Four carriers added a fee. One raised the rate.

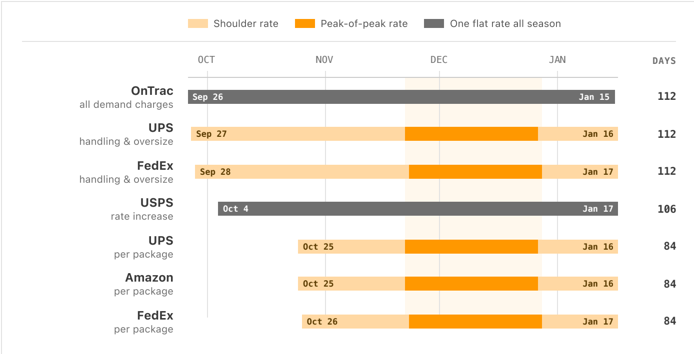
UPS, FedEx, OnTrac and Amazon Shipping all raised peak pricing this cycle, and all four did it with a surcharge. USPS went into the rate table instead. That difference decides what you can negotiate. It's also why most peak budgets are wrong before the season starts.

01 First to charge, last to stop

A demand surcharge is a discrete per-package amount that lands on its own invoice line during a defined window. UPS, FedEx, OnTrac and Amazon all use one. USPS instead raised the published rates on Priority Mail, Ground Advantage, Priority Mail Express and Parcel Select for the season, so there is no separate line to find. What follows is when each of those charges turns on.

FIGURE 1

Demand surcharges across the 2026–27 peak season



Three things in that picture are worth your attention before you read another number.

The accessorial clock starts a month before the residential clock. UPS begins charging demand fees on additional handling and oversize on September 27, FedEx on September 28, OnTrac on September 26. The per-package residential fees don't start until October 25 and 26. If you ship bulky goods, you are four weeks into paying peak pricing before a small-parcel shipper pays anything at all.

OnTrac runs the longest window in the market at 112 days and charges one rate for all of it. That is a genuine trade. You pay from late September, but you never pay a peak-of-peak premium, and you can model the whole season as a single number.

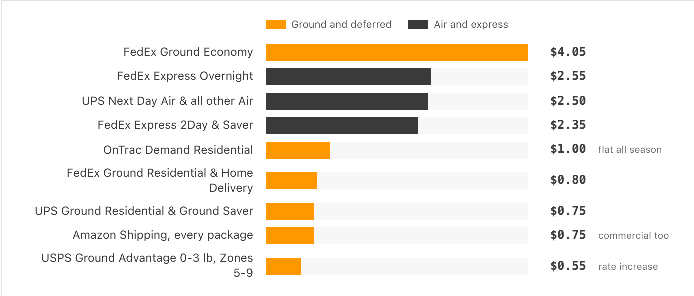
Amazon starts last. October 25 is a full month behind the nationals on accessorials, which matters if your bulky volume moves early.

02 Charged by the package

Three carriers landed on the same nickel. UPS, FedEx and Amazon all moved residential ground from forty cents to fifty in the shoulder weeks, all three at 25%. Then they separate. FedEx charges eighty cents at peak where UPS and Amazon charge seventy five.

FIGURE 2

Peak-week per-package fee, every service line



At $4.05, FedEx Ground Economy is five and a half times UPS Ground Saver, which is the service it competes against directly, and both are the deferred option a shipper picks to save money on lightweight residential parcels. The gap is $3.30 a package. Move 10,000 economy parcels between Thanksgiving and Christmas and that is $33,000 from the demand surcharge alone. Your negotiated base rates may point the other way, so run the comparison on your own contract before you move volume.

FedEx also split Express this year. The single 2025 line covering all Express parcels became an Overnight tier at $1.30 and $2.55, and a 2Day tier at $1.20 and $2.35. If your express mix skews Overnight you will absorb a 23.8% increase. If it skews 2Day you will take on about 14.3% in increases. Nothing about your shipping changed. The schedule did.

Watch Amazon. The headline number matches UPS to the penny, but the fee applies to every package you ship, commercial included. UPS and FedEx charge their equivalents on residential ground and air only. If a meaningful share of your volume goes business to business, Amazon's simpler schedule is also the broader one, and your effective cost per package lands above a carrier whose published rate looks identical.

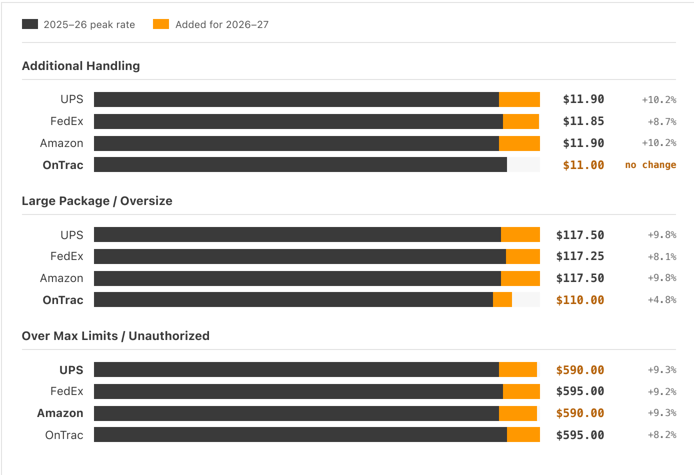
SERVICE	SHOULDER WEEKS	PEAK WEEKS	THE JUMP
RESIDENTIAL GROUND			
UPS Ground Residential & Ground Saver	$0.50	$0.75	+$0.25 +50%
FedEx Ground Residential & Home Delivery	$0.50	$0.80	+$0.30 +60%
Amazon Shipping, every package	$0.50	$0.75	+$0.25 +50%
OnTrac Demand Residential	$1.00	$1.00	–
DEFERRED AND ECONOMY			
FedEx Ground Economy	$2.55	$4.05	+$1.50 +59%
UPS Ground Saver priced with residential ground	$0.50	$0.75	+$0.25 +50%
AIR AND EXPRESS, NEXT DAY			
FedEx Express Overnight	$1.30	$2.55	+$1.25 +96%
UPS Next Day Air	$1.35	$2.50	+$1.15 +85%
AIR AND EXPRESS, TWO AND THREE DAY			
FedEx Express 2Day & Express Saver	$1.20	$2.35	+$1.15 +96%
UPS all other Air same rate as Next Day Air	$1.35	$2.50	+$1.15 +85%

03 Big, bulky, and billed extra

Additional handling, oversize, and the over-maximum charge scale with the box rather than the service. They are the expensive ones. They start in late September, four weeks ahead of everything else, and a single package can pick up both the standard and peak surcharge, plus fuel on the same invoice.

FIGURE 3

Peak accessorial fees, and what this year added



OnTrac held Additional Handling at $11.00 and Demand Residential at $1.00 for a second consecutive year. Both already sit close to UPS and FedEx peak pricing, so there was limited room to raise them without closing the gap that draws bulky volume to a regional network. OnTrac had already put an increase through in January, on base rates, where it pushed Additional Handling up 12.5% and Residential Delivery 8.2%.

Where OnTrac did raise, it raised on the largest packages. Large Package went to $110.00, up 4.8%, and the top of its schedule went to $595.00, which is level with FedEx and $5.00 above UPS and Amazon. So the cost gap that shows up at Additional Handling and Large Package closes entirely at the top of the schedule.

OUR READ

Amazon Shipping's accessorials match UPS exactly. Additional Handling at $8.75 and $11.90, Large Package at $96.25 and $117.50, the top charge at $530 and $590. Last year the Large Package base differed by fifty cents. This year even that is gone.

Amazon is not buying peak volume with cheap surcharges. It priced itself as a like-for-like substitute for UPS and is competing on something else. If you are evaluating Amazon Shipping as a diversification lane, peak pricing will not decide it. Base rates and coverage will.

One more thing on this section, and it is the part shippers miss. Check the current dimensional and cubic thresholds in your own carrier agreements against the boxes you actually ship before you budget this season. A package that fell outside additional handling last year can fall inside it this year with nothing about the box having changed.

04 USPS buried it in the rate

USPS buried its increase inside the base rate. Measured properly, it's the steepest of the five. Compare the only thing that permits comparison, which is how much the seasonal increase itself grew year over year, and USPS ran to roughly 40% across nearly every weight and zone cell. UPS, FedEx and Amazon raised most demand fees between 6% and 25%.

FIGURE 4

USPS seasonal increase, and how much it grew

GROWTH IN THE INCREASE: under 25% · 25 to 35% · 35 to 45% · 45% and above

	Priority Mail Z1–4	Priority Mail Z5–9	Ground Advantage Z1–4	Ground Advantage Z5–9	Priority Mail Express Z1–4	Priority Mail Express Z5–9
0–3 lb	+$0.40 +33.3%	+$0.85 +21.4%	+$0.40 +33.3%	+$0.55 +57.1%	+$1.40 +40.0%	+$2.35 +34.3%
4–10 lb	+$0.65 +44.4%	+$1.75 +40.0%	+$0.65 +44.4%	+$1.05 +40.0%	+$2.10 +40.0%	+$5.55 +40.5%
11–25 lb	+$1.05 +40.0%	+$3.85 +40.0%	+$1.05 +40.0%	+$1.75 +40.0%	+$4.90 +40.0%	+$10.50 +40.0%
26–70 lb	+$3.15 +40.0%	+$9.10 +40.0%	+$3.15 +40.0%	+$7.70 +40.0%	+$12.55 +40.2%	+$18.20 +40.0%

Read the grid and the pattern is obvious. Distance costs more than weight. Long-zone parcels absorb the increase hardest at every weight band, and the lightest, most common ecommerce package going to a far zone took the single biggest jump in the schedule.

What USPS did not build is as important as what it did. Same increase from October 4 to January 17, same increase whether you ship a hundred parcels or a hundred thousand. No peaking factor, no volume tier, no calculation week. For a sharply seasonal brand, that absence is a real argument for moving a slice of lightweight volume to Ground Advantage during peak.

Two caveats you have to carry. This increase sits on top of published rates as well as the 8% increase USPS implemented earlier this year. And it remains subject to favorable review by the Postal Regulatory Commission, which means the numbers in this grid can still move.

05 It charges you for being seasonal

Skip this section if you never bill more than 20,000 residential packages in a week. None of it can reach you. If you do clear that line, this is the largest impact to your peak season cost and it dwarfs everything else in this report.

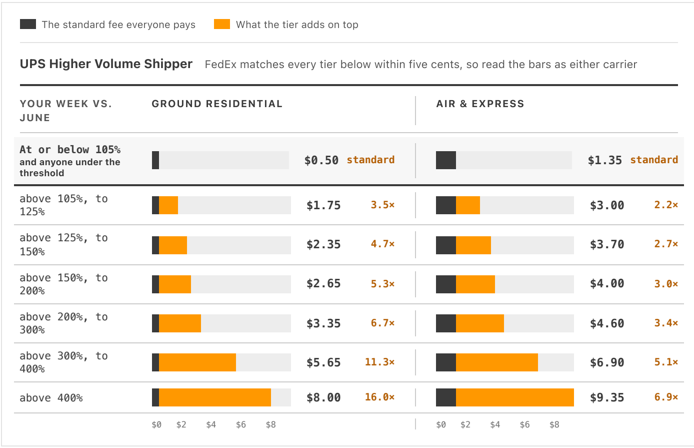
Above the threshold, your weekly volume is divided by your own June average and the ratio picks a rate, which then applies to every qualifying package that week and sits outside your contracted caps. It gets called a growth penalty. It isn't. June is the sleepiest month on most retail calendars, so a business with flat revenue shipping exactly last year's curve still lands in a high tier. You are charged for the shape of your year, not for growing.

The bottom tier is where most shippers live. Stay at or below 105% of your June average, or never clear 20,000 residential packages in a week, and you simply pay the ordinary demand surcharge: $0.50 a package in the shoulder weeks, $0.75 to $0.80 at peak. Cross 105% in any week and a tier rate takes over for that week's packages, starting at $1.75 ground and climbing to $8.00. UPS and FedEx set those tiers within five cents of each other at every step. OnTrac, Amazon and USPS have no equivalent mechanism.

FIGURE 5

What your seasonal curve costs per package, on the UPS schedule

For shippers over the 20,000-package threshold only. Baselines are your own June weekly average: May 31 to June 27 for UPS, assessed weekly with no lag; June 1 to June 28 for FedEx, applied two weeks after the week it measured. The bars are UPS.



A retailer doing four times its June volume in December is an ordinary retailer, not an outlier. That is a 16 times per-package fee for running a normal holiday season. The prices at UPS and FedEx are effectively identical.

So the population this reaches is small and the exposure inside it is enormous. A shipper at 25,000 residential packages a week is barely over the threshold and still pays five figures a week in tier premium. That combination, few shippers and large numbers, is why volume-tier exposure is the line item most often missing from a peak budget entirely. Nobody budgets for a schedule they did not know they were on.

06 What it costs a real shipper

A national apparel retailer, big enough to sit on both volume schedules and seasonal enough to climb them.

472,823 residential packages, Sept 26 to Jan 17

Counts off this account's invoices. 10 of 13 weeks clear 20,000 packages, and the busiest hits 273% of its June average.

FIGURE 6

A full season of demand charges, five carriers, same packages

Gross figures, before any negotiated concession. Coverage and service limits mean no shipper could run all five networks, so treat the comparison as directional rather than like-for-like.

UPS costs this shipper $1,918,415. FedEx costs $1,917,122 on the same packages. OnTrac costs $781,659 and USPS $260,053. Same packages, same season, 7.4× the difference between the top and the bottom.

UPS and FedEx are within $1,293 of each other here, and that residual is Additional Handling, not the tier table. Their published tiers match within five cents at every step, so on this account's curve the two are indistinguishable by design rather than by coincidence. The gap that matters is not between them. It is between the two carriers that operate a volume table and the three that do not.

The volume tier is the whole reason. This retailer does not quite triple its June week, and that ordinary December is enough to roughly double what the same packages cost at any carrier without a volume table.

Those are gross figures. What a shipper actually pays depends entirely on what its agreement says. Run this same volume through the agreement TransImpact negotiated for this account and the $1.92M settles at **$569,127**, a 70% reduction. The same lines cost this account $550,115 last season, so a schedule that raised every published rate lands about three percent higher once the agreement does its work. That is the whole argument for having one.

07 Which of these is you

The carrier that hurts most is rarely the one with the highest headline rate. It is the one whose schedule happens to match the shape of your packages and the shape of your year. Find the row you recognise, then read across.

	HITS YOU HARDEST	POTENTIALLY SOFTEST LANDING
Small and mid-market, under the threshold The volume schedule cannot reach you, which removes the largest number in this report outright. What is left is a per-package fee that rose about fifteen cents and a handling schedule that opens in late September. Small enough to absorb, large enough to be worth auditing.	**OnTrac** $1.00 on every package with no shoulder rate, the only carrier of the five that does not price your quiet weeks cheaper	**UPS or FedEx** At $0.50 in the shoulder weeks they are the cheapest per-package rate available to a shipper who never crosses 20,000, and neither tier table can reach you. Nothing else in the contract gets easier at your volume.
Enterprise, past the threshold most weeks You are on both volume schedules and the tier tables set your peak budget. Everything else in this report is rounding by comparison. One week at three times your June average can cost more than a quiet month.	**FedEx or UPS** they are the only two carriers with a volume table, and at three times your June average the tier rate alone can exceed everything else in this report combined	**A second carrier in the mix** OnTrac, Amazon and USPS have no volume mechanism at all, so anything moved off the national carriers in your heaviest weeks leaves the tier table entirely. Coverage and package limits cap how much you can actually move.
Commercial and B2B The residential demand fees at UPS and FedEx cannot reach you, which removes the largest line in this report. What is left is the handling and oversize schedule, it opens in late September, and one package that trips Additional Handling picks up the standard accessorial, the demand accessorial and fuel on the same invoice. Your exposure is a function of package shape, not volume shape.	**Amazon** the only schedule of the five that bills commercial packages at the same rate as residential	**OnTrac** The cheapest handling and oversize of the four at $11.00 and $110.00, no increase for two years running, and no residential demand fee to worry about either way. It only reaches the geography it covers, and at the top of the schedule it matches FedEx.
Lightweight ecommerce on postal No demand surcharge, no tier table, no calculation week. What you get instead is a rate increase buried in the price of the label, applied identically whether you ship a hundred parcels or a hundred thousand.	**USPS** Ground Advantage 0-3 lb to Zones 5-9 rose 57.1%, the single largest increase anywhere in this report	**UPS Ground Saver** $0.75 against FedEx Ground Economy at $4.05 is the widest spread in the market, and it caps a lane USPS just raised 57.1%. It is a deferred product, so it costs you transit days.

Figure 7. The carrier whose 2026–27 schedule lands heaviest on each profile, and the one that lands lightest. Every softer landing carries a limit, and the limits are stated.

Most shippers sit across two or three of these rows at once, and the right answer is rarely one carrier. Which mix actually fits depends on your own package mix, your zones and your weekly curve, and that is a conversation rather than a table. Bring us your invoices and we will tell you which of these rows you are in and what to do about it.

08 What the pricing tells you about each carrier

A peak schedule is the clearest annual statement a carrier makes about what it wants more of and what it wants less of.

FedEx is pricing speed and deferral apart from each other

FedEx split Express into two schedules this year, Overnight at $2.55 and 2Day with Express Saver at $2.35, where last year one rate covered both. That is a carrier deciding urgency is worth pricing on its own from now on. At the other end it took Ground Economy to $4.05, the highest per-package demand fee anywhere in this report and $1.50 above its own shoulder rate. Read together, the message is that FedEx will carry your deferred volume and charge you the most in the market to do it. If your mix leans on Ground Economy, this is the schedule that moved most against you.

UPS raised everything and quietly narrowed the scope

Ground rose 25%, air 22%, and the peak-to-shoulder ratio did not move. That reads as a revenue decision, not capacity rationing. The change worth catching is scope: the 2026–27 language limits demand surcharges to U.S. domestic, where last year it also covered import and export. International moved to a separate Surge Emergency Fee schedule.

OnTrac already raised its rates in January

Two years flat on Demand Residential and Additional Handling. The peak schedule is the document shippers compare side by side, so leaving it untouched looks like restraint. It was not: OnTrac put through a base rate increase this past January, and shippers are already paying it in every rate on the invoice. It is still the cheapest handling and oversize of the four, at $11.00 and $110.00.

Amazon copied UPS to the penny and sells the simplicity

An identical schedule is a positioning decision. What Amazon offers instead is a number your finance team can model in one line: flat per package, no zones, no weight breaks, no tiers, no calculation week. The cost of that simplicity is breadth, because the fee reaches your commercial packages where the UPS and FedEx residential fees cannot.

USPS raised the price and built no machinery around it

The roughly 40% escalation in the increase amounts is the aggressive part, and it lands hardest on long-zone parcels. Ground Advantage 0–3 lb to Zones 5–9 rose 57.1%, the largest single jump anywhere in this report. But there is no volume trigger, no baseline, no behavior it is trying to shape. It also remains subject to PRC review, so the numbers can still move.

Five positions, five different openings, and which one is yours depends on things no published schedule can tell you: your package mix, your zones, your weekly curve, and what your current agreements already say. We can help you work that out. Send us a few months of invoices and your carrier agreements and we will tell you which of these carriers is quietly costing you the most, what to do about it, and what it is worth.

Take the next step

Every carrier here will tell you these charges cover seasonal operating cost. They also arrive in the weeks with the most volume, on the packages with the least flexibility, and outside most contracted caps. With the right planning you do not have to absorb all of it.

We can show you what these schedules are doing to your budget right now, using your own invoice data, and where the recoverable spend sits.

sales-info@transimpact.com 252 424 8410 TransImpact.com

– Sources

GO TO THE SOURCE

Every 2026–27 schedule, and our full analysis of each

CARRIER	PUBLISHED SCHEDULE	TRANSIMPACT ANALYSIS
UPS	2026–27 Demand Surcharges (PDF)	Read the TransImpact breakdown
FedEx	Demand Surcharges rate changes	Read the TransImpact breakdown
OnTrac	Surcharges and Rates	Read the TransImpact breakdown
Amazon	2026 Peak Surcharge announcement	Read the TransImpact breakdown
USPS	2026 holiday price change release	Read the TransImpact breakdown

Verify all figures against your own carrier agreements and the carriers' current publications before quoting or budgeting. Schedules are subject to change and the USPS increase remains pending favorable review by the Postal Regulatory Commission.