




# 2025 FedEx Peak Season Surcharge Report

## What Shippers Need to Know

'Tis the Peak Season! FedEx is the first major carrier this year to announce its annual Demand (a.k.a. Peak) Surcharges, officially releasing the details on July 8, 2025. The updated surcharges will be in effect from September 29, 2025, through January 18, 2026, covering the critical holiday shipping window.

KEY HIGHLIGHTS	
	As the first to announce, FedEx provides shippers with early visibility to prepare for higher Demand season costs—getting ahead of UPS and other competitors.
	For 2025, FedEx continues with the same Demand surcharge framework as last year, without introducing any new fees.
	FedEx Express (excluding FedEx One Rate), Home Delivery, and Ground Economy shipments will be subject to Demand Surcharges beginning October 27, 2025.
	The rate increases this year are more moderate, resulting in smaller year-over-year (YOY) increases compared to those announced in 2024.
	Shippers sending over 20,000 residential and/or FedEx Ground Economy packages in a single week during the Demand season (calculation week) will be assessed a dynamic Residential Delivery Demand Surcharge.
	The surcharge amount depends on how much weekly volume exceeds a shipper's baseline average (Peaking Factor), which is calculated based on shipping volume from June 2–29, 2025.

$$\text{Peaking Factor} = \frac{\text{Current Week Volume (Dec 28, 2025 - Jan 19, 2026)}}{\text{Baseline Avg Volume (June 2 -29,2025)}}$$

Residential - Ground				Residential - Air		
Peaking Factor	2024	2025	% change	2024	2025	% change
>105%-125%	\$ 1.45	\$ 1.55	6.9%	\$ 2.60	\$ 2.80	7.7%
>125%-150%	\$ 2.10	\$ 2.20	4.8%	\$ 3.25	\$ 3.45	6.2%
>150%-200%	\$ 2.40	\$ 2.50	4.2%	\$ 3.55	\$ 3.75	5.6%
>200%-300%	\$ 2.95	\$ 3.10	5.1%	\$ 4.10	\$ 4.35	6.1%
>300%-400%	\$ 5.00	\$ 5.25	5.0%	\$ 6.15	\$ 6.50	5.7%
>400%	\$ 7.10	\$ 7.50	5.6%	\$ 8.25	\$ 8.75	6.1%

Charge	Effective Dates	2024	2025	% change
<b>Demand - Express</b>	Oct. 27th - Nov. 23	\$ 1.00	\$ 1.05	5.00%
	Nov. 24-Dec. 28	\$ 2.00	\$ 2.10	5.00%
	Dec. 29-Jan. 18	\$ 1.00	\$ 1.05	5.00%
<b>Demand - Home Delivery</b>	Oct. 27th - Nov. 23	\$ 0.30	\$ 0.40	33.33%
	Nov. 24-Dec. 28	\$ 0.55	\$ 0.65	18.18%
	Dec. 29-Jan. 18	\$ 0.30	\$ 0.40	33.33%
<b>Demand - Ground Economy</b>	Oct. 27th - Nov. 23	\$ 1.90	\$ 2.20	15.79%
	Nov. 24-Dec. 28	\$ 3.15	\$ 3.55	12.70%
	Dec. 29-Jan. 18	\$ 1.90	\$ 2.20	15.79%

### IMPACT AT A GLANCE



While all air shipments will be subject to the Demand Express Surcharge, this category saw the lowest YOY increase compared to other Demand surcharges.





With double-digit percentage increases for Ground Economy and Home Delivery, lightweight residential ground shippers are likely to feel the greatest cost impact.

The examples below show **two different Demand season scenarios** for the same shipper, highlighting how volume patterns impact the Demand surcharges.



## Scenario 1

Average Weekly Volume			Respective Charges for Nov 2025				
	June '25	Nov '25	Demand Surcharges		Peaking Charge Amt (N/A)		
Home Delivery	3,500	3,500	3,500	\$2,275.00	-	\$0.00	
Ground Economy	12,000	12,000	12,000	\$42,600.00	-	\$0.00	
<b>TOTAL</b>	<b>15,500</b>	<b>15,500</b>	<b>15,500</b>	<b>\$44,875.00</b>	<b>-</b>	<b>\$0.00</b>	<b>\$44,875.00</b>

SCENARIO 1	
	If a shipper maintains consistent volume throughout the year and stays below 20,000 packages per week during Demand, they will not be subject to the peaking factor surcharge.
	Only the flat Demand surcharge applies in this case.

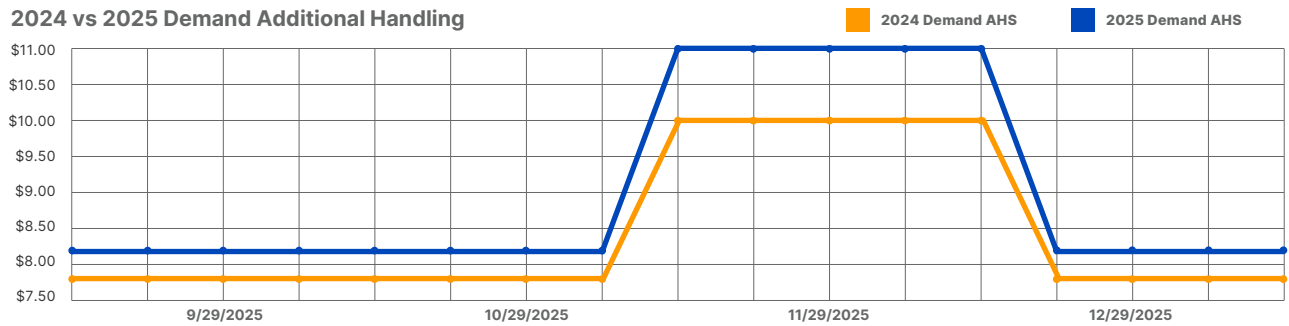
## Scenario 2

Average Weekly Volume			Respective Charges for Nov 2025				
	June '25	Nov '25	Demand Surcharges		Peaking Charge Amt (N/A)		
Home Delivery	3,500	5,000	-	\$0.00	5,000	\$11,000.00	
Ground Economy	12,000	18,000	18,000	\$63,900.00	-	\$0.00	
<b>TOTAL</b>	<b>15,500</b>	<b>23,000</b>	<b>18,000</b>	<b>\$63,900.00</b>	<b>5,000</b>	<b>\$11,000.00</b>	<b>\$74,900.00</b>

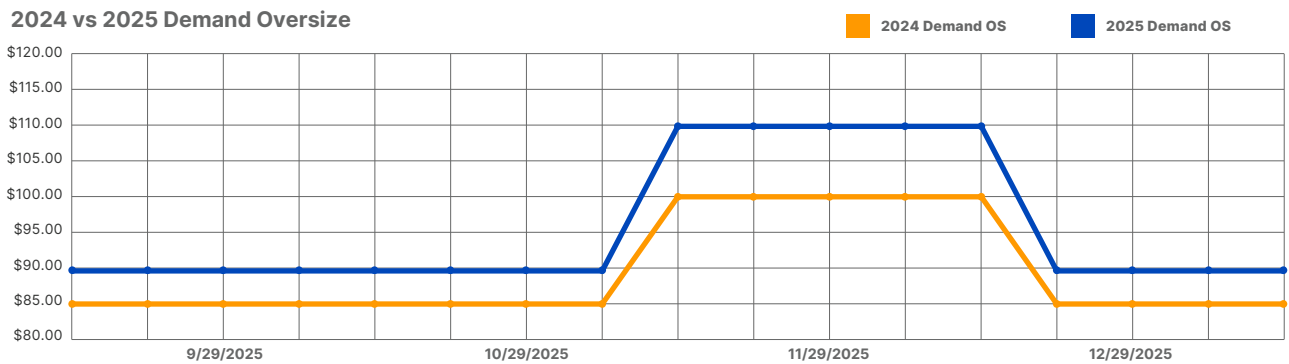
SCENARIO 2	
	If a shipper experiences high seasonality and exceeds 20,000 packages in any given week during Demand season, they will trigger the peaking factor surcharge, superseding the flat Demand surcharge.
	The peaking factor does not apply to Ground Economy. But the Ground Economy volume is used in calculating your peaking factor.

FedEx has maintained its structure of Demand Additional Handling, Oversize, and Unauthorized packages, with an additional increase during the Demand holiday weeks (Nov. 24, 2025 – Dec. 28, 2025).

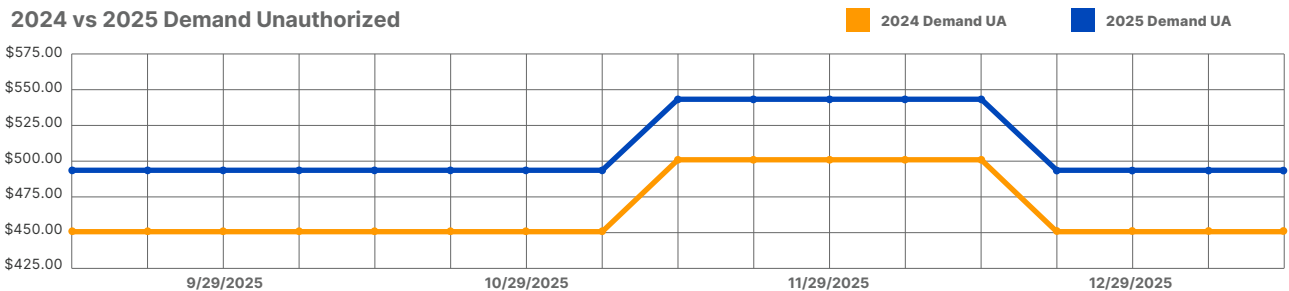
**2024 vs 2025 Demand Additional Handling**



**2024 vs 2025 Demand Oversize**



**2024 vs 2025 Demand Unauthorized**



## KEY TAKEAWAYS



The steepest cost increases will impact shippers of lightweight, residential ground packages, especially those relying on Ground Economy or Home Delivery.



Shippers with a high count of packages flagged for Additional Handling or Oversize—such as oblong, heavy, or irregular shipments—will see significantly increased costs.



While Demand Express surcharges are seeing a smaller YOY increase, shippers are once again being hit hard by Demand surcharges. Even non-seasonal shippers and packages that don't require special handling are being targeted by these Demand fees.

To learn more about how TransImpact can help, email [sales-info@transimpact.com](mailto:sales-info@transimpact.com)

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