.75 Per Package	$3.40 Per Package	$3.70 Per Package	$4.25 Per Package	$6.45 Per Package	$8.75 Per Package
Next Day Air Commercial	$2.05 Per Package	$2.05 Per Package	$2.05 Per Package	$2.05 Per Package	$2.05 Per Package	$2.05 Per Package	$2.05 Per Package
All Other Air Commercial	$2.05 Per Package	$2.05 Per Package	$2.05 Per Package	$2.05 Per Package	$2.05 Per Package	$2.05 Per Package	$2.05 Per Package

Effective Dates: December 28, 2025 - January 17, 2026							
Service	0% – 105% of Baseline Volume	105% – 125% of Baseline Volume	>125% – 150% of Baseline Volume	>150% – 200% of Baseline Volume	>200% – 300% of Baseline Volume	>300% – 400% of Baseline Volume	>400% of Baseline Volume
Ground Saver	$0.40 Per Package	$1.60 Per Package	$2.15 Per Package	$2.45 Per Package	$3.10 Per Package	$5.30 Per Package	$7.50 Per Package
Ground Residential	$0.40 Per Package	$1.60 Per Package	$2.15 Per Package	$2.45 Per Package	$3.10 Per Package	$5.30 Per Package	$7.50 Per Package
Next Day Air Residential	$1.10 Per Package	$2.75 Per Package	$3.40 Per Package	$3.70 Per Package	$4.25 Per Package	$6.45 Per Package	$8.75 Per Package
All other Air Residential	$1.10 Per Package	$2.75 Per Package	$3.40 Per Package	$3.70 Per Package	$4.25 Per Package	$6.45 Per Package	$8.75 Per Package
Next Day Air Commercial	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package
All Other Air Commercial	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package	$1.10 Per Package

FedEx Demand Surcharges

Surcharge	Price	Services	Effective Dates
Demand - Additional Handling Surcharge	$8.25 Per Package $10.90 Per Package $8.25 Per Package	U.S. Package Services, FedEx International Ground Shipments	Sept. 29 - Nov. 23, 2025 Nov. 24 - Dec. 28, 2025 Dec. 29, 2024 - Jan. 18, 2026
Demand - Oversize Charge	$90.00 Per Package $108.50 Per Package $90.00 Per Package	U.S. Package Services, FedEx International Ground Shipments	Sept. 29 - Nov. 23, 2025 Nov. 24 - Dec. 28, 2025 Dec. 29, 2024 - Jan. 18, 2026
Demand - Ground Unauthorized Package Charge	$490.00 Per Package $545.00 Per Package $490.00 Per Package	FedEx Ground, FedEx Home Delivery, and FedEx International Ground Shipments	Sept. 29 - Nov. 23, 2025 Nov. 24 - Dec. 28, 2025 Dec. 29, 2024 - Jan. 18, 2026
Demand Surcharge	$1.00 Per Package $2.00 Per Package $1.00 Per Package	FedEx First Overnight, FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day A.M., FedEx 2Day, FedEx Express Saver (excluding FedEx One Rate packages)	Oct. 28 - Nov. 24, 2024 Nov. 25 - Dec. 29, 2024 Dec. 30, 2024 - Jan. 19, 2025
Demand Residential Delivery Charge	Charge based on Demand Volume Surcharge (Below)	FedEx Express, FedEx Ground U.S. domestic residential packages (excluding FedEx Ground Economy, and FedEx One Rate® packages).	October 30, 2023 - January 14, 2024

FedEx Demand Surcharges (Continued)

Surcharge	Price	Services	Effective Dates
Demand Surcharge	$1.05 Per Package $2.10 Per Package $1.05 Per Package	FedEx First Overnight, FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day A.M., FedEx 2Day, FedEx Express Saver (excluding FedEx One Rate packages)	Sept. 29 - Nov. 23, 2025 Nov. 24 - Dec. 28, 2025 Dec. 29, 2024 - Jan. 18, 2026
	$0.40 Per Package $0.65 Per Package $0.40 Per Package	FedEx Ground residential shipments and FedEx Home Delivery residential shipments	Sept. 29 - Nov. 23, 2025 Nov. 24 - Dec. 28, 2025 Dec. 29, 2024 - Jan. 18, 2026
	$2.20 Per Package $3.55 Per Package $2.20 Per Package	FedEx Ground Economy Package Services	Sept. 29 - Nov. 23, 2025 Nov. 24 - Dec. 28, 2025 Dec. 29, 2024 - Jan. 18, 2026

FedEx Demand Volume Surcharges

These fees apply to qualifying customers who shipped more than 20,000 packages during a calculation week (October 6, 2025 – December 28, 2025).

Effective Dates: October 7, 2024 – January 19, 2025						
Service	>105% – 125% Increase	>125% – 150% Increase	>150% – 200% Increase	>200% – 300% Increase	>300% – 400% Increase	>400% Increase
FedEx Ground, FedEx Home Delivery services	$1.55 Per Package	$2.20 Per Package	$2.50 Per Package	$3.10 Per Package	$5.25 Per Package	$7.50 Per Package
FedEx First Overnight, FedEx Priority Overnight, FedEx Standard Overnight, FedEx 2Day A.M., FedEx 2Day, FedEx Express Saver (excluding FedEx One Rate packages)	$2.80 Per Package	$3.45 Per Package	$3.75 Per Package	$4.35 Per Package	$6.50 Per Package	$8.75 Per Package

Fuel Surcharges

Over the course of 2025, both FedEx and UPS continued their recently adopted practice of implementing new fuel surcharges as the year progressed. These changes directly affect parcel shipping costs, so they are important to pay attention to.

As the base rates for fuel surcharges climb, the effectiveness of previously negotiated discounts diminishes. To effectively navigate these changes, shippers must stay vigilant and proactive in managing their shipping costs and contracts.

FedEx

The fuel surcharge for FedEx Ground, FedEx Home Delivery, FedEx International Ground, FedEx LTL freight services, and pickup services is based on the weekly published national U.S. on-highway average price for a gallon of diesel fuel. The fuel surcharge for all other FedEx services is based on the weekly published U.S. Gulf Coast (USGC) spot price for a gallon of kerosene-type jet fuel. FedEx adjusts these weekly, and posts them on its fuel website.

UPS

UPS uses an index-based surcharge that is adjusted weekly. Changes to the surcharge are effective on Monday of each week. The surcharge is based on the National U.S. Average On-Highway Diesel Fuel Price, as most recently released by the U.S. Energy Information Administration (EIA) rounded to the nearest cent. Updates can be reviewed here and at UPS' fuel surcharge website.

The Time to Act is Now

It's never too late for shippers to adjust their strategies with carriers. Access to real-time data and information regarding shipping operations is crucial for mitigating fees, surcharges, and definition changes, regardless of whether increases occur all at once or are spread throughout the year.

Reveel's Parcel Shipping Management 2.0 technology offers continuous management and improvement tools. While carriers will always aim to improve their margins, your business doesn't have to suffer.

Sign up at the link to book a full demo of Reveel's Shipping Intelligence Platform, or contact us directly for more information on how we can help your organization better understand its current and future shipping costs - while taking steps to mitigate the 2026 rate increases.

Reveel

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