

ASSOCIATION
OF AMERICAN
RAILROADS

John T. Gray
Senior Vice President - Policy & Economics

September 5, 2012

232920

The Honorable Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street, SW.
Washington, DC 20423-0001

ENTERED
Office of Proceedings
September 5, 2012
Part of
Public Record

Dear Ms. Brown:

This submission is the AAR forecast of the fourth quarter 2012 All-Inclusive Index and Rail Cost Adjustment Factor, filed in Ex Parte No. 290 (Sub-No. 5) (2012-4) *Quarterly Rail Cost Adjustment Factor*. The versions of RCAF-related indices covered in this filing are: the All-Inclusive Index (initiated in the second quarter of 1985), the Unadjusted RCAF (produced since October 1982), the Adjusted RCAF (first published in the second quarter of 1989), and the RCAF-5 (created by the STB in its Ex Parte No. 290 (Sub-No. 7) decision served October 3, 1996). The table below summarizes the fourth quarter 2012 results on the fourth quarter 2007 base, and shows the percentage changes from the previous quarter.

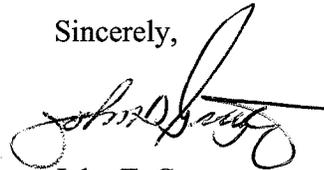
	<u>2012Q3</u>	<u>2012Q4</u>	<u>% Change</u>
All-Inclusive Index	117.7	121.6	3.3
Preliminary RCAF	1.177	1.216	3.3
Forecast Error Adjustment	-0.006	-0.007	
RCAF (Unadjusted)	1.171	1.209	3.2
Productivity Adjustment Factor	2.2815	2.2861	
RCAF (Adjusted)	0.513	0.529	3.1
PAF-5	2.4146	2.4231	
RCAF-5	0.485	0.499	2.9

Page 2
September 5, 2012

In its October 3, 1996 decision in Ex Parte No. 290 (Sub-No. 7), *Productivity Adjustment - Implementation*, the STB noted its intent to publish, in addition to the RCAF (Unadjusted) and RCAF (Adjusted), an RCAF-5 (i.e., a calculation of the productivity adjusted RCAF values as if the agency had always used a 5-year rolling average to calculate the productivity adjustment). In response to a request by STB staff, the AAR is including a calculation of the RCAF-5 in its quarterly RCAF filing. The AAR and its members, however, do not believe the publication of a third RCAF index is required or permitted by the applicable statute (49 U.S.C. § 10708) and do not endorse its publication.

We have notified Paul Aguiar, in the STB office handling this proceeding, of our plan to e-file the submission and hand-deliver workpapers. A copy of the quarterly non-proprietary workpapers underlying this submission will be hand-delivered and filed herewith, in accordance with the ICC's order in Ex Parte No. 290 (Sub-No. 2), *Railroad Cost Recovery Procedures*, served February 8, 1990. A second copy of the workpapers has been delivered to the STB office handling this proceeding. All workpapers are available for STB inspection. Questions should be directed to me or Clyde Crimmel (202 639-2309) of this office.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Gray", with a large, stylized flourish extending from the end of the signature.

John T. Gray

Attachments

**Fourth Quarter 2012
All-Inclusive Index**

Ex Parte No. 290 (Sub-No. 5) (2012-4)

**Quarterly Rail Cost Adjustment Factor
Surface Transportation Board**

**Policy and Economics Department
Association of American Railroads**

September 5, 2012

Table of Contents

Subject	Page
Introduction	1
Index Weights	2
All-Inclusive Index - Fourth Quarter 2012	3
Forecast vs. Actual All Inclusive Index - Second Quarter 2012	4
Productivity	5
Rail Cost Adjustment Factor - Fourth Quarter 2012	6
Appendices	
A Labor	
B Fuel	
C Materials & Supplies	
D Equipment Rents	
E Depreciation	
F Interest	
G Other Expenses	
H Railroad and Union Abbreviations	

Introduction

On January 2, 1985, the Interstate Commerce Commission (ICC) [now the Surface Transportation Board (STB)] adopted the All-Inclusive Index of Railroad Costs as the basis for the Rail Cost Adjustment Factor (RCAF). The quarterly projection of railroad costs, as documented herein, employ the All-Inclusive Index as required by the regulations. Also presented in this submission is the RCAF, both Adjusted and Unadjusted, as required by the ICC in its decision in Ex Parte No. 290 (Sub-No. 4), *Rail Cost Recovery Procedures - Productivity Adjustment*, served March 24, 1989. In addition, the AAR has included (but does not endorse) the RCAF-5, which was instituted by an STB decision served October 3, 1996 in Ex Parte No. 290 (Sub-No. 7), *Productivity Adjustment - Implementation*. This quarter's projection of railroad costs is for the fourth quarter 2012.

Each year's fourth quarter calculation utilizes new weights, which can be found on page 2. New annual report and wage statistics data are also utilized to rebenchmark labor (see Appendix A).

During April, one railroad revised Materials & Supplies pricing data used for both the 2012Q1 and 2012Q2 RCAF. Both revisions caused the Materials & Supplies Index to be 0.1 index points lower. Current calculations include both revisions. As always, fourth quarter RCAF calculations use data for the second quarter to calculate the forecast error adjustment. As noted in the Board's decision served June 20, 2012, the AAR will use the corrected Q2 Materials & Supplies Index (274.0) as the "actual" in the forecast error calculation, and the original as-filed number (274.1) as the "forecast".

Index Weights

In the Ex Parte No. 290 (Sub-No. 2) final rules, issued in April 1981, the Interstate Commerce Commission mandated that the weights of each major cost component be updated annually. These "external" weights are calculated using data from Schedules 410 and 210 of the R-1 annual report filed with the Surface Transportation Board by the Class I railroads. The weights are typically updated with the fourth quarter projection.

The 2011 (current) and 2010 (previous) weights are shown below. The 2010 weights were used for the fourth quarter of 2011 through the third quarter of 2012. Beginning with the fourth quarter of 2012, 2011 weights are used. In 2011, expenses increased for every category with the exception of interest expenses. However, fuel expenses increased by the highest percentage and amount, caused by a huge increase in fuel costs and a much smaller increase in traffic. Not surprisingly, Fuel's weight increased from 18.0 percent to 22.5 percent. This is the second-highest weight ever for Fuel. The only other category to have its weight increase was Materials & Supplies, which increased 0.1 percentage points. Labor's weight decreased from 33.3 to 31.3 percent, despite an 8 percent increase in expenses. Weights for the remaining categories decreased by 0.4 to 1.2 percentage points.

RCAF Weights		
	Previous 2010	Current 2011
Labor	33.3 %	31.3 %
Fuel	18.0	22.5
Materials & Supplies	5.0	5.1
Equipment Rents	6.2	5.6
Depreciation	12.8	11.6
Interest	2.9	2.5
Other	21.8	21.4

Reweighting of the index is accomplished by calculating both the current quarter (normally the fourth) and prior (normally the third) quarter indexes with the new weights. The relative change between the two quarters is then multiplied times the prior quarter (usually the third) *linked* index. Use of this method ensures that the weight change, by itself, does not cause a change in the level of the All-Inclusive Index.

Internal weights in the labor and equipment rents components are updated at the same time as the external weights. When these weights are changed, they are also linked using the procedure described above in order to eliminate the effect of the change in weighting.

All-Inclusive Index Fourth Quarter 2012

The components and values of the current and previous All-Inclusive Indexes are shown below. Details of the construction of each component of the index are contained in the Appendices.

	2011 Weights	Forecast		Percent Change
		Previous 2012Q3	Current 2012Q4	
1. Labor	31.3%	391.4	390.5	-0.2 %
2. Fuel	22.5%	353.4	403.3	14.1
3. M&S	5.1%	274.8	266.1	-3.2
4. Equipment Rents	5.6%	205.8	205.7	0.0
5. Depreciation	11.6%	211.7	213.2	0.7
6. Interest	2.5%	90.6	92.9	2.5
7. Other	21.4%	221.6	218.0	-1.6
8. Weighted Average				
a. 1980 = 100		301.8	311.8	
b. 1980 = 100 (linked)		289.4	299.0 ¹	
c. 4Q07 = 100		117.7	121.6 ²	3.3

Note: The 301.8 weighted average for 2012Q3 is recalculated with 2011 weights to eliminate any changes in the fourth quarter index that would be caused by changing weights. The Q3 weighted average with 2010 weights is 298.5.

¹ To calculate the 1980 = 100 Linked Index:

$$\begin{aligned} \text{Index}_{80} &= (\text{Current Index} / \text{Previous Index}) * \text{the Previous Quarter Linked Index} \\ &= (311.8 / 301.8) \times 289.4 \\ &= 299.0 \end{aligned}$$

² To calculate the 4Q07 = 100 index:

$$\begin{aligned} \text{Index}_{4Q07} &= (\text{Current Linked Index} / 4Q07 Linking Factor) * 100 \\ &= 299.0 \text{ divided by } 245.9 \text{ times } 100 \\ &= 121.6 \end{aligned}$$

Indexes based on other periods:

- 4Q02 based index = 299.0 / 192.1 x 100 = 155.6
- 4Q97 based index = 299.0 / 173.2 x 100 = 172.6
- 4Q92 based index = 299.0 / 156.9 x 100 = 190.6
- 4Q87 based index = 299.0 / 132.2 x 100 = 226.2

Forecast vs. Actual All-Inclusive Index Second Quarter 2012

Because of data availability, the forecast error adjustment has a two-quarter lag from each filing. As shown below, the second quarter actual index of 120.0 is 0.7 index points below the forecast value of 120.7. Therefore, the forecast error adjustment for fourth quarter 2012 is -0.7 index points.

	2010 Weights	Second Quarter 2012		Amt Difference
		Forecast	Actual	
1. Labor	33.3%	385.8	385.8	
2. Fuel	18.0%	409.4	403.2	
3. M&S	5.0%	274.1	274.0 ¹	
4. Equipment Rents ²	6.2%	204.8	204.3	
5. Depreciation	12.8%	211.4	211.4	
6. Interest	2.9%	90.6	90.6	
7. Other	21.8%	218.8	218.9	
8. Weighted Average				
a. 1980 = 100		306.0	304.8	
b. 1980 = 100 (linked)		296.7	295.2 ³	
c. 4Q07 = 100 ⁴		120.7	120.0	-0.7

Forecast error **—————▶ -0.7 index points**

¹ During April 2012, one railroad revised data used for the 2012Q2 Materials & Supplies Index. Therefore, the forecast error calculation for 2012Q4, which is based on 2012Q2, uses the original number as "forecast" (274.1), and the corrected number as "actual" (274.0). See page 1 of this submission.

	2010 Weights	Second Quarter 2012	
		Forecast	Actual
Car-Hire	45.8%	174.8	173.3
Lease Rentals	54.2%	218.8	218.9
Weighted Average		198.6	198.0
Weighted Average (linked)		204.8	204.3

³ Linked actual index = (actual index / previous actual index) x previous linked actual index.

$$295.2 = 304.8 / 297.0 \times 287.6$$

⁴ The 4Q07 based indexes are 1980 based indexes divided by the 4Q07 linking factor (245.9/100). Other linking factors are: 4Q02 = 192.1; 4Q97 = 173.2; 4Q92 = 156.9; and 4Q87 = 132.2.

Productivity

On February 6, 2012, the Surface Transportation Board (STB) served a decision in Ex Parte 290 (Sub-No. 4) which added the year 2010 to the Productivity Adjustment Factor (PAF) and removed the year 2005. This creates a geometric average annual productivity change, for the five-year period 2006 through 2010, of 0.8 percent per year. The components of this average annual value are shown on the following table in ratio format – therefore, 1.008 is the same as an increase of 0.8 percent.

Productivity changes are calculated by multiplying each of the five productivity changes together and taking the result to the one-fifth power. The quarter productivity adjustment factors (PAF) are calculated by increasing the previous quarter's PAF by quarterly versions of the annual rate, which are the fourth root of the geometric average annual growth rate. The difference between the PAF and the PAF-5 is the timing of the five-year productivity trend.

Comparison of Output, Input, & Productivity			
2006 - 2010			
Year	Output Index (1)	Input Index (2)	Productivity ¹ Changes (3)
2006	1.018	1.024	0.994
2007	1.000	0.996	1.004
2008	0.990	0.970	1.021
2009	0.847	0.861	0.984
2010	1.109	1.070	1.036
Average			1.008
Previous Average (2005-2009)			1.014

¹ The values shown in Column 3 are based on full float calculations and may not exactly match numbers calculated using the rounded numbers displayed in Columns 1 and 2.

Calculation of PAF and PAF-5

For 2006-2010, use fourth root of avg. productivity change = 1.0020

For 2005-2009, use fourth root of avg. productivity change = 1.0035

Quarter	Year	PAF	PAF-5
Q1	2012	2.2724	2.3978
Q2	2012	2.2769	2.4062
Q3	2012	2.2815	2.4146
Q4	2012	2.2861	2.4231
Q1	2013	2.2907	2.4279

2005-2009

2006-2010

Rail Cost Adjustment Factor Fourth Quarter 2012

Four RCAF values are presented in this filing. Two are not modified for productivity (Preliminary RCAF and RCAF Unadjusted), and two incorporate a productivity calculation (RCAF Adjusted and RCAF-5). The All-Inclusive Index and all four RCAF values, plus the percent change for each, are shown below. Note that the All-Inclusive Index is on a 2007Q4=100 basis.

	Previous 2012Q3	Current 2012Q4	Percent Change
All-Inclusive Index ¹	117.7	121.6	3.3
Preliminary RCAF ²	1.177	1.216	3.3
Forecast Error Adjustment ³	<u>-0.006</u>	<u>-0.007</u>	
RCAF (Unadjusted) ⁴	1.171	1.209	3.2
Productivity Adjustment Factor ⁵	<u>2.2815</u>	<u>2.2861</u>	
RCAF (Adjusted) ⁶	0.513	0.529	3.1
PAF-5 ⁷	2.4146	2.4231	
RCAF-5 ⁸	0.485	0.499	2.9

¹ See All-Inclusive Index on page 3.

² All-Inclusive Index divided by the All-Inclusive Index in the base period (100.0).

³ The current figure is from Forecast vs. Actual All-Inclusive Index in this filing (page 4). The previous quarter figure is shown in a similar section of the previous quarter's filing.

⁴ Preliminary RCAF plus the forecast error adjustment.

⁵ See Productivity on page 5.

⁶ RCAF (Unadjusted) divided by the Productivity Adjustment Factor (PAF).

⁷ See Productivity on page 5.

⁸ RCAF (Unadjusted) divided by the PAF-5.

Appendixes

Labor

Fourth Quarter 2012

The fourth quarter 2012 Labor Index is forecast to decrease 0.2 percent from the previous quarter. The decrease was caused by rebenchmarking to 2011 wage statistics and annual report data plus lower employer contributions to employee 401(k) and stock plans.

Rebenchmarking and Reweighting: Rebenchmarking, as well as updating the internal weights (i.e., the proportion of labor costs represented by wages and supplements, respectively), is reflected each year in the fourth quarter filing. The Labor rate is basically a group of benchmarks from annual data that are updated each quarter using additional information such as labor agreements, payroll tax rates, health & welfare rates, and other data. By rebenchmarking to newer annual data, the number of quarterly updates from the benchmark year to the current quarter becomes fewer – increasing the probability that the updated values match reality. Therefore, the impact of rebenchmarking is captured in the Labor Index, and by itself can cause a change in the index.

The new benchmark year is 2011, and it replaces data for 2010. The 2011 data underlying the fourth quarter rebenchmarking are obtained from a summary of the railroads' 112-Class Wage Statistics and a summary of the railroads' Annual Report Form R-1 submitted to the Surface Transportation Board. Railroad revisions through August 29 are included in the benchmark data.

The source for the wage and supplements internal weights, like the external weights, is also the Annual Report Form R-1 Summary. Unlike rebenchmarking, reweighting by itself is prevented from causing a change in the index. A linking process, where the previous quarter unlinked index is recalculated using the new weights, eliminates changes that would be caused solely by changing weights.

Wage Rate Index

The Wage Rate Index portion of the Labor Index increased 0.1 percent from the previous quarter. Although the net impact of rebenchmarking was a decrease of almost 0.1 percent, the addition of numerous independent labor agreements completely offset the small decline, and resulted in a small increase in the Wage Rate Index.

New Labor Agreements: Over 15 new independent labor agreements were added to the index. All featured lump sums and retroactive wage increases that caused back pay. Many of the new agreements affected less than 50 employees, meaning their impact on the Index was not as significant as the national agreements.

Wage Increases: There are no wage increases scheduled for the fourth quarter. However, the addition of over 15 new independent labor agreements, which featured retroactive wage increases and lump sum payments, caused small increases from the rebenchmarking version of the Index.

Lump Sums: The fourth quarter lump sum rate is unchanged from the previous quarter. Rebenchmarking caused a slight decrease to this rate, but lump sums from numerous new independent agreements increased the rate back to its original third quarter level.

Labor

Fourth Quarter 2012

Back Pay: Rebenchmarking caused the back pay rate to decrease by 5.4 cents, while the new labor agreements added 2.2 cents. The net result was a decrease of 3.2 cents or 2.9 percent.

Other: In wages, "Other" contains the amortization of incentive compensation payments that a large railroad makes each year to its dispatchers, yardmasters, and engineers. Rebenchmarking caused a decrease of 0.7 cents in the rate.

Supplements Index

The Supplements Index decreased 0.7 percent. Rebenchmarking caused 0.1 percentage points of the decrease. Most of the remaining portion of the decrease was related to lower employer contributions to 401(k) accounts and employee stock plans.

Health & Welfare: Almost all of the 1.4 percent decrease in the Health & Welfare rate was caused by rebenchmarking. A very small amount of the decrease was caused by new labor agreements that contained higher employee health & welfare cost sharing.

Railroad Retirement: Rebenchmarking caused almost all of the 1.6 percent increase in the Railroad Retirement & Medicare rate. A very small portion of the increase was caused by slightly higher taxable earnings for the fourth quarter.

Unemployment Insurance: The Unemployment Insurance rate decreased \$0.003 because of rebenchmarking.

Other: The "Other" category is a reflection of all other fringe benefits, and currently contain known employer contributions to employee 401(k) accounts and employer contributions to employee stock plans that are recorded as fringe benefits. Much of this quarter's decrease was caused by a return to normal contributions, as the prior quarter includes an annual bonus match of 401(k) contributions, and an annual perfect attendance stock award.

Labor Index Calculation

As shown in Table A-1 on the next page, the 0.1 percent increase in the Wage Rate Index and the 0.7 percent decrease in the Supplements Index combined to cause a 0.2 percent decrease in the Labor Index. The linked fourth quarter 2012 index of 390.5 is determined by multiplying the third quarter linked index of 391.4 times the change between the fourth quarter labor index (415.0) and the original third quarter labor index recalculated (416.0) using the original third quarter Wage Rate and Supplements indexes weighted with the new 2011 weights. This method eliminates changes caused by the new weights, but captures changes caused by rebenchmarking. Therefore, the purpose of the center "Updated to Reflect..." column in table A-1 is only to enable the reader to discern the impact of rebenchmarking.

Labor
Fourth Quarter 2012
Table A-1 Labor Index

	2012Q3		2012Q4	
	Used in Previous Index Filing	Updated to Reflect 2011 Actual Data	Based on 2011 Data	Pct Chg From Prev. Filing
<u>Base Wage</u> – Straight Time & Pay For Time Not Worked	\$37.082	\$37.141	\$37.167	0.2%
Adjustments:				
Lump Sum	0.446	0.424	0.446	0.0%
Back Pay	1.092	1.038	1.060	-2.9%
Other	0.128	0.121	0.121	-5.5%
Total Wages	38.748	\$38.724	38.794	0.1%
Health & Welfare Benefits	7.985	7.873	7.871	-1.4%
RR Retirement & Medicare	7.588	7.704	7.709	1.6%
Unemployment Insurance	0.434	0.431	0.431	-0.7%
Other	0.219	0.209	0.107	-51.1%
Total Supplements	\$16.226	\$16.217	\$16.118	-0.7%
Total Labor (a check sum only)	\$54.974	\$54.941	\$54.912	
Wage Index¹	331.6	331.4	332.0	0.1%
Supplements Index²	599.6	599.3	595.6	-0.7%
Total labor Index, 2010 Weights ³	412.5			
Total labor Index, 2011 Weights ⁴	416.0	415.8	415.0	
Labor Index (linked)⁵	391.4		390.5	-0.2%

¹ 1980 wage rate \$11.685

² 1980 supplements rate \$2.706

³ 2010 weights: wages, supplements 69.8% 30.2%

⁴ 2011 weights: wages, supplements 68.5% 31.5%

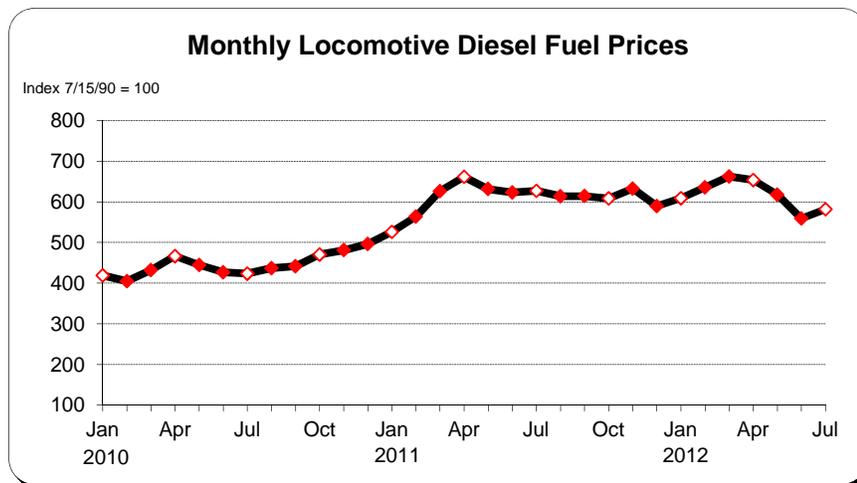
⁵ 2012Q4 linked Index = 2012Q3_{linked} X (2012Q4_{WT2011} / 2012Q3_{WT2011})
 = 391.4 x 415.0 / 416.0

Fuel Fourth Quarter 2012

The forecast for fuel is based on: (1) a survey of railroad fuel purchasing officers concerning current price and volume levels, (2) expectations of railroad purchasing officers based on their own forecast models and discussions with their major suppliers, and (3) a consensus of petroleum industry experts and general business publications. Fuel purchases are assumed to remain in inventory for 30 days before the fuel is consumed (and therefore expensed). Therefore, prices paid in the first month of each quarter are for fuel expensed in the second (or middle) month of the quarter, and the middle month is used to represent each quarter.

The nation's fuel prices have been increasing over the last two months. In the west, a California refinery fire has led to higher prices. In the east, Hurricane Isaac and resulting power outages along the Gulf Coast has disrupted fuel supplies, putting upward pressure on crude* and refined oil prices. While the latest average prices for locomotive diesel fuel are available only through July, the Energy Information Administration (EIA) has weekly data through August for related fuel types. EIA data show increasing futures prices for heating oil.** In addition, on-highway diesel fuel prices are also increasing.

The average price paid for locomotive diesel fuel increased in July after 3 months of falling prices. Railroads believe the locomotive diesel fuel price for October 2012 (Q4) will be 14.1 percent higher than the third quarter forecast (represented by July 2012), and 12.3 percent higher than the average price actually paid for July – meaning October's average price will be very close to the average for April.



Forecast Fuel Index (1980 = 100)	403.3
Change from previous quarter forecast	14.1%
Change from previous quarter actual	12.3%

* Diesel fuel used by locomotives is made from refined crude oil, and therefore usually has some price correlation.

** Heating oil and locomotive diesel fuel are part of a group of closely related products, commonly labeled as distillates, that differ mostly by their sulfur content. Because of these similarities, these fuels are produced together and have similar pricing trends.

Materials & Supplies

Fourth Quarter 2012

The fourth quarter 2012 Materials & Supplies Index decreased 3.2 percent from the previous quarter. The change was caused mostly by decreases in prices in Metal Products. Rail, wheel sets, and ties plates are some of the more significant items in the Metal Products category.

2012Q4 Materials & Supplies Index = 266.1

2012Q3 Materials & Supplies Index = 274.8

Difference -8.7 basis points
or
-3.2 %

Equipment Rents Fourth Quarter 2012

The Equipment Rents Index consists of two components – car hire and lease rentals. The methodology used to create these two components and the final Equipment Rents Index are explained below.

Car Hire

The car hire component is indexed using data from the Car Hire Accounting Rate Master (CHARM) file. Car hire rates for the forecast quarter are estimated based on data for active freight cars using the most recent month available. For the first quarter, December 1 of the previous year is used. For the second, third and fourth quarters; March 1, June 1, and September 1 are used, respectively. Using data retrieved from the latest CHARM file, an average rate per car is developed. Next, those average rates are grouped into car type categories to create an overall summary of car hire rates. The summary rates are then compared from quarter to quarter to determine the Car Hire Index.

Lease Rentals

The lease rentals portion of the Equipment Rents Index uses the Producer Price Index for Industrial Commodities less Fuel and Related Products and Power (PPI-LF). The Commission adopted this surrogate in its decision served March 13, 1987. The AAR uses six years of historical data to derive its forecast for the PPI-LF. The forecast is used not only for lease rentals, but also for the "Other" component of the All-Inclusive Index. Appendix G discusses the forecast in more detail.

Equipment Rents Index Calculation

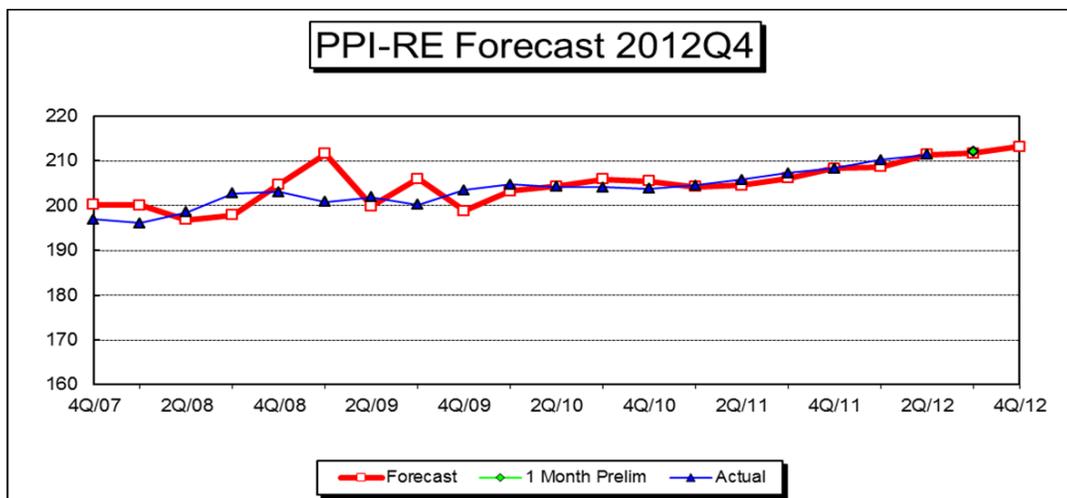
The table below calculates the Equipment Rent Index, and features new weights based on 2011. To eliminate any changes caused by the new weights, the third quarter weighted average (but not the linked value) has been recalculated using the new weights. The original third quarter weighted average using 2010 weights is 199.6. The fourth quarter Car Hire portion of the Index increased 2.1 percent because of higher rates for privately-owned cars (especially tank cars). A 1.6 percent decrease for the projected PPI-LF (See Appendix G) used as a proxy for Lease Rentals, combined with the 2.1 percent increase for Car Hire, caused the Equipment Rent Index to decrease by only 0.1 percentage points, or 0.049 percent.

	2011 Weight	2012Q3	2012Q4	Percent Change
Car Hire	48.6%	173.6	177.3	2.1 %
Lease Rentals	51.4%	221.6	218.0	-1.6
Weighted Average		198.3	198.2	-0.1
Weighted Average (Linked)		205.8	205.7	0.0

Depreciation Fourth Quarter 2012

The Producer Price Index for Railroad Equipment (PPI-RE) is used to index depreciation expense. The PPI-RE is forecast using an ARIMA (Auto-Regressive Integrated Moving Average) process where a statistical package picks the model that best fits the historical data set (see next page), and that model is then used for the forecast. The historical data set contains 6 years of monthly data (a sample size of 72), where the most recent available data point is the first month of the quarter prior to the forecast quarter. For a first quarter forecast, the most recent month of data available would be for October of the prior year. For a second quarter forecast, January would normally be the most recent period available. April and July would be the most recent months available for third and fourth quarter forecasts, respectively. The output from the forecast model is shown on page 2 of this appendix on a 1982=100 basis. The figure forecast by the model reflects monthly PPI-RE figures that jumped in May, but have otherwise changed little over the last few months.

Forecast of Depreciation Index (1982=100)	192.7
Forecast of Depreciation Index (1980=100)	213.2
Change from previous quarter forecast	0.7%
Change from actual first month of previous quarter	0.5%
Change from same quarter of prior year (actual)	2.3%



Depreciation Fourth Quarter 2012

PPI RAILROAD EQUIPMENT

Recommended model: Exponential Smoothing
 Forecast Model for PPIRE
 Holt exponential smoothing: Linear trend, No seasonality

Component	Smoothing Weight	Final Value
Level	0.80753	191.66
Trend	0.01677	0.26489

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 182.1	Standard deviation 5.393
R-square 0.9664	Adjusted R-square 0.9659
Durbin-Watson 1.999	Ljung-Box(18)=25.59 P=0.8904
Forecast error 0.9961	BIC 1.042
MAPE 0.003715	RMSE 0.9822
MAD 0.6719	

Actual Values for the Most Recent 6 Periods:

Date	Actual
2012-02	190.100
2012-03	190.600
2012-04	190.400
2012-05	191.700
2012-06	191.100
2012-07	191.700

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2012-08	189.882	191.925	193.968
2012-09	189.547	192.190	194.833
2012-10	189.324	192.455	195.586
2012-11	189.168	192.720	196.272
2012-12	189.057	192.985	196.913
QTR AVG	189.183	192.720	196.257

Interest Fourth Quarter 2012

The Interstate Commerce Commission, in its decision served February 28, 1989, revised the All-Inclusive Index methodology to include a specific interest component, which is to track changes in the average interest rate from year to year. The interest rate is essentially the embedded cost of debt, i.e., total interest expense divided by average total long term debt. The interest rate is calculated for the most recent year and used until the next year's figures are available. Typically in the fourth quarter filing, the interest rate is updated to the new level. The source for interest expense is Schedule 210, column b, from the R-1 annual report. The lines used from current R-1 annual reports are listed below. The source for average total debt is Schedule 200 from the R-1 annual report. The sums of data from columns b and c (ending and beginning balances) are combined and divided by 2 to compute an average balance. The line numbers are listed below. Beginning with fourth quarter 2012, the Interest Index is based on data for 2011.

The interest index is the latest year's interest rate divided by 7.85 percent, which was the interest rate in the 1980 base period.

Interest Expense (Schedule 210)

Line	
42	Total Fixed Charges
44	Contingent Interest
less	
22	Release of Premium on Funded Debt

Average Total Debt (Schedule 200)

Line	
30	Current Loans and Notes Payable
39	Equipment Obligations and Other Long Term Debt Due Within One Year
41	Funded Debt Unmatured - Non-Current
42	Equipment Obligations - Non-Current
43	Capitalized Lease Obligatons - Non-Current
44	Debt in Default - Non-Current
45	Accounts Payable: Affiliated Companies - Non-Current
46	Unamortized Debt Premium - Non-Current

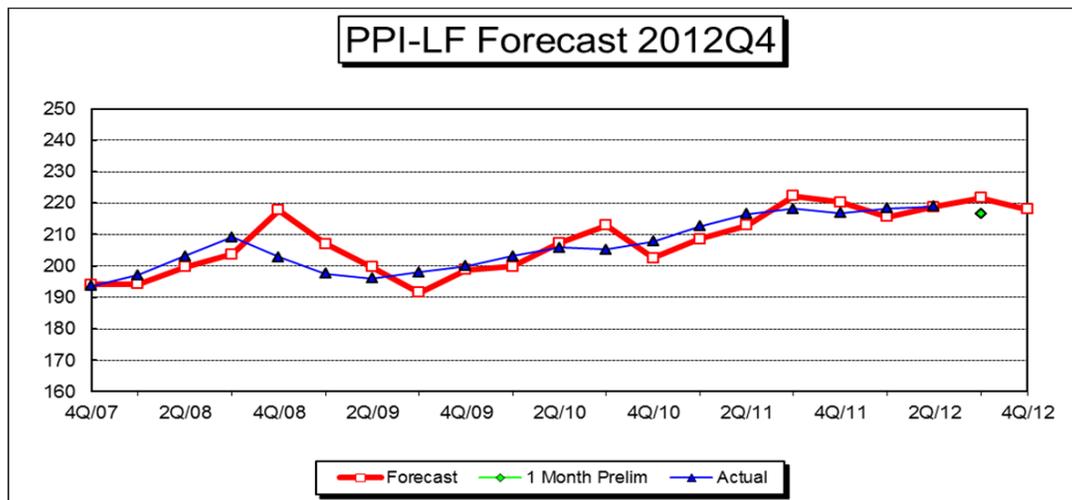
2011	Interest Rate	7.29%
1980	Interest Rate	7.85%
2012Q4	Interest Index	92.9
2012Q3	Interest Index	90.6
	Percent Change	2.5%

Other Expenses Fourth Quarter 2012

The Producer Price Index for Industrial Commodities less Fuels and Related Products and Power (PPI-LF) is used to index purchased services, casualties and insurance, loss and damage, taxes (other than income and payroll), general and administrative expenses, and lease rentals. These expenses, when grouped together, are usually called "Other" expenses.

Like the PPI-RE, the PPI-LF is forecast using an ARIMA process on 6 years of monthly data (a sample size of 72) with the most recent available monthly data being the first month of the quarter prior to the forecast quarter. For a first quarter forecast, the most recent month of data available would be for October of the prior year. For a second quarter forecast, January would normally be the most recent month available. April and July would be the most recent months available for third and fourth quarter forecasts respectively. The output from the forecast model is shown on page 2 of this appendix for 1982=100. The figure forecast by the model for the third quarter reflects monthly PPI-LF figures that have decreased for 3 consecutive months. The decrease may have been amplified by a forecast for Q3 that was too high.

Forecast of Other Expense Index (1982=100)	194.5
Forecast of Other Expense Index (1980=100)	218.0
Change from previous quarter forecast	-1.6%
Change from actual first month of previous quarter	0.6%
Change from same quarter of prior year (actual)	0.5%



Other Expenses Fourth Quarter 2012

PPI INDUSTRIAL COMMODITIES LESS FUELS AND RELATED PRODUCTS AND POWER

Recommended model: Exponential Smoothing
Forecast Model for PPILF
Holt exponential smoothing: Linear trend, No seasonality

Component	Smoothing Weight	Final Value
Level	1.00000	193.20
Trend	0.01719	0.31665

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 181.3	Standard deviation 8.992
R-square 0.9854	Adjusted R-square 0.9852
Durbin-Watson 0.5165	**Ljung-Box(18)=86.49 P=1
Forecast error 1.095	BIC 1.146
MAPE 0.004286	RMSE 1.08
MAD 0.7835	

Actual Values for the Most Recent 6 Periods:

Date	Actual
2012-02	194.700
2012-03	195.700
2012-04	195.900
2012-05	195.600
2012-06	194.400
2012-07	193.200

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2012-08	191.271	193.517	195.762
2012-09	190.630	193.833	197.037
2012-10	190.215	194.150	198.085
2012-11	189.917	194.467	199.016
2012-12	189.692	194.783	199.874
QTR AVG	189.941	194.467	198.992

Railroad and Union Abbreviations

Fourth Quarter 2012

Railroads

BLE	Bessemer & Lake Erie Railroad (Part of CN's Grand Trunk Corp.)
BNSF	BNSF Railway Company
CC	Chicago, Central & Pacific (Part of CN's Grand Trunk Corp. Sometimes noted as CC&P.)
CN	Canadian National Railway (Commonly known as CN, owns Grand Trunk Corporation.)
CNGT	AAR's abbreviation for Grand Trunk Corporation (Almost all of CN's U.S. operations.)
CP	Canadian Pacific (Also noted as CPR. Owns the U.S. Class I railroad Soo Line.)
CSX	CSX Transportation
D&H	Delaware & Hudson (Canadian Pacific's U.S. operations, to be included beginning 2011Q4.)
DME	Dakota, Minnesota & Eastern (Canadian Pacific's U.S. operations, to be included beginning 2011Q4.)
DMIR	Duluth, Missabe & Iron Range Company (Part of CN's Grand Trunk Corp.)
DWP	Duluth, Winnipeg & Pacific Railway (Part of CN's Grand Trunk Corp.)
EJE	Elgin, Joliet & Eastern Railway (Part of CN's Grand Trunk Corp.)
GTW	Grand Trunk Western Railroad (Part of CN's Grand Trunk Corp.)
IC	Illinois Central Railroad (Part of CN's Grand Trunk Corp.)
KCS	Kansas City Southern Railway
NS	Norfolk Southern Combined Railroad Subsidiaries (a.k.a. Norfolk Southern Railway or NS Rail)
SOO	Soo Line Railroad (the largest of Canadian Pacific's U.S. operations.)
UP	Union Pacific Railroad
WC	Wisconsin Central and subsidiaries (Part of CN's Grand Trunk Corp.)

Major Unions Involved with Railroads

ATDA	American Train Dispatchers Association
BLET	Brotherhood of Locomotive Engineers and Trainmen Div. of the International Brotherhood of Teamsters
BMWED	Brotherhood of Maintenance of Way Employees Division of the International Brotherhood of Teamsters
BRS	Brotherhood of Railroad Signalmen
IAM	International Association of Machinists and Aerospace Workers
IBBM	International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers
IBEW	International Brotherhood of Electrical Workers
NCFO	National Conference of Firemen and Oilers
SMW	Sheet Metal Workers' International Association
TCU	Transportation Communication International Union
TCU-Carmen	Brotherhood of Railway Carmen Division of the Transportation Communications International Union
UTU	United Transportation Union
UTU-Yard	United Transportation Union Yardmaster Department (also noted as UTU-YMD)

Predecessor Unions (Some AAR databases use these old abbreviations.)

BLE	Brotherhood of Locomotive Engineers (predecessor to BLET)
BMWE	Brotherhood of Maintenance of Way Employees (predecessor to BMWED)
BRC	Brotherhood of Railway Carmen (predecessor to TCU-Carmen)
IBFO	International Brotherhood of Firemen and Oilers (predecessor to NCFO)

Workpapers Sent to STB for 2012 Q4 RCAF

September 5, 2012

1. Index Calculation Spreadsheet (index_calc.xls, 2 pages)
2. Summary of ST and PFTNW Hourly Rates (Summary.xls)
3. RCAF Taxable Wages adjustment calculation (TaxableRate.xls)
4. National Contracts spreadsheet, 2 sections (2 and 5 pages)
5. Update of Wage Rates in NatWage spreadsheet... (2 pages)
6. U.S. 2011 Benchmark spreadsheet
7. National Increase Applicability spreadsheet for 2011 Benchmark (Public Version)
8. Wall Street Journal - 13 week Treasury Bill Rate from latest auction (a.k.a. 3-Mo. T-Bill)
9. 2012/Q4 RCAF Lump Sum Amortization summary, public version (1 page)
10. 2012/Q4 RCAF Back Pay Amortization summary, public version (1 page)
11. Health & Welfare worksheet (4 pages)
12. Railroad Retirement spreadsheet (5 pages)
13. Unemployment Insurance worksheet
14. 2-page SAS run for Q4 Unemployment Insurance & 2-pages for Q3 (as info only)
15. 8 pages from the Energy Information Administration's *This Week in Petroleum*
16. Summary of Materials & Supplies (one page)
17. Car Hire Spreadsheet (2 pages) plus source data page for September 2012
18. 4 pages of PPI-RE for Depreciation including graph, input/output, and BLS source data
19. Interest Rate Index calculation using 2011 data from Annual Report Form R-1 summary
20. 4 pages of PPI-LF for Other (and Lease Rentals) incl. graph, input/output, BLS source data
21. Forecast Error calc. and workpapers (11 pages: calc, index, fuel, M&S, 3 car hire, 2 deprec, 2 other)

Benchmarking Data

1. 2011 Wage statistics Summary
2. RCAF Weights based on 2011 data (2 pages)
3. Railroad Retirement & Medicare 2011 Payroll Tax Calculation (2 pages)
4. Railroad Retirement & Medicare 2010 Earnings Distribution (2 pages, latest available data from RRB)

Highly Confidential Data

1. National Increase Applicability spreadsheet for 2011 Benchmark (Highly Confidential Version)
2. Update of Wage Rates in NatWage spreadsheet... (2 pages, Highly Confidential Version)
3. RCAF Weights (detail) based on 2011 data (6 pages)
4. Benchmarks for Supplements page using 2011 data
5. Calculation of 12/31/2011 Straight Time Hourly Rates (3 pages and 4 pages)
6. 2012/Q4 RCAF Lump Sum Amortization detail (5 pages)
7. 2012/Q4 RCAF Back Pay Amortization detail (6 pages)
8. Relevant pages from 17 new independent labor agreements (51 pages)
9. Unemployment Insurance Tax Rate Memo (2 pages)
10. Rebenchmarking summaries for 2010, 2011, 2012Q1, 2012Q2, and 2012Q3

RCAF All-Inclusive Index's Labor Index Based on 2011 Benchmarks

	11 Wts.	3Q/12 Original	3Q/12 Rebenched <small>As Info Only</small>	% Chg	4Q/12	% Chg	1Q/13	% Chg	2Q/13	% Chg	3Q/13	% Chg
Straight Time		\$29.794	\$29.881	0.3%	\$29.902	0.4%		--		--		--
PFTNW		\$7.288	\$7.260	-0.4%	\$7.265	-0.3%		--		--		--
Total		\$37.082	\$37.141	0.2%	\$37.167	0.2%	\$0.000	--	\$0.000	--	\$0.000	--
Adjustments												
Lump Sum		\$0.446	\$0.424		\$0.446							
Back Pay		\$1.092	\$1.038		\$1.060							
Other		\$0.128	\$0.121		\$0.121							
Total Wages		\$38.748	\$38.724	-0.1%	\$38.794	0.1%	\$0.000	--	\$0.000	--	\$0.000	--
Pre-Tax Reduction		(\$1.179)	(\$1.178)		(\$1.181)							
Taxable Wages		\$37.569	\$37.546		\$37.613		\$0.000		\$0.000		\$0.000	
H & W		\$7.985	\$7.873	-1.4%	\$7.871	-1.4%		--		--		--
RR Ret & Medicare		\$7.588	\$7.704	1.5%	\$7.709	1.6%		--		--		--
Unemp. Insurance		\$0.434	\$0.431	-0.7%	\$0.431	-0.7%		--		--		--
Other		\$0.219	\$0.209	-4.6%	\$0.107	-51.1%		--		--		--
Total		\$16.226	\$16.217	-0.1%	\$16.118	-0.7%	\$0.000	--	\$0.000	--	\$0.000	--
Adjustments												
Total Suppl.		\$16.226	\$16.217	-0.1%	\$16.118	-0.7%	\$0.000	--	\$0.000	--	\$0.000	--
Total Labor		\$54.974	\$54.941	-0.1%	\$54.912	-0.1%	\$0.000	--	\$0.000	--	\$0.000	--
Wage Rate Index	0.6850	331.6	331.4	-0.1%	332.0	0.1%	0.0	--	0.0	--	0.0	--
Suppl Index	0.3150	599.6	599.3	-0.1%	595.6	-0.7%	0.0	--	0.0	--	0.0	--
Total Labor Index '10 Wts.		412.5										
Total Labor Index '11 Wts.		416.0	415.8	0.0%	415.0	-0.2%	0.0	--	0.0	--	0.0	--
Labor Index (Linked)		391.4			390.5	-0.2%	0.0	-100.0%	#DIV/0!	--	#DIV/0!	--

All Inclusive Index and RCAF

		3Q/12	3Q/12	% Chg	4Q/12	% Chg	1Q/13	% Chg	2Q/13	% Chg	3Q/13	% Chg
	11 Wts		11 Wts									
Labor	0.313	391.40	391.4	0.0%	390.5	-0.2%	0.0	-100.0%	#DIV/0!	--	#DIV/0!	--
Fuel	0.225	353.40	353.4	0.0%	403.3	14.1%		--		--		--
M&S	0.051	274.80	274.8	0.0%	266.1	-3.2%		--		--		--
Equip. Rents	0.056	205.80	205.8	0.0%	205.7	0.0%	88.5	-57.0%	0.0	#####	#DIV/0!	--
Depreciation	0.116	211.70	211.7	0.0%	213.2	0.7%		--		--		--
Interest	0.025	90.60	90.6	0.0%	92.9	2.5%	92.9	0.0%	92.9	0.0%	92.9	0.0%
Other	0.214	221.60	221.6	0.0%	218.0	-1.6%		--		--		--
Weighted Avg. Linked	1.000	298.50	301.8	1.1%	311.8	3.3%	7.3	-97.7%	#DIV/0!	--	#DIV/0!	--
		289.40			299.0	3.3%	7.0	-97.7%	#DIV/0!	--	#DIV/0!	--
	Basing Factor											
10/1/80 basis	102.7	281.80			291.1	3.3%	6.8	-97.7%	#DIV/0!	--	#DIV/0!	--
10/1/82	120.9	239.40			247.3	3.3%	5.8	-97.7%	#DIV/0!	--	#DIV/0!	--
4Q/87	132.2	218.90			226.2	3.3%	5.3	-97.7%	#DIV/0!	--	#DIV/0!	--
4Q/92	156.9	184.40			190.6	3.4%	4.5	-97.6%	#DIV/0!	--	#DIV/0!	--
4Q/97	173.2	167.10			172.6	3.3%	4.0	-97.7%	#DIV/0!	--	#DIV/0!	--
4Q/02	192.1	150.70			155.6	3.3%	3.6	-97.7%	#DIV/0!	--	#DIV/0!	--
4Q/07 basis	245.9	117.70			121.6	3.3%	2.8	-97.7%	#DIV/0!	--	#DIV/0!	--
Car Hire	0.486	173.60	173.6	0.0%	177.3	2.1%	175.5	-1.0%		--		--
Lease Rents	0.514	221.60	221.6	0.0%	218.0	-1.6%	0.0	--	0.0	--	0.0	--
Wghted Avg Eq Rents		199.60	198.3	-0.7%	198.2	-0.1%	85.3	-57.0%	0.0	--	0.0	--
Linked Equipment Rents		205.80			205.7	0.0%	88.5	-57.0%	0.0	#####	#DIV/0!	--
Preliminary RCAF		1.177			1.216	3.31%	0.028	-97.7%	#DIV/0!	--	#DIV/0!	--
Forecast Error Adj. RCAF Unadjusted		(0.006)			(0.007)							
		1.171			1.209	3.25%	0.028	-97.7%	#DIV/0!	--	#DIV/0!	--
PAF RCAF Adjusted		2.2815			2.2861	0.20%	2.2907	0.20%		--		--
		0.513			0.529	3.12%	0.012	-97.7%	#DIV/0!	--	#DIV/0!	--
PAF-5 RCAF-5		2.4146			2.4231	0.35%	2.4279	0.20%		--		--
		0.485			0.499	2.89%	0.012	-97.6%	#DIV/0!	--	#DIV/0!	--

Hourly Rate for 2012 Q4

Straight Time and Time Paid For But Not Worked

2012Q4 Straight Time Hourly Rate (from national spreadsheet)

\$29.663 ✓

Rebenchmarked to 2011 Wage Statistics

Adjustments to 2011 base:

Adjustments added 2012 Q1

CN Railroads	DMIR BLET 2% GWI, \$0.18 for most unions, 2.5% GWI for non-unions	0.006 ✓
Misc. Independent BLET, Yardmasters, Dispatchers	2.5% GWI for BNSF, CSX BLET, CSX ATDA-East, and UP ATDA (non-union)	0.055 ✓
Soo Corp.	3% - 4 DME unions, \$0.18 - DH IAM, 2.5% - non-unions	0.003 ✓

Adjustments added 2012 Q2

CN Railroads	No change	0.000
Misc. Independent BLET, Yardmasters, Dispatchers	New national ATDA agreement including CSX ATDA-South with 2 retro GWIs	0.001
Soo Corp.	No change	0.000 ✓

Adjustments added 2012 Q3

CN Railroads	\$0.12 COLA for most unions	0.003 ✓
Misc. Independent BLET, Yardmasters, Dispatchers	4.3% GWI for CSX ATDA-south, 2% for NS BLET, new contract with retro GWIs for UP BLET	0.149 ✓
Soo Corp.	4.3% GWI for 5 DH unions, 3% GWI for DH UTU and UTU-YMD	0.001 ✓

Adjustments added 2012 Q4

CN Railroads	9 new contracts with retro GWI	0.011 ✓
Misc. Independent BLET, Yardmasters, Dispatchers	new contract for UP Yardmasters with retro GWI	0.007 ✓
Soo Corp.	7 new DH contracts with retro GWI	0.003 ✓

Adjusted STHR Total

\$29.902

Pay For Time Not Worked

PFTNW (from national spreadsheet)		\$7.207 ✓
Ratio Adj STHR to Nat STHR	29.902 / 29.663 =	1.00806

Adjusted Pay For Time Not Worked

\$7.265

Notes:

1. CN Railroads includes B&LE, CC&P, DMIR, DW&P, EJE, GTW, IC, and WC. Although DMIR and DW&P were consolidated effective January 1, 2012, some of the employees of those former railroads still have separate labor agreements.
2. The Miscellaneous group consists of independent (for wages) BLET, dispatchers, and yardmasters.
3. Soo Corp. includes DH and DME only, since Soo Line participates in national agreements.

RCAF Taxable Wages

(To Use for Railroad Retirement and Unemployment Insurance Payroll Tax Calculations)

In the RCAF calculation, Total Wages are the wages paid, while Taxable Wages are the wages on which to base payroll tax calculations. The difference is caused by pre-tax employee contributions to help pay Health & Welfare costs. This page calculates that wage rate difference.

The national agreements feature employee Health & Welfare cost sharing. Some of the independent agreements adopt the dollar amount contributed under the national agreement, and some have their own employee contribution rate such as the CN Management H&W Plan. This Cost Sharing is a pre-tax employee contribution to Health & Welfare insurance premiums paid by the employer. The employee contribution reduces employer Health & Welfare costs, while the Health & Welfare insurance premiums paid to the provider are unchanged. In the RCAF calculation, the reduction to the employer's Health & Welfare costs affect the Supplements portion of the Labor component of the index. The Taxable Wage Rate is used for Railroad Retirement and Unemployment Insurance calculations.

Reduction Calculation for 4Q/2012

U.S. ST Hours = 305,798,449
 Wage Statistics are for 2011.

Union Group	Employees	Mo. Rate	Annual \$
National BLET (BNSF, CSX, KCS, NS, SOO, UP)	25,344	(\$198.00)	(\$60,217,344.00)
National BMW (BNSF, CSX, KCS, NS, SOO, UP)	23,694	(\$198.00)	(\$56,296,944.00)
National BRS (BNSF, CSX, KCS, NS, SOO, UP)	6,847	(\$198.00)	(\$16,268,472.00)
National IAM (BNSF, CSX, KCS, NS, SOO, UP)	6,740	(\$198.00)	(\$16,014,240.00)
National IBBM (BNSF, CSX, KCS, NS, SOO, UP)	1,316	(\$198.00)	(\$3,126,816.00)
National IBEW (BNSF, CSX, KCS, NS, SOO, UP)	5,272	(\$198.00)	(\$12,526,272.00)
National NCFO (BNSF, CSX, KCS, NS, SOO, UP)	2,350	(\$198.00)	(\$5,583,600.00)
National SMW (BNSF, CSX, KCS, NS, SOO, UP)	1,000	(\$198.00)	(\$2,376,000.00)
National TCU (BNSF, CSX, KCS, NS, SOO, UP)	6,068	(\$198.00)	(\$14,417,568.00)
National TCU-CAR (BNSF, CSX, KCS, NS, SOO, UP)	9,313	(\$198.00)	(\$22,127,688.00)
National UTU (BNSF, CSX, KCS, NS, SOO, UP)	39,481	(\$198.00)	(\$93,806,856.00)
Yardmasters (BNSF, CSX, KCS, NS, SOO, UP)	1,935	(\$198.00)	(\$4,597,560.00)
National ATDA (wt. avg. BNSF, CSX, KCS, NS, SOO)	1,799	(\$198.00)	(\$4,274,424.00)
Independent CNGT (wt avg all union categories)	6,135	(\$137.47)	(\$10,120,541.40)
Independent SLC (wt avg all DH & DME union categories)	1,319	(\$170.13)	(\$2,692,817.64)
Total Union	138,613		(\$324,447,143.04)
All Other @ \$3,065,489.94 total per month			(\$36,785,879.28)
Total			(\$361,233,022.32)

Reduction in Wage Rate Per ST Hour	-\$1.18127814
Deduct this amount from the Wage Rate	-\$1.181

National Contracts U.S.

Straight Time Hourly Rate															Check Sum
Weight	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	
	0.24006	0.03761	0.17374	0.00597	0.04395	0.15135	0.05846	0.01396	0.04076	0.00789	0.03218	0.01375	0.01014	0.17017	1.00000
2011 Avg.	24.437	24.909	27.195	24.886	26.588	22.645	25.061	20.672	25.571	22.115	25.628	36.743	37.553	43.530	387.534
12/31/11	24.728	24.921	27.312	24.889	26.593	22.652	25.069	20.675	25.710	22.120	25.633	36.743	37.934	43.530	388.508
1/1/12	24.728	24.921	27.312	24.889	26.593	22.652	25.069	20.675	25.710	22.120	25.633	36.743	37.934	44.618	
4/1/12	24.728	25.930	27.357	26.000	27.740	22.652	26.145	21.588	26.838	23.070	26.747	37.274	37.934	44.618	
7/1/12	25.435	26.930	27.405	27.097	28.869	24.557	27.205	22.489	27.949	24.010	27.847	37.769	38.863	44.618	
10/1/12	25.435	26.930	27.405	27.097	28.869	24.557	27.205	22.489	27.949	24.010	27.847	37.769	38.863	44.618	
1/1/13	25.435	26.930	27.405	27.097	28.869	24.557	27.205	22.489	27.949	24.010	27.847	37.769	38.863	44.618	
4/1/13	25.435	26.930	27.405	27.097	28.869	24.557	27.205	22.489	27.949	24.010	27.847	37.769	38.863	44.618	
7/1/13	25.435	26.930	27.405	27.097	28.869	24.557	27.205	22.489	27.949	24.010	27.847	37.769	38.863	44.618	

Weighted Straight Time Hourly Rate															
	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Total
2011 Avg.	5.867	0.937	4.725	0.149	1.169	3.427	1.465	0.289	1.042	0.174	0.825	0.505	0.381	7.408	28.362
12/31/11	5.936	0.937	4.745	0.149	1.169	3.428	1.465	0.289	1.048	0.175	0.825	0.505	0.385	7.408	28.463
1/1/12	5.936	0.937	4.745	0.149	1.169	3.428	1.465	0.289	1.048	0.175	0.825	0.505	0.385	7.593	28.649
4/1/12	5.936	0.975	4.753	0.155	1.219	3.428	1.528	0.301	1.094	0.182	0.861	0.513	0.385	7.593	28.924
7/1/12	6.106	1.013	4.761	0.162	1.269	3.717	1.590	0.314	1.139	0.189	0.896	0.519	0.394	7.593	29.663
10/1/12	6.106	1.013	4.761	0.162	1.269	3.717	1.590	0.314	1.139	0.189	0.896	0.519	0.394	7.593	29.663
1/1/13	6.106	1.013	4.761	0.162	1.269	3.717	1.590	0.314	1.139	0.189	0.896	0.519	0.394	7.593	29.663
4/1/13	6.106	1.013	4.761	0.162	1.269	3.717	1.590	0.314	1.139	0.189	0.896	0.519	0.394	7.593	29.663
7/1/13	6.106	1.013	4.761	0.162	1.269	3.717	1.590	0.314	1.139	0.189	0.896	0.519	0.394	7.593	29.663

Note: The 2011 Average and 12/31/11 Straight Time Hourly Rates are the industry rates, and include all Class I railroad employees. The rates for 1/1/12 through 7/1/13 are based on the industry year-end rates updated by NATIONAL UNION wage increases using contract information. These national increases are diluted using "percent national" ratios to account for non-national union contracts. The impacts of non-national (or independent contract) increases after 2011 are not shown on this page and are handled separately.

National Contracts U.S.

Pay For Time Not Worked Hourly Rate

	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Check Sum
Weight	0.24006	0.03761	0.17374	0.00597	0.04395	0.15135	0.05846	0.01396	0.04076	0.00789	0.03218	0.01375	0.01014	0.17017	1.00000
2011 Avg.	11.155	5.133	11.343	3.813	5.928	4.175	4.139	3.452	4.734	3.139	4.867	7.364	10.328	1.704	81.273
12/31/11	11.287	5.136	11.391	3.813	5.929	4.176	4.140	3.453	4.760	3.139	4.868	7.364	10.433	1.704	
1/1/12	11.287	5.136	11.391	3.813	5.929	4.176	4.140	3.453	4.760	3.139	4.868	7.364	10.433	1.747	
4/1/12	11.287	5.343	11.410	3.983	6.185	4.176	4.318	3.605	4.968	3.274	5.080	7.470	10.433	1.747	
7/1/12	11.610	5.550	11.430	4.152	6.437	4.527	4.493	3.756	5.174	3.408	5.289	7.570	10.688	1.747	
10/1/12	11.610	5.550	11.430	4.152	6.437	4.527	4.493	3.756	5.174	3.408	5.289	7.570	10.688	1.747	
1/1/13	11.610	5.550	11.430	4.152	6.437	4.527	4.493	3.756	5.174	3.408	5.289	7.570	10.688	1.747	
4/1/13	11.610	5.550	11.430	4.152	6.437	4.527	4.493	3.756	5.174	3.408	5.289	7.570	10.688	1.747	
7/1/13	11.610	5.550	11.430	4.152	6.437	4.527	4.493	3.756	5.174	3.408	5.289	7.570	10.688	1.747	

Pay For Time Not Worked Hourly Rate

	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Total
2011 Avg.	2.678	0.193	1.971	0.023	0.261	0.632	0.242	0.048	0.193	0.025	0.157	0.101	0.105	0.290	6.917
12/31/11	2.710	0.193	1.979	0.023	0.261	0.632	0.242	0.048	0.194	0.025	0.157	0.101	0.106	0.290	6.960
1/1/12	2.710	0.193	1.979	0.023	0.261	0.632	0.242	0.048	0.194	0.025	0.157	0.101	0.106	0.297	6.967
4/1/12	2.710	0.201	1.982	0.024	0.272	0.632	0.252	0.050	0.203	0.026	0.163	0.103	0.106	0.297	7.021
7/1/12	2.787	0.209	1.986	0.025	0.283	0.685	0.263	0.052	0.211	0.027	0.170	0.104	0.108	0.297	7.207
10/1/12	2.787	0.209	1.986	0.025	0.283	0.685	0.263	0.052	0.211	0.027	0.170	0.104	0.108	0.297	7.207
1/1/13	2.787	0.209	1.986	0.025	0.283	0.685	0.263	0.052	0.211	0.027	0.170	0.104	0.108	0.297	7.207
4/1/13	2.787	0.209	1.986	0.025	0.283	0.685	0.263	0.052	0.211	0.027	0.170	0.104	0.108	0.297	7.207
7/1/13	2.787	0.209	1.986	0.025	0.283	0.685	0.263	0.052	0.211	0.027	0.170	0.104	0.108	0.297	7.207

U.S. National Contract

UTU

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				24.43741	11.15476
12/31/11 Industry Rate				24.72775	11.28729
1/1/12			95.341%	24.72775	11.28729
4/1/12			95.341%	24.72775	11.28729
7/1/12	3.00%		95.341%	25.43502	11.61013
10/1/12			95.341%	25.43502	11.61013
1/1/13			95.341%	25.43502	11.61013
4/1/13			95.341%	25.43502	11.61013
7/1/13			95.341%	25.43502	11.61013

TCU

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				24.90884	5.13304
12/31/11 Industry Rate				24.92116	5.13558
1/1/12			89.736%	24.92116	5.13558
4/1/12			89.736%	25.92986	5.34344
7/1/12	4.30%		89.736%	26.93040	5.54963
10/1/12			89.736%	26.93040	5.54963
1/1/13			89.736%	26.93040	5.54963
4/1/13			89.736%	26.93040	5.54963
7/1/13			89.736%	26.93040	5.54963

BLET

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				27.19547	11.34276
12/31/11 Industry Rate				27.31208	11.39139
1/1/12			4.052%	27.31208	11.39139
4/1/12			4.052%	27.35746	11.41032
7/1/12	4.30%		4.052%	27.40513	11.43020
10/1/12			4.052%	27.40513	11.43020
1/1/13			4.052%	27.40513	11.43020
4/1/13			4.052%	27.40513	11.43020
7/1/13			4.052%	27.40513	11.43020

SMWIA

Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.			24.88613	3.81274
12/31/11 Industry Rate			24.88862	3.81312
1/1/12		98.190%	24.88862	3.81312
4/1/12		98.190%	25.99960	3.98333
7/1/12	4.30%	98.190%	27.09735	4.15152
10/1/12		98.190%	27.09735	4.15152
1/1/13		98.190%	27.09735	4.15152
4/1/13		98.190%	27.09735	4.15152
7/1/13		98.190%	27.09735	4.15152

New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.

BRS

Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.			26.58784	5.92797
12/31/11 Industry Rate			26.59326	5.92918
1/1/12		94.636%	26.59326	5.92918
4/1/12		94.636%	27.74018	6.18489
7/1/12	4.30%	94.636%	28.86902	6.43658
10/1/12		94.636%	28.86902	6.43658
1/1/13		94.636%	28.86902	6.43658
4/1/13		94.636%	28.86902	6.43658
7/1/13		94.636%	28.86902	6.43658

New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.

BMWE

Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.			22.64510	4.17452
12/31/11 Industry Rate			22.65158	4.17571
1/1/12		93.244%	22.65158	4.17571
4/1/12		93.244%	22.65158	4.17571
7/1/12	4.30%	93.244%	24.55718	4.52700
10/1/12		93.244%	24.55718	4.52700
1/1/13		93.244%	24.55718	4.52700
4/1/13		93.244%	24.55718	4.52700
7/1/13		93.244%	24.55718	4.52700

New contract adds a retro 2% GWI on 7/1/10, 2.5% GWI on 7/1/11, and 4.3% GWI on 7/1/12.

TCU-Carmen

Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR	
2011 Industry Avg.	New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.		25.06149	4.13882	
12/31/11 Industry Rate			25.06857	4.13999	
1/1/12		94.357%	25.06857	4.13999	
4/1/12		94.357%	26.14470	4.31771	
7/1/12		4.30%	94.357%	27.20548	4.49289
10/1/12		94.357%	27.20548	4.49289	
1/1/13		94.357%	27.20548	4.49289	
4/1/13		94.357%	27.20548	4.49289	
7/1/13		94.357%	27.20548	4.49289	

NCFO

Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR	
2011 Industry Avg.	New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.		20.67190	3.45226	
12/31/11 Industry Rate			20.67514	3.45280	
1/1/12		97.101%	20.67514	3.45280	
4/1/12		97.101%	21.58774	3.60520	
7/1/12		4.30%	97.101%	22.48910	3.75573
10/1/12		97.101%	22.48910	3.75573	
1/1/13		97.101%	22.48910	3.75573	
4/1/13		97.101%	22.48910	3.75573	
7/1/13		97.101%	22.48910	3.75573	

IAM

Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR	
2011 Industry Avg.	New contract adds a retro 2% GWI on 7/1/10, \$0.03 COLA on 1/1/11 rolled in, and 2.5% GWI on 7/1/11.		25.57094	4.73379	
12/31/11 Industry Rate			25.71037	4.75960	
1/1/12		96.316%	25.71037	4.75960	
4/1/12		IAM 1/1/12 COLA suspended in anticipation of new agreement.	96.316%	26.83782	4.96832
7/1/12		4.30%	96.316%	27.94932	5.17409
10/1/12		96.316%	27.94932	5.17409	
1/1/13		96.316%	27.94932	5.17409	
4/1/13		96.316%	27.94932	5.17409	
7/1/13		96.316%	27.94932	5.17409	

IBBM

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.		New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.		22.11472	3.13858
12/31/11 Industry Rate				22.12001	3.13933
1/1/12			94.739%	22.12001	3.13933
4/1/12			94.739%	23.07000	3.27415
7/1/12	4.30%		94.739%	24.00983	3.40753
10/1/12			94.739%	24.00983	3.40753
1/1/13			94.739%	24.00983	3.40753
4/1/13			94.739%	24.00983	3.40753
7/1/13			94.739%	24.00983	3.40753

IBEW

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.		New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.		25.62757	4.86698
12/31/11 Industry Rate				25.63268	4.86795
1/1/12			95.711%	25.63268	4.86795
4/1/12			95.711%	26.74663	5.07950
7/1/12	4.30%		95.711%	27.84741	5.28855
10/1/12			95.711%	27.84741	5.28855
1/1/13			95.711%	27.84741	5.28855
4/1/13			95.711%	27.84741	5.28855
7/1/13			95.711%	27.84741	5.28855

ATDA

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.		New contract adds a retro 2% GWI on 7/1/10 and 2.5% GWI on 7/1/11.		36.74320	7.36406
12/31/11 Industry Rate				36.74320	7.36406
1/1/12			30.923%	36.74320	7.36406
4/1/12			30.923%	37.27373	7.47039
7/1/12	4.30%		30.923%	37.76934	7.56972
10/1/12			30.923%	37.76934	7.56972
1/1/13			30.923%	37.76934	7.56972
4/1/13			30.923%	37.76934	7.56972
7/1/13			30.923%	37.76934	7.56972

YDMSTRS

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				37.55322	10.32832
12/31/11 Industry Rate				37.93376	10.43298
1/1/12			81.616%	37.93376	10.43298
4/1/12			81.616%	37.93376	10.43298
7/1/12	3.00%		81.616%	38.86256	10.68843
10/1/12			81.616%	38.86256	10.68843
1/1/13			81.616%	38.86256	10.68843
4/1/13			81.616%	38.86256	10.68843
7/1/13			81.616%	38.86256	10.68843

OTHER

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2011 Industry Avg.				43.52987	1.70430
12/31/11 Industry Rate				43.52987	1.70430
1/1/12	2.50%		100.000%	44.61811	1.74691
4/1/12			100.000%	44.61811	1.74691
7/1/12			100.000%	44.61811	1.74691
10/1/12			100.000%	44.61811	1.74691
1/1/13			100.000%	44.61811	1.74691
4/1/13			100.000%	44.61811	1.74691
7/1/13			100.000%	44.61811	1.74691

Check Sums

	Increase	Applicable	ST HR	PFTNW HR
2011 AVG			387.53370	81.27289
12/31/11			388.50804	All three should match check sums on U.S. Benchmark page.
		1165.961%		
	Should match check sum on National Increase Applicability for U.S. Total page.	ok matches	ok matches	ok matches
			ok matches	

Update of Wage Rates in "NatWage" Spreadsheet for New Labor Agreements Effective in 2012 Q2

From 2011 Wage Statistics

ST Hours	ATDA	BLET	BRS	IBBM	IBEW	NCFO	SMW	TCU	TCU-CAR
National	1,300,220	2,152,677	12,719,166	2,285,877	9,417,495	4,146,340	1,792,862	10,320,109	16,867,885
Indep.	2,904,538	50,977,290	720,982	126,937	421,997	123,799	33,044	1,180,439	1,008,828
Total	4,204,758	53,129,967	13,440,148	2,412,814	9,839,492	4,270,139	1,825,906	11,500,548	17,876,713

Independent from Year-End spreadsheet (which is based on wage statistics and labor agreements)

National from Year-End spreadsheet updated with new labor agreements (see below)

ST Hourly Rate

National	\$39.422	\$25.737	\$27.848	\$23.041	\$26.743	\$21.596	\$25.999	\$25.829	\$26.206
Indep.	\$36.312	\$27.426	\$25.842	\$23.590	\$26.821	\$21.319	\$26.043	\$26.812	\$25.118

Calculated using ST Hours times ST Hourly Rate

ST Wages

National	51,257,452	55,403,884	354,200,364	52,669,172	251,854,695	89,543,363	46,612,255	266,557,927	442,041,256
Indep.	105,469,542	1,398,097,205	18,631,729	2,994,457	11,318,545	2,639,270	860,578	31,649,642	25,340,004
Total	156,726,994	1,453,501,089	372,832,092	55,663,629	263,173,240	92,182,634	47,472,833	298,207,570	467,381,259

Calculated using Total ST Wages divided by Total ST Hours

ST Hourly Rate

Total*	\$37.27373	\$27.35746	\$27.74018	\$23.07000	\$26.74663	\$21.58774	\$25.99960	\$25.92986	\$26.14470
--------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------	-------------------

* These are the figures that go into the NatWage spreadsheet to account for the labor agreements signed in 2012 that featured retroactive wage increases. The UTU and UTU-Yardmaster agreements were signed in 2011, so they are already embedded in the 2011 wage statistics. The IAM and BMWG agreements are shown on a separate page. Non-national agreements remain at the 12/31/2011 level, and are updated independently elsewhere. The Total Hourly Rate is calculated by multiplying each hourly rate by its ST hours, summing each product, then dividing that sum by the total hours.

National Agreement Wage Rate Updated to 2012Q2

12/31/11	37.706	24.617	26.636	22.038	25.579	20.656	24.867	24.705	25.066
No Increases in 2011 or 2010									
1/1/10	37.706	24.617	26.636	22.038	25.579	20.656	24.867	24.705	25.066
Add retro 2% effective 7/1/2010									
7/1/10	38.461	25.109	27.169	22.479	26.091	21.069	25.365	25.199	25.567
Add retro 2.5% effective 7/1/2011									
7/1/11	39.422	25.737	27.848	23.041	26.743	21.596	25.999	25.829	26.206
This wage rate effective through Q2 of 2012.									

Update of Wage Rates in "NatWage" Spreadsheet for New Labor Agreements

From 2011 Wage Statistics

ST Hours	IAM	BMWE
National	12,004,736	43,154,820
Indep.	459,233	3,126,743
Total	12,463,969	46,281,563

Independent from Year-End spreadsheet (which is based on wage statistics and labor agreements)

National from Year-End spreadsheet updated with new labor agreements (see below)

ST Hourly Rate

National	\$26.911 =2012Q2	\$24.636 =2012Q3
Indep.	\$24.923	\$23.463

Calculated using ST Hours times ST Hourly Rate

ST Wages

National	323,060,311	1,063,183,143
Indep.	11,445,411	73,361,302
Total	334,505,722	1,136,544,445

Calculated using Total ST Wages divided by Total ST Hours

ST Hourly Rate

Total*	\$26.83782 =2012Q2	\$24.55718 =2012Q3 for NatWage spreadsheet
--------	---------------------------	---

* These are the figures that go into the NatWage spreadsheet to account for the labor agreements signed in 2012 that featured retroactive wage increases. The UTU and UTU-Yardmaster agreement were signed in 2011, so they are already embedded in the 2011 wage statistics. The remaining unions, with the IAM and BMWE shown here, are shown on separate pages. Non-national agreements remain at the 12/31/2011 level, and are updated independently elsewhere. The Total Hourly Rate is calculated by multiplying each hourly rate by its ST hours, summing each product, then dividing that sum by the total hours.

National Agreement Wage Rate Updated to 2012Q2 for IAM, 2012Q3 for BMWE

12/31/11	25.740	22.593
Less 7/1/2011 COLA of 3 cents -- no other increases in 2011 or 2010		
1/1/10	25.710	22.593 no cola for BMWE
Add retro 2% effective 7/1/2010		
7/1/10	26.225	23.045
Add 3-cent COLA back that is kept		
1/1/11	26.255	23.045 no cola for BMWE
Add retro 2.5% effective 7/1/2011		
7/1/11	26.911	23.621
Add 4.3% effective 7/1/2012 (BMWE not added to index until Q3)		
7/1/12	-	24.636

U.S. 2011 Benchmark

	From AAR 112-Class Wage Statistics & Survey				ST \$ Adjusted	2011 Average		12/31/2011	ST Hrs.
	ST Hrs.	ST \$	PFTNW \$	Union L. Sum	to Exclude	Hourly Rates	PFTNW			ST HR	2011
					Lump Sums	ST wo LS			Weights
UTU	73,411,321	\$1,854,615,147	\$818,885,397	\$60,632,951	\$1,793,982,196	\$24.437	\$11.155	\$24.72775	0.24006
TCU	11,500,548	292,249,666	59,032,753	5,784,333	286,465,333	24.909	5.133	\$24.92116	0.03761
BLET	53,129,967	1,565,520,037	602,640,202	120,625,795	1,444,894,242	27.195	11.343	\$27.31208	0.17374
SMWIA	1,825,906	45,440,152	6,961,704	413	45,439,739	24.886	3.813	\$24.88862	0.00597
BRS	13,440,148	357,496,367	79,672,814	151,838	357,344,529	26.588	5.928	\$26.59326	0.04395
BMWE	46,281,563	1,056,091,405	193,203,287	8,040,776	1,048,050,629	22.645	4.175	\$22.65158	0.15135
TCU-CAR	17,876,713	448,192,971	73,988,499	175,874	448,017,097	25.061	4.139	\$25.06857	0.05846
NCFO	4,270,139	88,297,500	14,741,611	25,615	88,271,885	20.672	3.452	\$20.67514	0.01396
IAM	12,463,969	319,102,988	59,001,830	387,523	318,715,465	25.571	4.734	\$25.71037	0.04076
IBBM	2,412,814	53,386,929	7,572,799	28,218	53,358,711	22.115	3.139	\$22.12001	0.00789
IBEW	9,839,492	252,587,161	47,888,620	424,873	252,162,288	25.628	4.867	\$25.63268	0.03218
ATDA	4,204,758	160,979,889	30,964,087	6,483,611	154,496,278	36.743	7.364	\$36.74320	0.01375
UTU-YMD	3,102,308	118,486,906	32,041,633	1,985,264	116,501,642	37.553	10.328	\$37.93376	0.01014
OTHER	52,038,803	2,265,242,098	88,689,837	0	2,265,242,098	43.530	1.704	\$43.52987	0.17017
AAR 112 Total	305,798,449	8,877,689,216	2,115,285,073	204,747,084	8,672,942,132	28.362	6.917	28.463	1.00000
Sum (for proofing)						387.53370	81.27289	388.50804	

Year-End Figures are calculated, based on 2011 WS-112 and union contracts, in YearEnd2011.xlsx exhibited in document titled "Year-End 2011 ST Hourly Rates for U.S."
 The ST Hours Weights and the Hourly Rates are full float.

National Increase Applicability for U.S. Total

Union	Year 2011 U.S. Total ST Hours Pd	Not Part of National Agreements*																U.S. National Increase ST Hours Pd	Percent National Contract
		CSX	BLE	DMIR	GTW	IC	CCP	DWP	EJE	WC	NS	BNSF	KCS	SOO	DH	DME	UP		
UTU	73,411,321	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	--	69,991,067	95.341%
TCU	11,500,548	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	--	10,320,109	89.736%
BLET	53,129,967	X	X	X	X	X	X	X	X	X	X	X	--	--	X	X	X	2,152,677	4.052%
SMW	1,825,906	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	--	1,792,862	98.190%
BRS	13,440,148	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	--	12,719,166	94.636%
BMWE	46,281,563	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	--	43,154,820	93.244%
TCU-CAR	17,876,713	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	--	16,867,885	94.357%
IBFO	4,270,139	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	--	4,146,340	97.101%
IAM	12,463,969	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	--	12,004,736	96.316%
IBBM	2,412,814	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	--	2,285,877	94.739%
IBEW	9,839,492	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	--	9,417,495	95.711%
ATDA	4,204,758	X	X	X	X	X	X	X	X	X	X	--	--	--	X	X	X	1,300,220	30.923%
UTU-YMD	3,102,308	--	X	X	X	X	X	X	X	X	--	--	--	--	X	X	X	2,531,988	81.616%
OTHER	52,038,803	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	52,038,803	100.000%
TOTAL	305,798,449																	240,724,045	
Sum (for proofing)																			1165.961%

* In some cases, a railroad union is part of the national agreement but is being benchmarked as independent in anticipation of future independent agreements or because of a variation in their interpretation of the agreement.

Statistics based on AAR's 2011 112-Class Wage Statistics and knowledge of contracts as of August 2012.

Percentages are full float.

Though ATDA (dispatchers) has a national agreement, CSX dispatchers are benchmarked as independent because only its ATDA-South is participating in the national agreement. NS is participating for H&W only. UP is non-union.

IC & UP dispatchers are non-union, and given same increases as non-union, but handled independently.

SOO is fully participating in all national agreements, while DH & DME are benchmarked in Soo Line Corp.

0.105%

n.a.	Greece 2	n.a.	
n.a.	10	n.a.	
10	Italy 2	3.059	
2,000	10	5.629	
6.750	Spain 2	3.622	
3.500	10	6.351	
2.250	U.K. 2	0.110	
4.000	10	1.525	

Futures Contracts | WSJ.com

Metal & Petroleum Futures

Contract	Open	High	Low	Settle
Copper-High (CMX)-25,000 lbs., \$ per lb.				
Aug	3.4820	3.5045	3.4770	3.4845
Dec	3.4850	3.5115	3.4680	3.4825
Gold (CMX)-100 troy oz., \$ per troy oz.				
Aug	1674.90	1674.90	1663.90	1672.40
Oct	1671.60	1677.10	1663.30	1673.30
Dec	1673.20	1679.30	1665.50	1675.60
Feb/13	1677.30	1679.20	1668.00	1677.60
April	1682.00	1682.00	1671.00	1679.70
June	1682.50	1684.80	1672.80	1681.80
miNY Gold (CMX)-50 troy oz., \$ per troy oz.				
Oct	1673.25	1677.00	1664.25	1673.30
Dec	1673.75	1679.50	1665.75	1675.60
Palladium (NYM)-50 troy oz., \$ per troy oz.				
Sept	650.20	655.80	644.85	654.75
Dec	653.85	657.40	646.45	656.30
March/13	651.00	657.45	650.90	658.75
June	656.20	656.20	656.20	658.75
Platinum (NYM)-50 troy oz., \$ per troy oz.				
Oct	1553.90	1557.70	1540.80	1553.20
Jan/13	1559.50	1560.00	1544.80	1556.00
Silver (CMX)-5,000 troy oz., \$ per troy oz.				
Aug	30.900	31.110	30.900	31.039
Dec	30.970	31.315	30.675	31.137
Silver (CMX)-2500 troy oz., \$ per troy oz.				
Oct	30.813	31.213	30.588	31.048
Dec	30.988	31.213	30.688	31.137
Crude Oil, Light Sweet (NYM)-1,000 bbls., \$ per bbl.				
Oct	96.67	97.72	94.41	95.47
Nov	96.90	97.98	94.73	95.79
Dec	97.20	98.27	95.08	96.16
Jan/13	97.86	98.64	95.54	96.59
June	98.53	98.54	95.66	96.65
Dec	95.92	96.24	93.96	94.91
Heating Oil No. 2 (NYM)-42,000 gal., \$ per gal.				
Sept	3.1490	3.1855	3.0993	3.1118
Oct	3.1339	3.1915	3.1059	3.1195
Gasoline-NY RBOB (NYM)-42,000 gal., \$ per gal.				
Sept	3.0926	3.2050	3.0926	3.1548
Oct	2.9276	3.0098	2.9246	2.9500
Natural Gas (NYM)-10,000 MMBtu., \$ per MMBtu.				
Sept	2.768	2.768	2.640	2.653
Oct	2.788	2.792	2.663	2.673
Nov	2.970	2.975	2.854	2.865
Dec	3.246	3.250	3.140	3.144
Jan/13	3.384	3.386	3.280	3.285
April	3.350	3.382	3.281	3.286

Agriculture Futures

Corn (CBT)-5,000 bu., cents per bu.				
Sept	806.25	811.25	793.75	794.50
Dec	813.00	818.00	800.25	800.75
Ethanol (CBT)-29,000 gal., \$ per gal.				
Sept	2.614	2.614	2.584	2.586
Nov	2.565	2.567	2.555	2.564
Oats (CBT)-5,000 bu., cents per bu.				
Sept	388.00	390.75	375.25	379.00
Dec	394.00	396.25	380.00	387.00
Soybeans (CBT)-5,000 bu., cents per bu.				
Sept	1748.25	1765.50	1723.75	1729.75
Nov	1740.75	1760.50	1714.00	1718.75
Soybean Meal (CBT)-100 tons, \$ per ton.				
Sept	537.50	542.50	527.70	531.80
Dec	525.30	531.90	515.30	518.70
Soybean Oil (CBT)-60,000 lbs., cents per lb.				
Sept	56.50	57.19	55.83	55.91
Nov	57.08	57.88	56.48	56.56
Rice (CBT)-2,000 cwt., \$ per cwt.				
Sept	1542.00	1564.00	1530.00	1531.00
Nov	1570.00	1593.00	1558.50	1559.50
Wheat (CBT)-5,000 bu., cents per bu.				
Sept	868.00	877.75	860.75	862.00
Dec	890.50	899.25	880.75	881.25
Wheat (KC)-5,000 bu., cents per bu.				
Sept	875.75	887.50	872.25	873.00
Dec	902.00	914.50	897.25	898.50
Wheat (MPLS)-5,000 bu., cents per bu.				
Sept	920.50	930.75	911.75	912.75

Arcelormittal	MTNA	6.125	June 1, '18	99.250	-0.75	97.000
---------------	------	-------	-------------	--------	-------	--------

*Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for Z-spread. Note: Data are for the most active issue of bonds with maturities of two years or more. Sources: MarketAxess Corporate Bond Ticker; WSJ Market Data Group

Borrowing Benchmarks

Money Rates
Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation	July level	CHG FROM (%)		-52-WEEK-			
		May '12	June '11	Latest	Week ago	High	Low
U.S. consumer price index							
All items	229.104	-0.16	1.4	0.28	0.28	0.28	0.20
Core	229.893	0.01	2.1	0.33	0.33	0.38	0.25
				0.38	0.38	0.53	0.33

International rates	Latest	Week ago	-52-WEEK-	
			High	Low
Prime rates				
U.S.	3.25	3.25	3.25	3.25
Canada	3.00	3.00	3.00	3.00
Euro zone	0.75	0.75	1.50	0.75
Japan	1.475	1.475	1.475	1.470
Switzerland	0.50	0.53	0.54	0.50
Britain	0.50	0.50	0.51	0.50
Australia	3.50	3.50	4.75	3.50

Other short-term rates	Latest	Week ago	-52-WEEK-	
			High	Low
Call money	2.00	2.00	2.00	2.00
Commercial paper				
30 to 59 days	0.08	...	...	...
60 to 74 days	0.10	...	...	...
75 to 89 days	0.14	...	...	...
90 to 119 days	0.16	...	...	...
120 to 149 days	0.22	...	...	...
150 to 179 days	0.27	...	...	...
180 to 270 days	0.31	...	...	...

U.S. government rates	Latest	Week ago	-52-WEEK-	
			High	Low
Overnight repurchase				
U.S.	0.21	0.19	0.33	0.04
U.K. (BBA)	0.456*	0.436	0.550	0.308
Euro zone	0.01*	0.01	1.10	0.01
Discount	0.75	0.75	0.75	0.75

Federal funds	Effective rate	High	Low	Bid	Offer
Treasury bill auction					
4 weeks	0.110	0.110	0.110	0.000	0.000
13 weeks	0.105	0.110	0.115	0.005	0.005
26 weeks	0.145	0.145	0.150	0.030	0.030

Euro commercial paper	30 day	60 days	90 days	Euro interbank offered rate, or Libor	
				One month	Three month
30 day	n.q.	n.q.	n.q.	0.24	0.22
Two month	n.q.	n.q.	n.q.	0.06	0.06
Three month	0.10	0.11	1.26	0.10	0.10
Four month	0.14	0.15	1.38	0.13	0.13
Six month	0.24	0.25	1.47	0.23	0.23

Notes on data:
U.S. prime rate is effective December 16, 2008.
Discount rate is effective February 19, 2010.
U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks;
Other prime rates aren't directly comparable; lending practices vary widely by location;
Discount rate is the charge on loans to depository institutions by the New York Federal Reserve Bank;
Federal-funds rate is on reserves traded among commercial banks for overnight use in amounts of \$1 million or more;
Call money rate is the charge on loans to brokers on stock-exchange collateral;
Dealer commercial paper rates are for high-grade unsecured notes sold through dealers by major corporations.
Libor is the British Bankers' Association average of interbank offered rates for dollar deposits in the London market;
Libor Swaps quoted are mid-market, semi-annual swap rates and pay the floating 3-month Libor rate.
 *Data as of Friday, August 24, 2012.
 Sources: BofA-Merrill Lynch; Bureau of Labor Statistics; ICAP plc.; SIX Telekurs; General Electric Capital Corp.; Tuillet Prebon Information, Ltd.

Syndicated Loans: Past Week's Biggest Movers

Syndicated loans are corporate loans that are bought or traded by a group of banks and/or institutional investors. Investment-grade loans are investment-grade or unrated loans priced at or below the London interbank offered rate (Libor) plus 150 basis points (or 1.5 percentage points). Leveraged loans are speculative-grade or unrated loans priced at or above Libor plus 151 basis points. Below are the biggest gainers and losers among widely-quoted syndicated loans in secondary trading in the week ended Friday among the 175 loans with five or more bids. All loans listed are B-term, or sold to institutional investors.

Name	Loan rating Moody's/S&P	Coupon/interest (Libor + basis pts)	Maturity	Average bid (pct. pts.)	Weekly chg (pct. pts.)
Arch Coal Inc	Ba3/BB	L+450	May 17, '18	99.38	0.34
BCBG	B3/CCC	L+875	May 20, '15	97.85	0.30
Blackboard Inc	B1/B+	L+600	Sept. 26, '18	97.60	0.27
CDW	N.R./B	L+300	Oct. 12, '14	99.98	0.26
Claire's Stores	B3/B	L+275	May 29, '14	97.11	0.59
Dex Media East LLC	N.R./N.R.	L+250	Oct. 24, '14	60.95	5.85
Dex Media West LLC	Ca3/D	L+450	Oct. 24, '14	63.60	3.73
...	B-2/BB	L+300	March 7, '17	98.27	0.37

**RCAF Lump Sum Amortization
2012/Q4**

	Quarter of Payment	Quarter Amortization Began	Amount	Annual Per ST Hour	1 Quarter Per ST Hour	U.S. ST Hours	
CSX - ATDA-East	2011Q1	2012Q1				305,798,449	2011
DMIR - BLET	2011Q3	2012Q1				305,798,449	2011
Nat'l - UTU&UTU-YMD	2011Q4	2012Q2	\$24,266,164	0.07935	0.31741	305,798,449	2011
Nat'l - 9 unions	2012Q1	2012Q2	\$17,931,840	0.05864	0.23456	305,798,449	2011
NS - BLET & ATDA	2012Q1	2012Q2				305,798,449	2011
CSX - BLET	2012Q1	2012Q2				305,798,449	2011
Nat'l - BLET	2012Q1	2012Q3	\$686,234	0.00224	0.00898	305,798,449	2011
Nat'l - BMWED	2012Q2	2012Q3	\$9,727,255	0.03181	0.12724	305,798,449	2011
UP - BLET&Yardmaster	2012Q3	2012Q4				305,798,449	2011
CNGT - 8 unions	2012Q4	2012Q4				305,798,449	2011
DH - 7 unions	2012Q4	2012Q4				305,798,449	2011
Total			\$136,172,932	0.44530			

Should be slightly less than amortized amount.

Fell out
None

Interest Rate

2011/Q1	0.175
2011/Q2	0.145
2011/Q3	0.060
2011/Q4	0.015
2012/Q1	0.030
2012/Q2	0.115
2012/Q3	0.085
2012/Q4	0.105
2013/Q1	
2013/Q2	
2013/Q3	
2013/Q4	

Lump Sum Adjustment for 2012/Q4 → 0.445589
or
0.446

RCAF Back Pay Amortization
2012/Q4

	Quarter of Payment	Quarter Amortization Began	Amount	Annual Per ST Hour	1 Quarter Per ST Hr.	U.S. ST Hours	
National - UTU & UTU-YMD	2011Q3	2012Q1	\$88,459,353	0.28927339	1.15709	305,798,449	2011
DMIR - BLET	2011Q3	2012Q1				305,798,449	2011
DME - BRS	2011Q3	2012Q1				305,798,449	2011
DH - UTU and UTU-YMD	2011Q3	2012Q1				305,798,449	2011
National - 10 unions	2012Q1	2012Q2	\$114,213,459	0.37349260	1.49397	305,798,449	2011
DH - IAM	2012Q1	2012Q2				305,798,449	2011
National - IAM (ECS)	2012Q1	2012Q3	\$1,157,159	0.00378406	0.01514	305,798,449	2011
National - BMWWE	2012Q2	2012Q3	\$74,232,926	0.24275115	0.97100	305,798,449	2011
UP - BLET	2012Q3	2012Q3				305,798,449	2011
DME - All	2012Q3	2012Q3				305,798,449	2011
CNGT - 10 unions	2012Q3	2012Q4				305,798,449	2011
DH - 7 unions	2012Q3	2012Q4				305,798,449	2011
UP - Yardmasters	2012Q4	2012Q4				305,798,449	2011
Total			\$324,058,314	1.05971209			
							Should be slightly less than amortized amount.
Fell out							
DMIR - UTU (wage increase)	2010Q3	2011Q4				290,805,945	2010

Interest Rate

2011/Q1	0.175
2011/Q2	0.145
2011/Q3	0.060
2011/Q4	0.015
2012/Q1	0.030
2012/Q2	0.115
2012/Q3	0.085
2012/Q4	0.105
2013/Q1	
2013/Q2	
2013/Q3	
2013/Q4	

Back Pay Adjustment for 2012/Q4	→ 1.06036 or 1.060
--	--------------------------

Health and Welfare

	Employees Receiving			Total 2011 Avg.	Total 2012*
	Pay 2011	Monthly Contribution			
		2011 Avg.	2012*		
1. All Employees					
a. Group health	165,098	\$1,401.06	\$1,349.77	\$231,312,203.88	\$222,844,327.46
b. Group dental	165,098	59.47	55.90	9,818,378.06	9,228,978.20
c. Early retirement major medical	165,098	164.41	154.49	27,143,762.18	25,505,990.02
d. Group vision	165,098	10.46	10.71	1,726,925.08	1,768,199.58
2. Supplemental Sickness					
a. Signalmen	7,226	25.62	25.62	185,130.12	185,130.12
b. Shopcrafts	24,752	48.28	48.28	1,195,026.56	1,195,026.56
c. MOW	25,419	36.52	36.52	928,301.88	928,301.88
d. Yardmasters	2,062	33.48	34.95	69,035.76	72,066.90
3. Short-Term Disability					
a. Engineers (CSX, KCS, SOO, UP)	13,665	40.00	40.00	546,600.00	546,600.00
4. Monthly Total Premiums				272,925,363.52	262,274,620.72
5. Monthly Employee Contributions To H&W					
a. National BLET (BNSF, CSX, KCS, NS, SOO, UP)	25,344	(\$200.00)	(\$198.00)	(\$5,068,800.00)	(\$5,018,112.00)
b. National BMWE (BNSF, CSX, KCS, NS, SOO, UP)	23,694	(\$200.00)	(\$198.00)	(\$4,738,800.00)	(4,691,412.00)
c. National BRS (BNSF, CSX, KCS, NS, SOO, UP)	6,847	(\$200.00)	(\$198.00)	(\$1,369,400.00)	(1,355,706.00)
d. National IAM (BNSF, CSX, KCS, NS, SOO, UP)	6,740	(\$216.08)	(\$198.00)	(\$1,456,379.20)	(1,334,520.00)
e. National IBBM (BNSF, CSX, KCS, NS, SOO, UP)	1,316	(\$200.00)	(\$198.00)	(\$263,200.00)	(260,568.00)
f. National IBEW (BNSF, CSX, KCS, NS, SOO, UP)	5,272	(\$200.00)	(\$198.00)	(\$1,054,400.00)	(1,043,856.00)
g. National NCFO (BNSF, CSX, KCS, NS, SOO, UP)	2,350	(\$200.00)	(\$198.00)	(\$470,000.00)	(465,300.00)
h. National SMW (BNSF, CSX, KCS, NS, SOO, UP)	1,000	(\$200.00)	(\$198.00)	(\$200,000.00)	(198,000.00)
i. National TCU (BNSF, CSX, KCS, NS, SOO, UP)	6,068	(\$200.00)	(\$198.00)	(\$1,213,600.00)	(1,201,464.00)
j. National TCU-CAR (BNSF, CSX, KCS, NS, SOO, UP)	9,313	(\$200.00)	(\$198.00)	(\$1,862,600.00)	(1,843,974.00)
k. National UTU (BNSF, CSX, KCS, NS, SOO, UP)	39,481	(\$202.90)	(\$198.00)	(\$8,010,694.90)	(7,817,238.00)
l. Yardmasters (BNSF, CSX, KCS, NS, SOO, UP)	1,935	(\$202.12)	(\$198.00)	(\$391,102.20)	(383,130.00)
m. National ATDA (wt. avg. BNSF, CSX, KCS, NS, SOO)	1,799	(\$200.00)	(\$198.00)	(\$359,800.00)	(356,202.00)
n. Independent CNGT (wt avg all union categories)	6,135	(\$122.05)	(\$137.47)	(\$748,776.75)	(843,378.45)
o. Independent SLC (wt avg all DH & DME union categories)	1,319	(\$156.22)	(\$170.13)	(\$206,054.18)	(224,401.47)
p.					
Total Major Union	138,613			(\$27,413,607.23)	(\$27,037,261.92)
All Other Employee Contributions***				(\$3,065,489.94)	(\$3,065,489.94)
6. Net Employer Monthly Payments				\$242,446,266.35	\$232,171,868.86
7. Ratio Projected Year to Base Year, Based on Net Monthly Payments					0.95762
8. H&W hourly rate for base year 2011				\$8.428	
9. H&W hourly rate for projected quarter					\$8.071
9a. Adjustment for overpayment during 2012Q1 & Q2					(\$0.200)
9b. Adjusted H&W hourly rate for projected quarter					\$7.871

* 2012 employer contribution rates become available in 2012Q3, while 2011 rates were used for 2012Q1&Q2 (see 11/15/2012 memo). An adjustment for overpayment is applied accordingly.

** Non-union employee contributions net of opt-outs. The \$27,413,607.23 in major union contributions, plus \$3,065,489.94 in all other employee contributions, totals to the 12-month average of the total employee contributions reported to the AAR in its WF survey.

Health and Welfare

Employer H&W Contribution

		2011 Pd.	East	West
Supplemental Sickness Plan:		Employees		
a. Signalmen	BRS	7,226	3,205	4,021
b. Shopcrafts	Total	24,752	10,217	14,535
	IBEW	5,501	2,096	3,405
	IBBM	1,389	518	871
	TCU-Car	9,858	4,464	5,394
	IAM	6,987	2,595	4,392
	SMW	1,017	544	473
c. MOW	BMWED	25,419	10,254	15,165
d. Yardmasters	UTU-YMD	2,062	1,178	884

Short-Term Disability Contribution:

a. Engineers	Total BLET	13,665	5,009	8,656
	CSX	5,009		
	KCS	509		
	UP	7,629		
	SOO	518		

Sources/Notes:

Employee counts are from the 112-Class Wage Statistics. Monthly H&W premiums are from the NRLC, contracts, or the railroads. Projected quarter H&W Cost Sharing amounts are from the NRLC, union contracts, or pertinent railroads. Base year average monthly Cost Sharing amounts are from an AAR survey, NRLC, contracts, pertinent railroads. H&W hourly rate for base year benchmark is based on annual report and wage data. H&W rate for projected year is the benchmark figure updated by the ratio of projected year net payments to the base year. All Other employee contributions is the difference between total employee contributions for the base year and all known union amounts -- resulting in a non-union amount plus any adjustments caused by either opt-outs from union agreements or independent cost sharing agreements (if any) unknown to the AAR.

Health and Welfare

Employee H&W Cost Sharing

Group	Railroads	Contract Source
a. BLET	BNSF, CSX, KCS, UP NS	NRLC Circular No. 504-101-30 dated May 8, 2012 Article XVI Section 2, same as national
b. BMWWE	BNSF, CSX, KCS, NS, UP	NRLC Circular No. 504-101-30 dated May 8, 2012
c. BRS	BNSF, CSX, KCS, NS, UP	NRLC Circular No. 504-101-30 dated May 8, 2012
d. IAM	BNSF, CSX, KCS, NS, UP	NRLC Circular No. 504-101-31 dated May 8, 2012
e. IBBM	BNSF, CSX, KCS, NS, UP	NRLC Circular No. 504-101-30 dated May 8, 2012
f. IBEW	BNSF, CSX, KCS, NS, UP	NRLC Circular No. 504-101-30 dated May 8, 2012
g. NCFO	BNSF, CSX, KCS, NS, UP	NRLC Circular No. 504-101-30 dated May 8, 2012
h. SMW	BNSF, CSX, KCS, NS, UP	NRLC Circular No. 504-101-30 dated May 8, 2012
i. TCU	BNSF, CSX, KCS, NS, UP	NRLC Circular No. 504-101-30 dated May 8, 2012
j. TCU-Carmen	BNSF, CSX, KCS, NS, UP	NRLC Circular No. 504-101-30 dated May 8, 2012
k. UTU	BNSF, CSX, KCS, NS, UP	NRLC Circular No. 504-101-30 dated May 8, 2012
l. UTU-YMD	BNSF, CSX, KCS, NS	NRLC Circular No. 504-101-30 dated May 8, 2012
m. Dispatchers	BNSF, CSX, KCS, NS	NRLC Circular No. 504-101-30 dated May 8, 2012
n. Independent CNGT	all union categories incl. \$0 agrmnts	
o. Independent SLC	all unions	Provided by Canadian Pacific Railway
p. Independent UP yardmasters		Article IV Part B Section 1 (c)

no page 4

RCAF "Back Pay" Amortization for Employer H&W Contributions
2012/Q4

	Quarter of Payment	Quarter Amortization Began	Amount	Annual Per ST Hour	1 Quarter Per ST Hr.	U.S. ST Hours	
H&W Overpay	2012Q2	2012Q3	(\$61,041,389) <small>from original calculation</small>	-0.19961314	-0.79845	305,798,449	2011

Interest Rate

2012/Q3	0.085
2012/Q4	0.105
2013/Q1	
2013/Q2	

Should be slightly less than amortized amount.

Back Pay Adjustment for 2012/Q4	→ -0.19974 or -0.200
---------------------------------	----------------------------

SCHEDULE: H&W Employer Overpayment Adjustment

Added 2012Q3

	Periods Remaining	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Back Pay				(\$0.79845)			
2012/Q3	4	0.085	0.0213	(\$0.59890)	(\$0.19972)	(\$0.00017)	(\$0.19955)
2012/Q4	3	0.105	0.0263	(\$0.39932)	(\$0.19974)	(\$0.00016)	(\$0.19958)
2013/Q1	2		0.0000	(\$0.19966)	(\$0.19966)	\$0.00000	(\$0.19966)
2013/Q2	1		0.0000	\$0.00000	(\$0.19966)	\$0.00000	(\$0.19966)

Railroad Retirement and Medicare for RCAF

Inputs:

RRB Earnings Distribution Year	2010	Tier I Maximum Taxable Earnings for 2012	110,100
Wage Statistics Year	2011	Tier II Maximum Taxable Earnings for 2012	81,900
Current Year	2012	Medicare Maximum Taxable Earnings for 2012	no limit
Employees Receiving Pay*	165,098	Tier I Employer Tax Rate for 2012	6.20%
* from 2011 wage statistics		Tier II Employer Tax Rate for 2012	12.10%
		Medicare Employer Tax Rate for 2012	1.45%

Note: The 2010 wage rate shown below is from the 2010 wage statistics that were revised November 2011.

USA RCAF	Wage Rate	Update Factor	Railroad Retirement Tax	Hourly Rate	
2010	\$33.913				
2011	\$34.752	1.02474	\$555,926,521	\$7.216	hourly rate from SUPPL2011.xlsx
1Q/2012	\$35.231	1.03886	\$566,489,507	\$7.353	Rate = Taxable Rate
2Q/2012	\$36.081	1.06393	\$576,559,786	\$7.484	
3Q/2012	\$37.546	1.10713	\$593,558,459	\$7.704	
4Q/2012	\$37.613	1.10910	\$593,937,027	\$7.709	

Railroad Retirement & Medicare, U.S.

From 2010 Earnings Distribution			1Q/2012 Updated Using Earnings Distribution & Wage Statistics, plus Current Wage Rates with Current Tax Info									
Earnings Groups	Avg Ann. Earnings	% of Total Employees	Employees Recvg. Pay	Annual Earnings	Avg Qly Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)			
									Tier I	Tier II	Medicare	
\$0 - 41,699	\$32,794	4.238 %	6,997	\$34,069	\$8,517	\$8,517	\$8,517	\$8,517	\$59,593,093	\$59,593,093	\$59,593,093	
41,700 - 43,699	\$42,800	1.310	2,163	44,463	11,116	11,116	11,116	11,116	24,041,173	24,041,173	24,041,173	
43,700 - 45,699	\$44,737	1.462	2,414	46,476	11,619	11,619	11,619	11,619	28,044,959	28,044,959	28,044,959	
45,700 - 47,699	\$46,787	2.117	3,495	48,605	12,151	12,151	12,151	12,151	42,470,428	42,470,428	42,470,428	
47,700 - 49,699	\$48,731	3.377	5,575	50,625	12,656	12,656	12,656	12,656	70,562,988	70,562,988	70,562,988	
49,700 - 51,699	\$50,781	5.847	9,653	52,755	13,189	13,189	13,189	13,189	127,313,637	127,313,637	127,313,637	
51,700 - 53,699	\$52,707	5.141	8,488	54,755	13,689	13,689	13,689	13,689	116,186,718	116,186,718	116,186,718	
53,700 - 55,699	\$54,705	5.040	8,321	56,831	14,208	14,208	14,208	14,208	118,221,956	118,221,956	118,221,956	
55,700 - 57,699	\$56,741	4.788	7,905	58,946	14,737	14,737	14,737	14,737	116,490,822	116,490,822	116,490,822	
57,700 - 59,699	\$58,792	4.133	6,824	61,077	15,269	15,269	15,269	15,269	104,189,564	104,189,564	104,189,564	
59,700 - 61,699	\$60,712	3.931	6,490	63,072	15,768	15,768	15,768	15,768	102,333,579	102,333,579	102,333,579	
61,700 - 63,699	\$62,715	4.032	6,657	65,152	16,288	16,288	16,288	16,288	108,425,774	108,425,774	108,425,774	
63,700 - 65,699	\$64,545	3.730	6,158	67,053	16,763	16,763	16,763	16,763	103,231,448	103,231,448	103,231,448	
65,700 - 67,699	\$66,535	2.671	4,410	69,121	17,280	17,280	17,280	17,280	76,201,695	76,201,695	76,201,695	
67,700 - 69,699	\$68,839	3.831	6,325	71,514	17,879	17,879	17,879	17,879	113,080,387	113,080,387	113,080,387	
69,700 - 71,699	\$70,621	3.175	5,242	73,366	18,341	18,341	18,341	18,341	96,143,112	96,143,112	96,143,112	
71,700 - 73,699	\$72,580	2.671	4,410	75,401	18,850	18,850	18,850	18,850	83,124,957	83,124,957	83,124,957	
73,700 - 75,699	\$74,566	3.982	6,574	77,464	19,366	19,366	19,366	19,366	127,315,912	127,315,912	127,315,912	
75,700 - 77,699	\$76,710	2.369	3,911	79,691	19,923	19,923	19,923	19,923	77,921,558	77,921,558	77,921,558	
77,700 - 79,699	\$78,473	2.268	3,744	81,523	20,381	20,381	20,381	20,381	76,313,942	76,313,942	76,313,942	
79,700 - 81,699	\$80,613	2.873	4,743	83,746	20,936	20,936	20,475	20,936	99,307,327	97,118,362	99,307,327	
81,700 - 83,699	\$82,701	2.671	4,410	85,915	21,479	21,479	20,475	21,479	94,716,410	90,289,991	94,716,410	
83,700 - 85,699	\$84,701	2.520	4,160	87,993	21,998	21,998	20,475	21,998	91,522,876	85,185,615	91,522,876	
85,700 - 87,699	\$86,591	2.369	3,911	89,956	22,489	22,489	20,475	22,489	87,958,618	80,081,239	87,958,618	
87,700 - 89,699	\$88,509	1.764	2,912	91,949	22,987	22,987	20,475	22,987	66,946,303	59,629,931	66,946,303	
89,700 - 91,699	\$90,575	2.167	3,578	94,095	23,524	23,524	20,475	23,524	84,160,409	73,252,868	84,160,409	
91,700 - 93,699	\$92,632	1.613	2,663	96,232	24,058	24,058	20,475	24,058	64,067,236	54,525,554	64,067,236	
93,700 - 95,699	\$94,761	1.008	1,664	98,444	24,611	24,611	20,475	24,611	40,957,246	34,074,246	40,957,246	
95,700 - 97,699	\$96,625	1.310	2,163	100,380	25,095	25,095	20,475	25,095	54,275,194	44,282,998	54,275,194	
97,700 - 99,699	\$98,617	1.109	1,831	102,450	25,612	25,612	20,475	25,612	46,894,716	37,488,431	46,894,716	
99,700 - 101,699	\$100,607	1.210	1,998	104,517	26,129	26,129	20,475	26,129	52,198,035	40,902,617	52,198,035	
101,700 - 103,699	\$102,747	1.058	1,747	106,740	26,685	26,685	20,475	26,685	46,611,749	35,764,437	46,611,749	
103,700 - 105,699	\$104,705	0.706	1,166	108,774	27,194	27,194	20,475	27,194	31,696,602	23,865,494	31,696,602	
105,700 - 107,699	\$106,587	0.806	1,331	110,729	27,682	27,525	20,475	27,682	36,627,239	27,245,875	36,836,627	
107,700 - 109,699	\$108,670	0.554	915	112,893	28,223	27,525	20,475	28,223	25,175,546	18,727,314	25,814,280	
109,700 - 111,699	\$110,636	0.504	832	114,936	28,734	27,525	20,475	28,734	22,903,385	17,037,123	23,909,340	
111,700 - 113,699	\$112,713	0.403	665	117,093	29,273	27,525	20,475	29,273	18,313,619	13,622,938	19,476,891	
113,700 - 115,699	\$114,669	0.202	333	119,126	29,781	27,525	20,475	29,781	9,179,531	6,828,371	9,932,029	
\$115,700 - over	\$181,962	5.040	8,321	189,034	47,258	27,525	20,475	47,258	<u>229,033,851</u>	<u>170,371,230</u>	<u>393,234,687</u>	
TOTAL	\$73,270	100.000	165,098						Total Taxable Earnings	2,973,753,594	2,781,502,334	3,141,724,275
									Employer Tax Rate	6.20%	12.10%	1.45%
									Quarterly Payment	\$184,372,723	\$336,561,782	\$45,555,002
									Total Tier I, Tier II, and Medicare Paid this Quarter			\$566,489,507

Railroad Retirement & Medicare, U.S.

From 2010 Earnings Distribution			2Q/2012 Updated Using Earnings Distribution & Wage Statistics, plus Current Wage Rates with Current Tax Info									
Earnings Groups	Avg Ann. Earnings	% of Total Employees	Employees Recvg. Pay	Annual Earnings	Avg Qtrly Earnings	Tier I	Tier II	Medicare	Total Taxable Earnings (Taxable x Employees)			
						Taxable	Taxable	Taxable	Tier I	Tier II	Medicare	
\$0 - 41,699	\$32,794	4.238 %	6,997	\$34,890	\$8,723	\$8,723	\$8,723	\$8,723	\$61,030,864	\$61,030,864	\$61,030,864	
41,700 - 43,699	\$42,800	1.310	2,163	45,536	11,384	11,384	11,384	11,384	24,621,201	24,621,201	24,621,201	
43,700 - 45,699	\$44,737	1.462	2,414	47,597	11,899	11,899	11,899	11,899	28,721,585	28,721,585	28,721,585	
45,700 - 47,699	\$46,787	2.117	3,495	49,778	12,445	12,445	12,445	12,445	43,495,090	43,495,090	43,495,090	
47,700 - 49,699	\$48,731	3.377	5,575	51,846	12,962	12,962	12,962	12,962	72,265,425	72,265,425	72,265,425	
49,700 - 51,699	\$50,781	5.847	9,653	54,027	13,507	13,507	13,507	13,507	130,385,267	130,385,267	130,385,267	
51,700 - 53,699	\$52,707	5.141	8,488	56,076	14,019	14,019	14,019	14,019	118,989,894	118,989,894	118,989,894	
53,700 - 55,699	\$54,705	5.040	8,321	58,202	14,551	14,551	14,551	14,551	121,074,236	121,074,236	121,074,236	
55,700 - 57,699	\$56,741	4.788	7,905	60,368	15,092	15,092	15,092	15,092	119,301,335	119,301,335	119,301,335	
57,700 - 59,699	\$58,792	4.133	6,824	62,550	15,638	15,638	15,638	15,638	106,703,291	106,703,291	106,703,291	
59,700 - 61,699	\$60,712	3.931	6,490	64,593	16,148	16,148	16,148	16,148	104,802,528	104,802,528	104,802,528	
61,700 - 63,699	\$62,715	4.032	6,657	66,724	16,681	16,681	16,681	16,681	111,041,706	111,041,706	111,041,706	
63,700 - 65,699	\$64,545	3.730	6,158	68,671	17,168	17,168	17,168	17,168	105,722,059	105,722,059	105,722,059	
65,700 - 67,699	\$66,535	2.671	4,410	70,788	17,697	17,697	17,697	17,697	78,040,173	78,040,173	78,040,173	
67,700 - 69,699	\$68,839	3.831	6,325	73,240	18,310	18,310	18,310	18,310	115,808,619	115,808,619	115,808,619	
69,700 - 71,699	\$70,621	3.175	5,242	75,136	18,784	18,784	18,784	18,784	98,462,706	98,462,706	98,462,706	
71,700 - 73,699	\$72,580	2.671	4,410	77,220	19,305	19,305	19,305	19,305	85,130,470	85,130,470	85,130,470	
73,700 - 75,699	\$74,566	3.982	6,574	79,333	19,833	19,833	19,833	19,833	130,387,596	130,387,596	130,387,596	
75,700 - 77,699	\$76,710	2.369	3,911	81,614	20,403	20,403	20,403	20,403	79,801,530	79,801,530	79,801,530	
77,700 - 79,699	\$78,473	2.268	3,744	83,490	20,872	20,872	20,569	20,872	78,155,129	77,020,165	78,155,129	
79,700 - 81,699	\$80,613	2.873	4,743	85,766	21,442	21,442	20,475	21,442	101,703,263	97,118,362	101,703,263	
81,700 - 83,699	\$82,701	2.671	4,410	87,988	21,997	21,997	20,475	21,997	97,001,584	90,289,991	97,001,584	
83,700 - 85,699	\$84,701	2.520	4,160	90,116	22,529	22,529	20,475	22,529	93,731,001	85,185,615	93,731,001	
85,700 - 87,699	\$86,591	2.369	3,911	92,127	23,032	23,032	20,475	23,032	90,080,750	80,081,239	90,080,750	
87,700 - 89,699	\$88,509	1.764	2,912	94,167	23,542	23,542	20,475	23,542	68,561,481	59,629,931	68,561,481	
89,700 - 91,699	\$90,575	2.167	3,578	96,365	24,091	24,091	20,475	24,091	86,190,903	73,252,868	86,190,903	
91,700 - 93,699	\$92,632	1.613	2,663	98,554	24,638	24,638	20,475	24,638	65,612,953	54,525,554	65,612,953	
93,700 - 95,699	\$94,761	1.008	1,664	100,819	25,205	25,205	20,475	25,205	41,945,400	34,074,246	41,945,400	
95,700 - 97,699	\$96,625	1.310	2,163	102,802	25,701	25,701	20,475	25,701	55,584,663	44,282,998	55,584,663	
97,700 - 99,699	\$98,617	1.109	1,831	104,921	26,230	26,230	20,475	26,230	48,026,121	37,488,431	48,026,121	
99,700 - 101,699	\$100,607	1.210	1,998	107,039	26,760	26,760	20,475	26,760	53,457,389	40,902,617	53,457,389	
101,700 - 103,699	\$102,747	1.058	1,747	109,315	27,329	27,329	20,475	27,329	47,736,326	35,764,437	47,736,326	
103,700 - 105,699	\$104,705	0.706	1,166	111,399	27,850	27,850	20,475	27,850	32,461,329	23,865,494	32,461,329	
105,700 - 107,699	\$106,587	0.806	1,331	113,401	28,350	27,525	20,475	28,350	36,627,239	27,245,875	37,725,366	
107,700 - 109,699	\$108,670	0.554	915	115,617	28,904	27,525	20,475	28,904	25,175,546	18,727,314	26,437,088	
109,700 - 111,699	\$110,636	0.504	832	117,709	29,427	27,525	20,475	29,427	22,903,385	17,037,123	24,486,188	
111,700 - 113,699	\$112,713	0.403	665	119,919	29,980	27,525	20,475	29,980	18,313,619	13,622,938	19,946,800	
113,700 - 115,699	\$114,669	0.202	333	122,000	30,500	27,525	20,475	30,500	9,179,531	6,828,371	10,171,654	
\$115,700 - over	\$181,962	5.040	8,321	193,595	48,399	27,525	20,475	48,399	<u>229,033,851</u>	<u>170,371,230</u>	<u>402,722,055</u>	
TOTAL		100.000	165,098						Total Taxable Earnings	3,037,267,044	2,823,100,377	3,217,523,021
									Employer Tax Rate	6.20%	12.10%	1.45%
									Quarterly Payment	\$188,310,557	\$341,595,146	\$46,654,084

Total Tier I, Tier II, and Medicare Paid this Quarter **\$576,559,786**

Railroad Retirement & Medicare, U.S.

From 2010 Earnings Distribution			3Q/2012 Updated Using Earnings Distribution & Wage Statistics, plus Current Wage Rates with Current Tax Info									
Earnings Groups	Avg Ann. Earnings	% of Total Employees	Employees Recvg. Pay	Annual Earnings	Avg Qtrly Earnings	Tier I	Tier II	Medicare	Total Taxable Earnings (Taxable x Employees)			
						Taxable	Taxable	Taxable	Tier I	Tier II	Medicare	
\$0 - 41,699	\$32,794	4.238 %	6,997	\$36,307	\$9,077	\$9,077	\$9,077	\$9,077	\$63,508,906	\$63,508,906	\$63,508,906	
41,700 - 43,699	\$42,800	1.310	2,163	47,385	11,846	11,846	11,846	11,846	25,620,898	25,620,898	25,620,898	
43,700 - 45,699	\$44,737	1.462	2,414	49,530	12,382	12,382	12,382	12,382	29,887,770	29,887,770	29,887,770	
45,700 - 47,699	\$46,787	2.117	3,495	51,799	12,950	12,950	12,950	12,950	45,261,125	45,261,125	45,261,125	
47,700 - 49,699	\$48,731	3.377	5,575	53,951	13,488	13,488	13,488	13,488	75,199,624	75,199,624	75,199,624	
49,700 - 51,699	\$50,781	5.847	9,653	56,221	14,055	14,055	14,055	14,055	135,679,311	135,679,311	135,679,311	
51,700 - 53,699	\$52,707	5.141	8,488	58,353	14,588	14,588	14,588	14,588	123,821,251	123,821,251	123,821,251	
53,700 - 55,699	\$54,705	5.040	8,321	60,565	15,141	15,141	15,141	15,141	125,990,223	125,990,223	125,990,223	
55,700 - 57,699	\$56,741	4.788	7,905	62,819	15,705	15,705	15,705	15,705	124,145,338	124,145,338	124,145,338	
57,700 - 59,699	\$58,792	4.133	6,824	65,090	16,273	16,273	16,273	16,273	111,035,775	111,035,775	111,035,775	
59,700 - 61,699	\$60,712	3.931	6,490	67,216	16,804	16,804	16,804	16,804	109,057,835	109,057,835	109,057,835	
61,700 - 63,699	\$62,715	4.032	6,657	69,433	17,358	17,358	17,358	17,358	115,550,342	115,550,342	115,550,342	
63,700 - 65,699	\$64,545	3.730	6,158	71,460	17,865	17,865	17,865	17,865	110,014,701	110,014,701	110,014,701	
65,700 - 67,699	\$66,535	2.671	4,410	73,663	18,416	18,416	18,416	18,416	81,208,845	81,208,845	81,208,845	
67,700 - 69,699	\$68,839	3.831	6,325	76,214	19,053	19,053	19,053	19,053	120,510,806	120,510,806	120,510,806	
69,700 - 71,699	\$70,621	3.175	5,242	78,186	19,547	19,547	19,547	19,547	102,460,596	102,460,596	102,460,596	
71,700 - 73,699	\$72,580	2.671	4,410	80,355	20,089	20,089	20,089	20,089	88,587,029	88,587,029	88,587,029	
73,700 - 75,699	\$74,566	3.982	6,574	82,554	20,639	20,639	20,639	20,639	135,681,735	135,681,735	135,681,735	
75,700 - 77,699	\$76,710	2.369	3,911	84,928	21,232	21,232	21,099	21,232	83,041,719	82,520,629	83,041,719	
77,700 - 79,699	\$78,473	2.268	3,744	86,880	21,720	21,720	20,475	21,720	81,328,468	76,667,054	81,328,468	
79,700 - 81,699	\$80,613	2.873	4,743	89,249	22,312	22,312	20,475	22,312	105,832,729	97,118,362	105,832,729	
81,700 - 83,699	\$82,701	2.671	4,410	91,561	22,890	22,890	20,475	22,890	100,940,148	90,289,991	100,940,148	
83,700 - 85,699	\$84,701	2.520	4,160	93,775	23,444	23,444	20,475	23,444	97,536,769	85,185,615	97,536,769	
85,700 - 87,699	\$86,591	2.369	3,911	95,867	23,967	23,967	20,475	23,967	93,738,306	80,081,239	93,738,306	
87,700 - 89,699	\$88,509	1.764	2,912	97,991	24,498	24,498	20,475	24,498	71,345,289	59,629,931	71,345,289	
89,700 - 91,699	\$90,575	2.167	3,578	100,278	25,070	25,070	20,475	25,070	89,690,520	73,252,868	89,690,520	
91,700 - 93,699	\$92,632	1.613	2,663	102,555	25,639	25,639	20,475	25,639	68,277,042	54,525,554	68,277,042	
93,700 - 95,699	\$94,761	1.008	1,664	104,912	26,228	26,228	20,475	26,228	43,648,513	34,074,246	43,648,513	
95,700 - 97,699	\$96,625	1.310	2,163	106,976	26,744	26,744	20,475	26,744	57,841,572	44,282,998	57,841,572	
97,700 - 99,699	\$98,617	1.109	1,831	109,182	27,295	27,295	20,475	27,295	49,976,130	37,488,431	49,976,130	
99,700 - 101,699	\$100,607	1.210	1,998	111,385	27,846	27,846	20,475	27,846	55,627,924	40,902,617	55,627,924	
101,700 - 103,699	\$102,747	1.058	1,747	113,754	28,438	28,438	20,475	28,438	49,674,569	35,764,437	49,674,569	
103,700 - 105,699	\$104,705	0.706	1,166	115,922	28,980	27,532	20,475	28,980	32,090,819	23,865,494	33,779,359	
105,700 - 107,699	\$106,587	0.806	1,331	118,005	29,501	27,525	20,475	29,501	36,627,239	27,245,875	39,257,132	
107,700 - 109,699	\$108,670	0.554	915	120,311	30,078	27,525	20,475	30,078	25,175,546	18,727,314	27,510,515	
109,700 - 111,699	\$110,636	0.504	832	122,488	30,622	27,525	20,475	30,622	22,903,385	17,037,123	25,480,403	
111,700 - 113,699	\$112,713	0.403	665	124,788	31,197	27,525	20,475	31,197	18,313,619	13,622,938	20,756,702	
113,700 - 115,699	\$114,669	0.202	333	126,953	31,738	27,525	20,475	31,738	9,179,531	6,828,371	10,584,654	
\$115,700 - over	\$181,962	5.040	8,321	201,455	50,364	27,525	20,475	50,364	229,033,851	170,371,230	419,073,814	
TOTAL		100.000	165,098						Total Taxable Earnings	3,145,045,802	2,892,704,429	3,348,164,390
									Employer Tax Rate	6.20%	12.10%	1.45%
									Quarterly Payment	\$194,992,840	\$350,017,236	\$48,548,384
									Total Tier I, Tier II, and Medicare Paid this Quarter			\$593,558,459

Railroad Retirement & Medicare, U.S.

From 2010 Earnings Distribution			4Q/2012 Updated Using Earnings Distribution & Wage Statistics, plus Current Wage Rates with Current Tax Info									
Earnings Groups	Avg Ann. Earnings	% of Total Employees	Employees Recvg. Pay	Annual Earnings	Avg Qlty Earnings	Tier I	Tier II	Medicare	Total Taxable Earnings (Taxable x Employees)			
						Taxable	Taxable	Taxable	Tier I	Tier II	Medicare	
\$0 - 41,699	\$32,794	4.238 %	6,997	\$36,372	\$9,093	\$9,093	\$9,093	\$9,093	\$63,622,236	\$63,622,236	\$63,622,236	
41,700 - 43,699	\$42,800	1.310	2,163	47,470	11,867	11,867	11,867	11,867	25,666,618	25,666,618	25,666,618	
43,700 - 45,699	\$44,737	1.462	2,414	49,618	12,404	12,404	12,404	12,404	29,941,104	29,941,104	29,941,104	
45,700 - 47,699	\$46,787	2.117	3,495	51,892	12,973	12,973	12,973	12,973	45,341,892	45,341,892	45,341,892	
47,700 - 49,699	\$48,731	3.377	5,575	54,048	13,512	13,512	13,512	13,512	75,333,816	75,333,816	75,333,816	
49,700 - 51,699	\$50,781	5.847	9,653	56,321	14,080	14,080	14,080	14,080	135,921,428	135,921,428	135,921,428	
51,700 - 53,699	\$52,707	5.141	8,488	58,457	14,614	14,614	14,614	14,614	124,042,207	124,042,207	124,042,207	
53,700 - 55,699	\$54,705	5.040	8,321	60,673	15,168	15,168	15,168	15,168	126,215,050	126,215,050	126,215,050	
55,700 - 57,699	\$56,741	4.788	7,905	62,932	15,733	15,733	15,733	15,733	124,366,872	124,366,872	124,366,872	
57,700 - 59,699	\$58,792	4.133	6,824	65,206	16,302	16,302	16,302	16,302	111,233,915	111,233,915	111,233,915	
59,700 - 61,699	\$60,712	3.931	6,490	67,336	16,834	16,834	16,834	16,834	109,252,446	109,252,446	109,252,446	
61,700 - 63,699	\$62,715	4.032	6,657	69,557	17,389	17,389	17,389	17,389	115,756,539	115,756,539	115,756,539	
63,700 - 65,699	\$64,545	3.730	6,158	71,587	17,897	17,897	17,897	17,897	110,211,020	110,211,020	110,211,020	
65,700 - 67,699	\$66,535	2.671	4,410	73,794	18,449	18,449	18,449	18,449	81,353,761	81,353,761	81,353,761	
67,700 - 69,699	\$68,839	3.831	6,325	76,350	19,087	19,087	19,087	19,087	120,725,855	120,725,855	120,725,855	
69,700 - 71,699	\$70,621	3.175	5,242	78,326	19,581	19,581	19,581	19,581	102,643,435	102,643,435	102,643,435	
71,700 - 73,699	\$72,580	2.671	4,410	80,499	20,125	20,125	20,125	20,125	88,745,111	88,745,111	88,745,111	
73,700 - 75,699	\$74,566	3.982	6,574	82,701	20,675	20,675	20,675	20,675	135,923,856	135,923,856	135,923,856	
75,700 - 77,699	\$76,710	2.369	3,911	85,079	21,270	21,270	20,475	21,270	83,189,905	80,081,239	83,189,905	
77,700 - 79,699	\$78,473	2.268	3,744	87,035	21,759	21,759	20,475	21,759	81,473,597	76,667,054	81,473,597	
79,700 - 81,699	\$80,613	2.873	4,743	89,408	22,352	22,352	20,475	22,352	106,021,586	97,118,362	106,021,586	
81,700 - 83,699	\$82,701	2.671	4,410	91,724	22,931	22,931	20,475	22,931	101,120,273	90,289,991	101,120,273	
83,700 - 85,699	\$84,701	2.520	4,160	93,942	23,486	23,486	20,475	23,486	97,710,821	85,185,615	97,710,821	
85,700 - 87,699	\$86,591	2.369	3,911	96,038	24,010	24,010	20,475	24,010	93,905,580	80,081,239	93,905,580	
87,700 - 89,699	\$88,509	1.764	2,912	98,166	24,541	24,541	20,475	24,541	71,472,603	59,629,931	71,472,603	
89,700 - 91,699	\$90,575	2.167	3,578	100,457	25,114	25,114	20,475	25,114	89,850,571	73,252,868	89,850,571	
91,700 - 93,699	\$92,632	1.613	2,663	102,738	25,685	25,685	20,475	25,685	68,398,880	54,525,554	68,398,880	
93,700 - 95,699	\$94,761	1.008	1,664	105,100	26,275	26,275	20,475	26,275	43,726,403	34,074,246	43,726,403	
95,700 - 97,699	\$96,625	1.310	2,163	107,167	26,792	26,792	20,475	26,792	57,944,789	44,282,998	57,944,789	
97,700 - 99,699	\$98,617	1.109	1,831	109,376	27,344	27,344	20,475	27,344	50,065,311	37,488,431	50,065,311	
99,700 - 101,699	\$100,607	1.210	1,998	111,583	27,896	27,896	20,475	27,896	55,727,191	40,902,617	55,727,191	
101,700 - 103,699	\$102,747	1.058	1,747	113,957	28,489	27,648	20,475	28,489	48,293,082	35,764,437	49,763,212	
103,700 - 105,699	\$104,705	0.706	1,166	116,129	29,032	27,525	20,475	29,032	32,082,916	23,865,494	33,839,638	
105,700 - 107,699	\$106,587	0.806	1,331	118,216	29,554	27,525	20,475	29,554	36,627,239	27,245,875	39,327,185	
107,700 - 109,699	\$108,670	0.554	915	120,526	30,132	27,525	20,475	30,132	25,175,546	18,727,314	27,559,607	
109,700 - 111,699	\$110,636	0.504	832	122,707	30,677	27,525	20,475	30,677	22,903,385	17,037,123	25,525,872	
111,700 - 113,699	\$112,713	0.403	665	125,010	31,253	27,525	20,475	31,253	18,313,619	13,622,938	20,793,741	
113,700 - 115,699	\$114,669	0.202	333	127,180	31,795	27,525	20,475	31,795	9,179,531	6,828,371	10,603,542	
\$115,700 - over	\$181,962	5.040	8,321	201,815	50,454	27,525	20,475	50,454	229,033,851	170,371,230	419,821,642	
TOTAL		100.000	165,098						Total Taxable Earnings	3,148,513,846	2,893,340,090	3,354,139,115
									Employer Tax Rate	6.20%	12.10%	1.45%
									Quarterly Payment	\$195,207,858	\$350,094,151	\$48,635,017
									Total Tier I, Tier II, and Medicare Paid this Quarter			\$593,937,027

RCAF Unemployment Insurance Tax

	Unemployment Ins.		Hourly	RRB	Factor	Avg. Ann.	Un. Ins.
	Tax	Earnings	Hourly	Sample	To Update	Taxable	Hourly
	Rate	Base	Earnings	Year	RRB Sample	Earnings	Rate
			\$30.806	(2007)			
2008 Avg.	2.48%	\$15,360	\$32.537		1.056190	\$14,329.53	\$0.201
3Q/09 reb	2.47%	\$15,960	\$35.600		1.155619	\$14,914.18	\$0.208
4Q/09	2.47%	\$15,960	\$34.822		1.130364	\$14,903.49	\$0.208
1Q/10	3.26%	\$15,960	\$34.810		1.129975	\$14,903.32	\$0.275
2Q/10	3.26%	\$15,960	\$34.787		1.129228	\$14,903.00	\$0.275
3Q/10	3.26%	\$15,960	\$34.676		1.125625	\$14,901.45	\$0.275
			\$32.537	(2008)			
2009 Avg.	2.47%	\$15,960	\$34.444		1.058610	\$14,944.60	\$0.211
3Q/10 reb	3.26%	\$15,960	\$35.003		1.075791	\$14,952.41	\$0.279
4Q/10	3.26%	\$15,960	\$35.003		1.075791	\$14,952.41	\$0.279
1Q/11	7.09%	\$15,960	\$35.058		1.077481	\$14,953.17	\$0.606
2Q/11	7.09%	\$15,960	\$35.143		1.080093	\$14,954.33	\$0.606
3Q/11	7.09%	\$15,960	\$35.422		1.088668	\$14,957.95	\$0.606
			\$34.444	(2009)			
2010 Avg.	3.26%	\$15,960	\$33.913		0.984584	\$15,048.19	\$0.273
3Q/11 reb.	7.10%	\$15,960	\$34.350		0.997271	\$15,055.23	\$0.595
4Q/11	7.10%	\$15,960	\$34.347		0.997184	\$15,055.18	\$0.595
1Q/12	5.00%	\$16,380	\$35.205		1.022094	\$15,450.63	\$0.430
2Q/12	5.00%	\$16,380	\$36.076		1.047381	\$15,464.39	\$0.430
3Q/12	5.00%	\$16,380	\$37.569		1.090727	\$15,487.33	\$0.431
			\$33.913	(2010)			
2011 Avg.	7.10%	\$15,960	\$34.752		1.024740	\$15,110.68	\$0.595
3Q/12 reb.	5.00%	\$16,380	\$37.546		1.107127	\$15,534.63	\$0.431
4Q/12	5.00%	\$16,380	\$37.613		1.109103	\$15,535.53	\$0.431
1Q/13					0.000000		\$0.000
2Q/13					0.000000		\$0.000
3Q/13					0.000000		\$0.000

Note: Average Annual Taxable Earnings is calculated from the RRB 1% sample data, by multiplying the average annual earnings in the file times the "Factor", and limiting the amount to the earnings base. Thus, the annual hourly earnings used for the calculation of the Factor is for the RRB sample year, and the Factor brings the earnings in the RRB 1% sample file to the current quarter's level.

The MEANS Procedure

Q4

Variable	N	Sum	Mean
ANUAL_US	2553	38577560.13	15110.68
QTRLY_US	2553	39662205.47	15535.53

The MEANS Procedure

Variable	N	Sum	Mean
FactorA	2553	2616.16	1.0247400
FactorQ	2553	2831.54	1.1091030
Capa	2553	40745880.00	15960.00
Capq	2553	41818140.00	16380.00

The MEANS Procedure

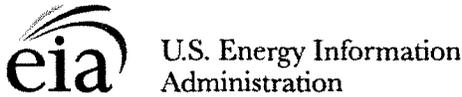
Variable	N	Sum	Mean
ANUAL_US	2553	38577560.13	15110.68
QTRLY_US	2553	39659918.11	15534.63

Q3
Reberch

rebench

The MEANS Procedure

Variable	N	Sum	Mean
FactorA	2553	2616.16	1.0247400
FactorQ	2553	2826.50	1.1071270
Capa	2553	40745880.00	15960.00
Capq	2553	41818140.00	16380.00 ✓



PETROLEUM & OTHER LIQUIDS

OVERVIEW DATA ANALYSIS & PROJECTIONS

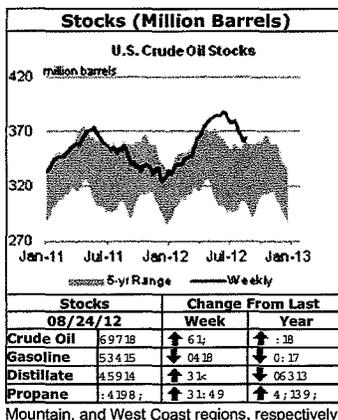
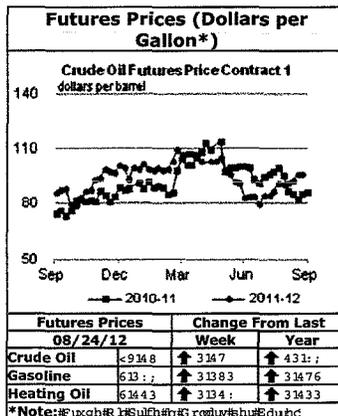
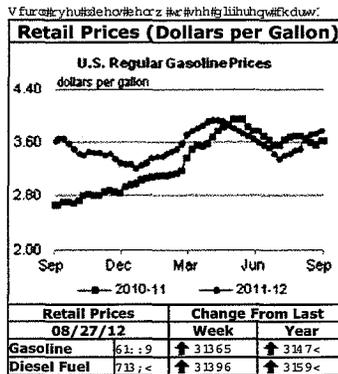
GLOSSARY FAQS

This Week In Petroleum

[Release Schedule](#)
[Sign Up for Email Updates](#)
[Summary Printer-Friendly Version](#)

[Complete History XLS](#)
[Analysis Text History](#)
[RSS feed](#)

Summary



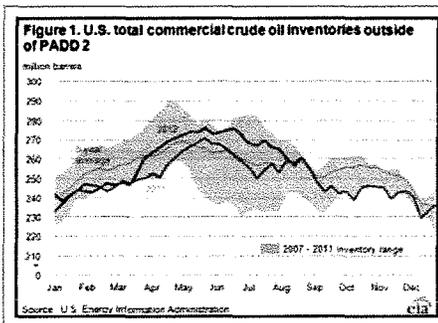
Mountain, and West Coast regions, respectively.

Crude Oil

Released: August 29, 2012
 Next Release: September 6, 2012

U.S. crude oil inventories and a tightening oil market

Global crude oil prices have increased significantly over the past two months. Since reaching a 2012 low of \$89 per barrel on June 21, Brent spot prices have increased almost \$25 (27 percent) to more than \$113 per barrel on August 28, after reaching a high of almost \$117 per barrel on August 16. Evidence of a tightening market can be seen in the increasing backwardation of the Brent futures curve and the related steady decline in crude oil inventories in the United States. While total U.S. crude oil inventories remain above their five-year average level, U.S. crude oil inventories outside of PADD2, which holds large inventories in transportation-constrained locations (notably Cushing, Oklahoma), are close to their seasonally typical level (Figure 1) despite today's inventory build.



bb/d in the third quarter. Higher global consumption is being driven by seasonal demand increases in Europe, the United States, and the Middle East.

This tightening of global supply-demand balances, along with market expectations of reduced crude oil loadings in September from the North Sea, has put upward pressure on the front end of the Brent futures market. After briefly slipping into contango in June, front-month Brent futures steadily increased their premium to third-month futures contracts during July and the first half of August. That spread reached almost \$3 per barrel on August 15, the day before the expiry date for the September contract, before falling back closer to \$1 per barrel as the October contract became the front month contract. The October contract is set to expire after the expected return of a significant portion of production in the North Sea that has been curtailed for maintenance.

Increasing backwardation has prompted participants in the seaborne physical crude market to shed inventories. Since reaching a record high of 387.3 million barrels on June 15, U.S. crude inventories have fallen by 22.8 million barrels (325,000 bbl/d). This draw is significantly larger than the 8.0-million-barrel draw typically seen over this period. The largest draws have been on the Gulf Coast, where inventories have decreased 8.1 million barrels since June 15, a period during which they are typically flat. Reduced import flows are supporting the inventory draws on the Gulf Coast. Weekly data indicate that for the week ending August 3, four-week average crude oil imports on the Gulf Coast reached their lowest point since 1996. This low can be partially attributed to depressed differentials for light sweet U.S. coastal crude grades, such as Louisiana Light Sweet, relative to comparable globally traded crudes. Increased tight oil production in the United States has backed out demand for imports into the Gulf Coast. Moreover, relatively favorable economics have incentivized high levels of runs at U.S. refineries this summer.

As of August 24, total U.S. crude oil inventories were 25.4 million barrels above their five-year average level. However, because of infrastructure capacity constraints to ship crude oil from PADD 2 to the Gulf Coast, a large portion of these inventories are accessible only to the limited number of refineries with connections to the Cushing hub. In contrast to the backwardated global oil markets, the high levels of crude inventories in Cushing and PADD 2 as a whole continue to keep the time structure of the NYMEX light sweet crude oil futures market, which has its trading hub at Cushing, in contango. Depressed prompt prices in the central United States have persisted since growing production volumes outpaced the capacity of pipelines to bring sufficient volumes of the landlocked crude to global markets, and the price structure of the NYMEX futures contract reinforces high inventory levels at the hub.

Gasoline and diesel fuel prices continue to climb

The U.S. average retail price of regular gasoline increased three cents this week to \$3.78 per gallon, 15 cents per gallon higher than last year at this time. Prices increased in all regions of the Nation for the second time in the last three weeks. All regions except the Midwest saw a price increase of four cents. The Midwest average price is \$3.78 per gallon, up two cents from last week. Prices are \$3.75 per gallon, \$3.58 per gallon, \$3.58 per gallon, and \$4.04 per gallon in the East Coast, Gulf Coast, Rocky

The national average diesel fuel price increased six cents to \$4.09 per gallon, 27 cents per gallon higher than last year at this time. Prices increased in all regions of the Nation for the fourth consecutive week, with the largest increase coming on the West Coast, where the price increased 10 cents for the second consecutive week to \$4.35 per gallon. The Rocky Mountain price is \$4.15 per gallon, up nine cents from last week. On the Gulf Coast, the average diesel price is up seven cents to \$3.98 per gallon. The price on the East Coast increased seven cents to \$4.07 per gallon. Rounding out the regions, the Midwest price had the smallest increase, at four cents, to \$4.05 per gallon.

Propane stocks show a sizeable build

Total U.S. inventories of propane continued to build last week, adding 0.7 million barrels to end at 71.7 million barrels, 18.1 million barrels (34 percent) higher than a year ago. The Gulf Coast region added 0.4 million barrels last week, and East Coast inventories grew by 0.2 million barrels. Midwest and Rocky Mountain/West Coast regional stocks were each up 0.1 million barrels. Propylene non-fuel-use inventories represented 7.2 percent of total propane inventories.

Text from the previous editions of *This Week In Petroleum* is accessible through a link at the top right-hand corner of this page.



U.S. Energy Information Administration

PETROLEUM & OTHER LIQUIDS

OVERVIEW DATA ANALYSIS & PROJECTIONS

GLOSSARY FAQs

This Week In Petroleum

[Complete History XLS](#)
[PADD Definitions](#)

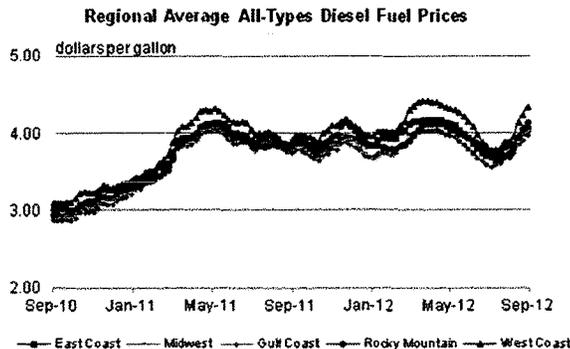
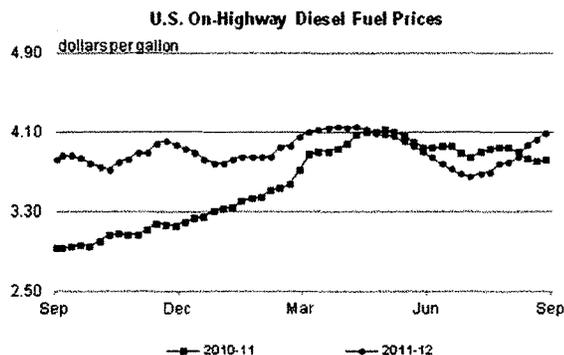
Summary Prices Crude Oil Stocks Gasoline Production Distillate Imports Propane Demand

Residential Heating Oil Prices (Dollars per Gallon)

Residential Heating Oil Prices		more data
Note: The Heating Season is Over. Data for residential and wholesale prices for heating oil and propane will return in October 2012.		

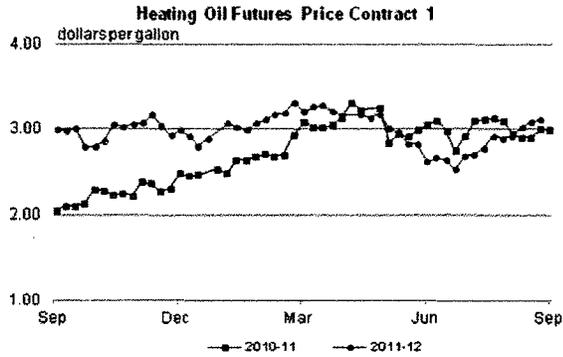
On-Highway Diesel Fuel Prices (Dollars per Gallon)

	On-Highway Diesel Fuel Prices							more data
	Most Recent							Year Ago
	07/16/12	07/23/12	07/30/12	08/06/12	08/13/12	08/20/12	08/27/12	08/29/11
U.S.	3.695	3.783	3.796	3.850	3.965	4.026	4.089	3.820
East Coast (PADD 1)	3.741	3.826	3.842	3.869	3.952	4.006	4.072	3.843
New England (PADD 1A)	3.848	3.916	3.931	3.946	4.011	4.087	4.132	3.977
Central Atlantic (PADD 1B)	3.838	3.900	3.908	3.934	4.004	4.069	4.129	3.930
Lower Atlantic (PADD 1C)	3.648	3.753	3.775	3.806	3.901	3.944	4.019	3.793
Midwest (PADD 2)	3.659	3.749	3.782	3.851	3.968	4.015	4.050	3.803
Gulf Coast (PADD 3)	3.617	3.711	3.696	3.752	3.856	3.911	3.981	3.763
Rocky Mountain (PADD 4)	3.672	3.701	3.729	3.813	3.958	4.062	4.149	3.839
West Coast (PADD 5)	3.803	3.901	3.898	3.959	4.152	4.254	4.353	3.908
California	3.886	3.976	3.967	4.023	4.215	4.313	4.409	3.958



Heating Oil Futures Prices (Dollars per Gallon)

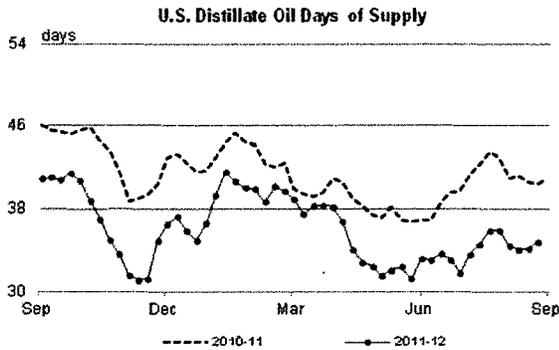
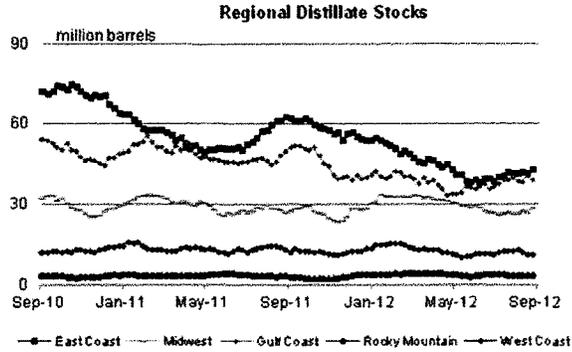
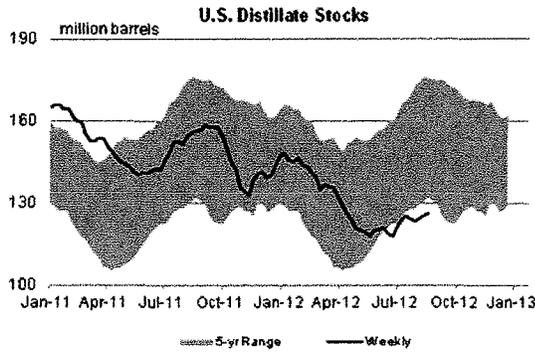
	Heating Oil Futures Prices							more data
	Most Recent							Year Ago
	07/13/12	07/20/12	07/27/12	08/03/12	08/10/12	08/17/12	08/24/12	08/26/11
Contract 1	2.788	2.924	2.890	2.926	3.021	3.093	3.110	3.010
Contract 2	2.789	2.924	2.891	2.932	3.030	3.101	3.119	3.016
Contract 3	2.793	2.928	2.896	2.939	3.041	3.108	3.125	3.021
Contract 4	2.799	2.933	2.903	2.945	3.048	3.112	3.128	3.026



Distillate Stocks (Million Barrels) and Days of Supply

Total Distillate Stocks									more data
	Most Recent							Year Ago	
	07/13/12	07/20/12	07/27/12	08/03/12	08/10/12	08/17/12	08/24/12	08/26/11	
U.S.	123.5	125.2	124.3	123.5	124.2	125.2	126.1	156.1	
East Coast (PADD 1)	40.7	42.1	41.6	41.7	42.3	42.0	43.2	62.6	
New England (PADD 1A)	7.2	7.5	7.3	7.1	6.9	7.3	7.3	12.0	
Central Atlantic (PADD 1B)	21.9	22.3	22.6	22.4	23.2	23.6	23.9	36.4	
Lower Atlantic (PADD 1C)	11.6	12.3	11.7	12.1	12.2	11.1	11.9	14.2	
Midwest (PADD 2)	26.9	27.3	26.5	26.9	27.9	27.4	28.9	27.1	
Gulf Coast (PADD 3)	39.5	39.5	40.2	38.8	38.4	41.0	39.5	49.9	
Rocky Mountain (PADD 4)	3.8	3.6	3.4	3.3	3.3	3.4	3.2	3.2	
West Coast (PADD 5)	12.6	12.7	12.5	12.9	12.3	11.4	11.3	13.2	
15 ppm sulfur and Under Stocks									more data
	Most Recent							Year Ago	
	07/13/12	07/20/12	07/27/12	08/03/12	08/10/12	08/17/12	08/24/12	08/26/11	
U.S.	90.7	92.4	91.9	90.9	90.5	90.5	91.6	103.6	
East Coast (PADD 1)	21.1	22.2	22.0	22.2	21.2	20.6	21.4	25.5	
New England (PADD 1A)	1.9	2.0	1.6	1.8	1.7	2.0	1.7	2.2	
Central Atlantic (PADD 1B)	9.7	9.8	10.2	10.0	9.7	9.4	9.8	11.8	
Lower Atlantic (PADD 1C)	9.6	10.3	10.1	10.4	9.8	9.2	9.9	11.6	
Midwest (PADD 2)	24.8	25.2	24.7	25.0	26.0	25.3	26.9	24.2	
Gulf Coast (PADD 3)	30.3	30.8	31.3	29.6	29.7	32.0	31.0	39.9	
Rocky Mountain (PADD 4)	3.5	3.3	3.1	3.1	3.1	3.2	3.0	2.8	
West Coast (PADD 5)	10.9	11.0	10.7	11.1	10.5	9.4	9.3	11.1	
Greater than 15 ppm to 500 ppm sulfur Stocks									more data
	Most Recent							Year Ago	
	07/13/12	07/20/12	07/27/12	08/03/12	08/10/12	08/17/12	08/24/12	08/26/11	
U.S.	6.9	6.4	6.6	5.9	6.2	6.3	6.4	10.4	
East Coast (PADD 1)	1.1	1.0	1.2	1.3	1.3	1.4	1.3	5.0	
New England (PADD 1A)	0.1	0.2	0.2	0.0	0.0	0.0	0.0	0.1	
Central Atlantic (PADD 1B)	0.5	0.4	0.5	0.8	0.9	0.9	0.9	3.7	
Lower Atlantic (PADD 1C)	0.5	0.4	0.5	0.5	0.4	0.5	0.4	1.2	
Midwest (PADD 2)	1.3	1.4	1.1	1.1	1.1	1.2	1.2	1.2	
Gulf Coast (PADD 3)	3.5	3.1	3.4	2.6	2.9	2.9	3.0	3.1	
Rocky Mountain (PADD 4)	0.1	0.1	0.1	0.1	0.1	0.1	0.1	0.2	
West Coast (PADD 5)	0.8	0.7	0.9	0.8	0.7	0.8	0.8	0.9	
Greater than 500 ppm sulfur Stocks									more data
	Most Recent							Year Ago	
	07/13/12	07/20/12	07/27/12	08/03/12	08/10/12	08/17/12	08/24/12	08/26/11	
U.S.	25.9	26.4	25.8	26.7	27.6	28.4	28.1	42.1	
East Coast (PADD 1)	18.5	18.9	18.5	18.2	19.7	20.1	20.5	32.1	
New England (PADD 1A)	5.2	5.3	5.4	5.3	5.1	5.3	5.5	9.7	
Central Atlantic (PADD 1B)	11.7	12.1	11.9	11.6	12.6	13.3	13.3	21.0	
Lower Atlantic (PADD 1C)	1.6	1.5	1.1	1.2	2.0	1.5	1.7	1.4	
Midwest (PADD 2)	0.7	0.8	0.7	0.7	0.8	0.9	0.9	1.7	
Gulf Coast (PADD 3)	5.7	5.6	5.5	6.6	5.8	6.1	5.5	6.9	
Rocky Mountain (PADD 4)	0.1	0.1	0.1	0.1	0.1	0.1	0.2	0.2	
West Coast (PADD 5)	0.9	1.0	1.0	1.1	1.1	1.2	1.1	1.2	
Days of Supply (number of days)									more data
	Most Recent							Year Ago	
	07/13/12	07/20/12	07/27/12	08/03/12	08/10/12	08/17/12	08/24/12	08/26/11	
U.S.	34.6	35.9	35.9	34.4	34.1	34.1	34.8	40.4	

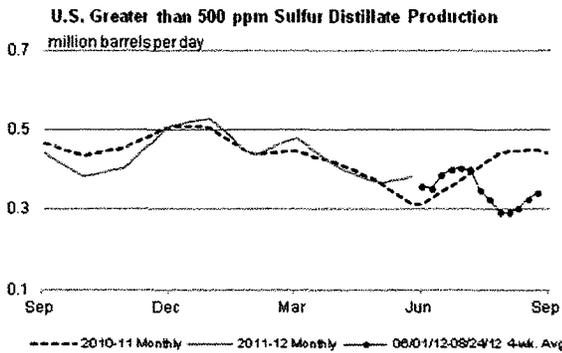
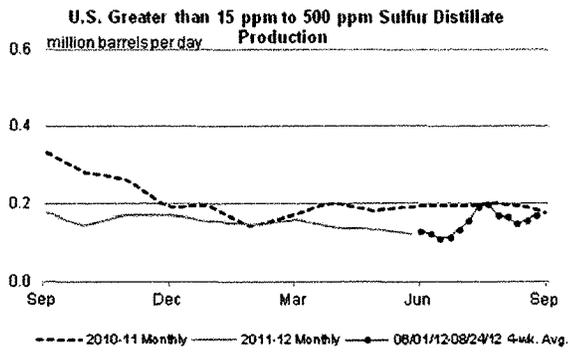
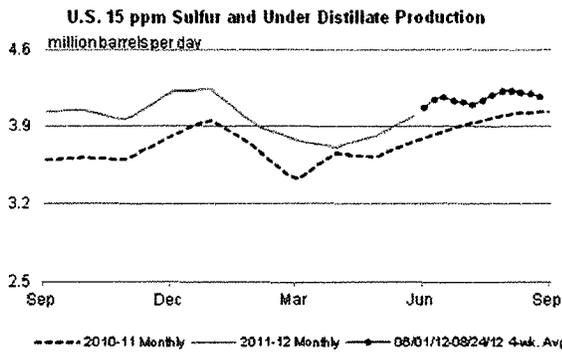
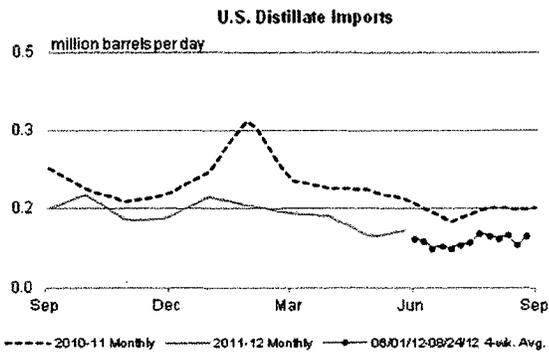
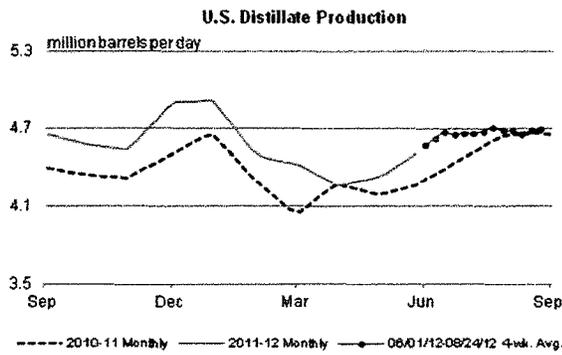
Note: Days of Supply calculated as: U.S. Total Distillate Stocks / Four-Week Average U.S. Distillate Fuel Oil Demand



Distillate Production and Imports (Million Barrels per Day)

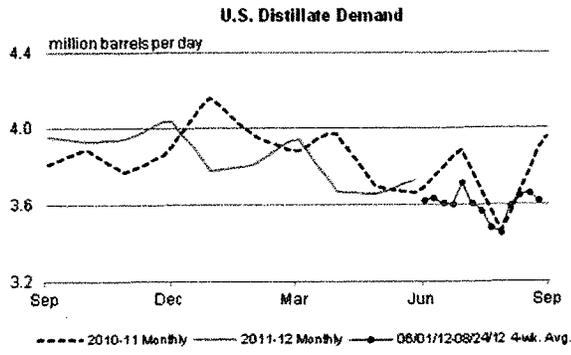
Total Distillate Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	08/10/12	08/17/12	08/24/12	08/26/11	08/10/12	08/17/12	08/24/12	08/26/11
U.S.	4.661	4.682	4.692	4.615	4.669	4.734	4.667	4.707
East Coast (PADD 1)	0.372	0.388	0.392	0.402	0.376	0.419	0.383	0.445
Midwest (PADD 2)	0.995	1.007	1.016	0.986	0.980	1.007	1.060	0.979
Gulf Coast (PADD 3)	2.536	2.547	2.547	2.461	2.563	2.565	2.513	2.579
Rocky Mountain (PADD 4)	0.202	0.198	0.197	0.185	0.202	0.203	0.192	0.179
West Coast (PADD 5)	0.556	0.542	0.541	0.581	0.549	0.540	0.519	0.525
15 ppm sulfur and Under Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	08/10/12	08/17/12	08/24/12	08/26/11	08/10/12	08/17/12	08/24/12	08/26/11
U.S.	4.208	4.197	4.178	4.045	4.147	4.129	4.178	4.104
East Coast (PADD 1)	0.259	0.253	0.240	0.267	0.241	0.233	0.221	0.291
Midwest (PADD 2)	0.976	1.001	1.000	0.893	0.963	0.982	1.048	0.896
Gulf Coast (PADD 3)	2.264	2.261	2.260	2.195	2.247	2.270	2.255	2.287
Rocky Mountain (PADD 4)	0.202	0.196	0.194	0.176	0.200	0.195	0.187	0.174
West Coast (PADD 5)	0.507	0.486	0.484	0.513	0.495	0.450	0.468	0.457
Greater than 15 ppm to 500 ppm sulfur Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	08/10/12	08/17/12	08/24/12	08/26/11	08/10/12	08/17/12	08/24/12	08/26/11
U.S.	0.150	0.159	0.171	0.208	0.161	0.194	0.170	0.165
East Coast (PADD 1)	0.028	0.045	0.047	0.008	0.045	0.067	0.021	0.016
Midwest (PADD 2)	0.016	0.001	0.003	0.060	0.002	0.004	0.005	0.049
Gulf Coast (PADD 3)	0.096	0.087	0.092	0.113	0.102	0.054	0.121	0.076
Rocky Mountain (PADD 4)	0.001	0.002	0.002	0.010	0.001	0.004	0.003	0.007
West Coast (PADD 5)	0.008	0.023	0.027	0.019	0.012	0.066	0.019	0.017
Greater than 500 ppm sulfur Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	08/10/12	08/17/12	08/24/12	08/26/11	08/10/12	08/17/12	08/24/12	08/26/11
U.S.	0.303	0.326	0.343	0.361	0.362	0.411	0.319	0.438
East Coast (PADD 1)	0.086	0.090	0.105	0.127	0.090	0.119	0.141	0.139
Midwest (PADD 2)	0.002	0.006	0.012	0.032	0.015	0.021	0.007	0.034
Gulf Coast (PADD 3)	0.176	0.199	0.195	0.154	0.214	0.241	0.137	0.216
Rocky Mountain (PADD 4)	-0.002	0.000	0.001	-0.001	0.001	0.005	0.002	-0.003
West Coast (PADD 5)	0.040	0.032	0.030	0.049	0.041	0.024	0.032	0.051
Distillate Imports more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	08/10/12	08/17/12	08/24/12	08/26/11	08/10/12	08/17/12	08/24/12	08/26/11
Total Distillate	0.101	0.081	0.099	0.133	0.110	0.082	0.134	0.176
15 ppm sulfur and Under	0.091	0.074	0.087	0.105	0.105	0.082	0.114	0.151

Greater than 15 ppm to 500 ppm sulfur	0.003	0.003	0.003	0.000	0.000	0.000	0.000	0.001
Greater than 500 ppm to 2000 ppm sulfur	0.008	0.005	0.010	0.028	0.005	0.000	0.021	0.025
Greater than 2000 ppm sulfur	0.000	0.000	0.000	0.000	0.000	0.000	0.000	0.000

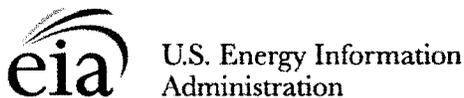


Distillate Demand (Million Barrels per Day)

	Distillate Demand							more data	
	Four-Week Averages			Year Ago	Week Ending				Year Ago
	08/10/12	08/17/12	08/24/12	08/26/11	08/10/12	08/17/12	08/24/12		08/26/11
Distillate Fuel Oil	3.647	3.667	3.621	3.859	3.569	3.561	3.563	4.086	



NA = Not Available.
W = Data Withheld.



PETROLEUM & OTHER LIQUIDS

OVERVIEW DATA ANALYSIS & PROJECTIONS

GLOSSARY FAQs

This Week In Petroleum

Release Schedule
 Sign Up for Email Updates
 Summary Printer-Friendly Version

Complete History XLS
 Analysis Text History
 RSS feed

Summary

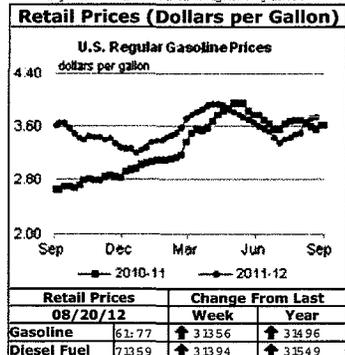
Crude Oil

Gasoline

Distillate

Propane

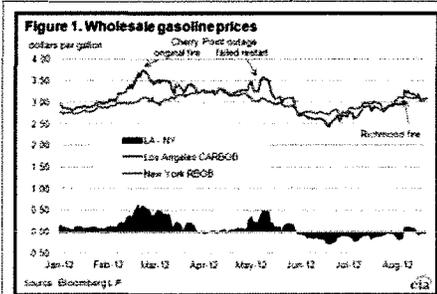
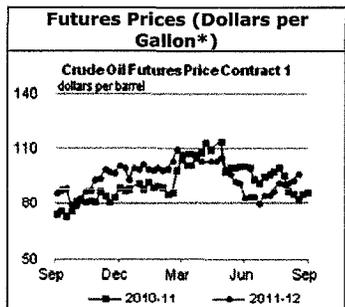
V f u r o s k y h u t a l e h o r e h o r z # e r # h h h # l i u h q w e k d a w :



Released: August 22, 2012
 Next Release: August 29, 2012

An Update on West Coast Gasoline Markets

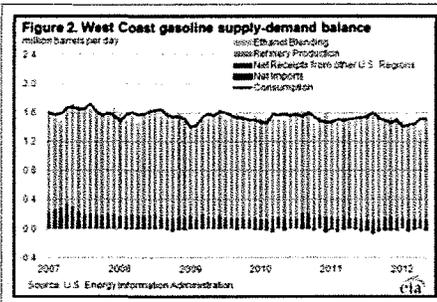
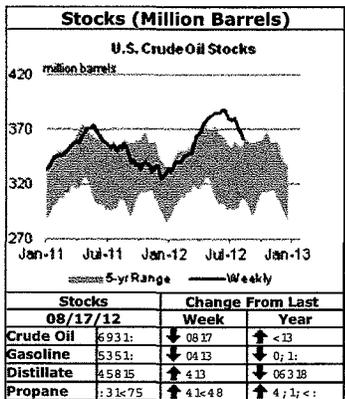
Between August 6 and August 13, the price of retail regular grade gasoline on the West Coast (PADD 5) increased 19 cents per gallon, well above the 8-cent-per-gallon increase for the United States as a whole. While rising global crude oil prices have pushed gasoline prices higher nationwide, an August 6 fire at Chevron's Richmond, California refinery placed added pressure on West Coast prices. After an initial increase of 32 cents per gallon on August 7, spot prices in Los Angeles for California-specification Reformulated Blendstock for Oxygenate Blending (CARBOB) have fallen 18 cents per gallon to \$3.09 per gallon on August 21, a discount to similar prices in New York Harbor (Figure 1). Although press stories indicate that the crude distillation unit at the Richmond refinery is expected to remain offline for four to six months, reports that gasoline-producing units at the Richmond refinery will continue to run using gasoil feedstocks transported from other sources, along with news that other West Coast refineries were increasing gasoline production, appear to have mitigated its impact on wholesale gasoline prices. This situation contrasts with that following the earlier outage at BP's Cherry Point, Washington refinery, when CARBOB traded at a large premium to gasoline in New York Harbor for an extended interval.



The price response to both the Richmond and Cherry Point outages highlights the special sensitivity of the West Coast gasoline market to supply disruptions. Unlike other U.S. markets, which are interconnected by pipelines and river systems, the West Coast liquid fuels market is relatively isolated and largely supplied by in-region refinery production. Through May of this year, West Coast refinery production supplied 80 percent of the almost 1.5 million barrels per day (bbl/d) of gasoline consumed in the region (Figure 2). Additionally, while there are 23 refineries in PADD 5 (exclusive of Hawaii and Alaska), and 2.6 million bbl/d of operable refinery capacity, four large refineries, each with an operable capacity greater than 200,000 bbl/d, account for almost 40 percent of the region's total crude oil distillation capacity. Both the Richmond and Cherry Point refineries are in this group. Assuming a typical gasoline yield of about 50 percent, an outage at a 245,000-bbl/d refinery (the average size of the four biggest West Coast refineries) has the potential to remove more than 120,000 bbl/d of gasoline from the market. Given that the West Coast market depends heavily on in-region production, and given that a small number of large refineries contribute major shares of that production, a single unplanned refinery outage can have a dramatic impact on supply.

* Notes: # = up; < = down; S = 5-day; W = weekly; M = monthly; Y = yearly; < = less than; > = greater than; = = equal to; < = less than; > = greater than; = = equal to

Coast market depends heavily on in-region production, and given that a small number of large refineries contribute major shares of that production, a single unplanned refinery outage can have a dramatic impact on supply.



In addition, because of the relative isolation of the West Coast market, it can be costly to supplement supply from outside the region when a refinery outage occurs. Unlike other gasoline markets in the United States, the West Coast market does not receive or ship significant volumes of gasoline to or from other U.S. regions or abroad. Year-to-date through May in 2012, gasoline volumes shipped to the West Coast from other regions of the United States averaged about 130,000 bbl/d, or 9 percent of total regional supply. Most of this was shipped from the Gulf Coast via pipeline into Arizona; some additional barrels are shipped from the Rocky Mountain region. East of the Rockies, petroleum product markets are connected via extensive pipeline systems. These pipelines allow refineries on the Gulf Coast to efficiently ship additional products to the East Coast and Midwest to balance those markets when supply disruptions occur. In addition, the West Coast market is distanced from the actively traded physical markets in the Atlantic Basin, where price signals can divert cargoes in transit to locations where they are needed.

During a major refinery outage on the West Coast, one of the first sources of supply on which the market draws is likely to be reduced exports of gasoline. Gasoline exports from the West Coast have averaged just over 35,000 bbl/d year-to-date through May in 2012, but were as high as 90,000 bbl/d earlier in August 2011. The majority of exports from the region are shipped from San Francisco, and Mexico is the largest importer of West Coast gasoline. However, an increase in wholesale prices is necessary to bid this formerly-excess supply back into the domestic market and out of the export market.

Attracting imports also tends to be an expensive solution for supplying West Coast markets. The small stream of regular imports into the West Coast comes mainly from Canada. Occasionally, tight market conditions can open an arbitrage with Asia, but this happens only when prices are high enough to cover the cost of shipping products across the Pacific. This did happen earlier this year, when price differentials supported trans-Pacific trade and the West Coast pulled gasoline cargoes from South Korea and Singapore, among others. However, imports remain a small part of the region's supply, averaging 26,000 bbl/d in 2012, making up only about 2 percent of total supply.

AAR MATERIALS AND SUPPLIES INDEX
Region By Composition
Third Quarter 2012
August 31, 2012

United States by Composition Category - Summary

Composition Category	Weight	Previous Quarter Index	Current Quarter Index	Relative Of Change
Forest Products	.0977	256.69	256.69	1.0000
Metal Products	.6230	210.38	198.66	.9443
Miscellaneous Products	.2792	364.34	361.46	.9921
U.S. By Composition	--	257.87	249.77	.9686
U.S. By Composition (Linked)	--	258.97	250.84	.9686
United States (1977=100) Linking Factor: 1.423	--	368.51	356.95	.9686
United States (1980=100) Linking Factor: 1.061	--	274.77	266.14	.9686

Car Hire for RCAF

RCAF (Forecast)

	1980	June 3Q/12	Sept. 4Q/12	Dec. 1Q/13	Mar. 2Q/13	June 3Q/13
RATE						
RR-OWNED TIME	31.00	63.00	63.00	--	--	--
RR-OWNED MILEAGE	4.69	6.80	6.80	--	--	--
PRIVATELY-OWNED CARS	25.47	43.88	45.15	--	--	--
AUTORACKS	47.00	38.32	40.33	--	--	--
INDEX						
RR-OWNED TIME	100.0	203.2	203.2	--	--	--
RR-OWNED MILEAGE	100.0	145.0	145.0	--	--	--
PRIVATELY-OWNED CARS	100.0	172.3	177.3	--	--	--
AUTORACKS	100.0	81.5	85.8	--	--	--
CAR HIRE INDEX (old wts) 2010	100.0	174.5	--	--	--	--
CAR HIRE INDEX (new wts) 2011	100.0	174.2	177.9	--	--	--
CAR HIRE INDEX (LINKED)	100.0	173.6	177.3	--	--	--

Note: The Car Hire Index for third quarter using *old weights* and *linked* should match that quarter's filing. The third quarter *new weights* version is used in the fourth quarter linked index calculation to ensure that the transition from old weights to new weights does not impact the linked index.

Note: Indexes are rounded, rates are full float.

Equipment Rents Data From CHARM

	2012 (first day of month)						2013 (first day of month)							
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Railroad Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	7,351	7,363	7,381											
Rate (in cents)														
Superstructures #3 - Auto Rack	29.0	30.0	30.0											
All other #1 - Time	63.0	63.0	63.0											
All other #2 - Mileage	6.8	6.8	6.8											
Private Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	45,301	45,389	45,500											
Covered Hoppers	320,604	321,677	322,901											
Tank Cars	300,576	301,647	302,836											
Others	286,271	286,670	286,866											
Rate (in cents)														
Superstructures #1 - Time	78.0	78.0	78.0											
Superstructures #2 - Mileage	1.4	1.4	1.4											
Superstructures #3 - Auto Rack	40.0	41.0	42.0											
Covered Hoppers #2 - Mileage	43.7	43.7	43.8											
Tank Cars #2 - Mileage	68.4	68.5	71.5											
Others #1 - Time	72.0	72.0	72.0											
Others #2 - Mileage	6.9	6.9	6.9											
AVERAGE RATES														
Private Superstructures	19.73	19.73	19.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private Others	22.88	22.88	22.88	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private Total	44.10	44.15	45.15	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Autoracks	38.46	39.46	40.33	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

WEIGHTS	"Old Wts"	"New Wts"
	2010	2011
For RCAF & RCR		
RR-owned Time	0.174	0.170
RR-owned Mileage	0.084	0.078
Privately-owned Cars	0.732	0.738
Autoracks	0.010	0.014
----- Check sum	1.000	1.000

Weights for Equipment Rents (not used in Car Hire calculation)		
	2010	2011
Car Hire - U.S.	0.458	0.486
Lease Rentals - U.S.	0.542	0.514
----- Check sum	1.000	1.000

Note: The 4 bold lines are used for the Car Hire Rate. Private Total uses a weighted average of the Covered Hoppers, Tank Cars, Combined Private Superstructures, and Combined Private Others rates.

CHARM Process - Car Hire Rate Report

Average Car Rental Rates for 09/2012

Ownership	Car Group	Car Count	Time Rate (cents/hour)	Mileage Rate (\$/mile)	Auto Rack Rate (cents/hour)
Railroad	Vehicular Flats	7,381	116	0.080	30
Railroad	Number of Zero-Rated Vehicular Flats	59	.	.	.
Railroad	All Other Cars	503,101	63	0.068	.
Railroad	Number of Zero-Rated Other Cars	21,357	.	.	.
Railroad	Total Railroad Equipment	531,898	.	.	.
	
Private	Vehicular Flats	45,500	78	0.014	42
Private	Number of Zero-Rated Vehicular Flats	3	.	.	.
Private	Covered Hoppers	322,901	0	0.438	.
Private	Number of Zero-Rated Covered Hoppers	9,551	.	.	.
Private	Tanks	302,836	0	0.715	.
Private	Number of Zero-Rated Tanks	7,981	.	.	.
Private	All Other Cars	286,866	72	0.069	.
Private	Number of Zero-Rated Other Cars	30,202	.	.	.
Private	Total Private Equipment	1,005,840	.	.	.

Notes

This report excludes these car types: D (Locomotives), M (MoW, EOTs, etc.), U (Containers), Z (Trailers).

All TTX equipment (including ABOX, RBOX, GONX) is contained in the Private section of report.

Equipment can be zero rated due to owners supplying incorrect or insufficient information to the car accounting process.

Zero-rated equipment includes those with Umler Rate_Indicator of 6 and 0 (zero).

Zero-rated equipment is excluded from the averages shown in this report.

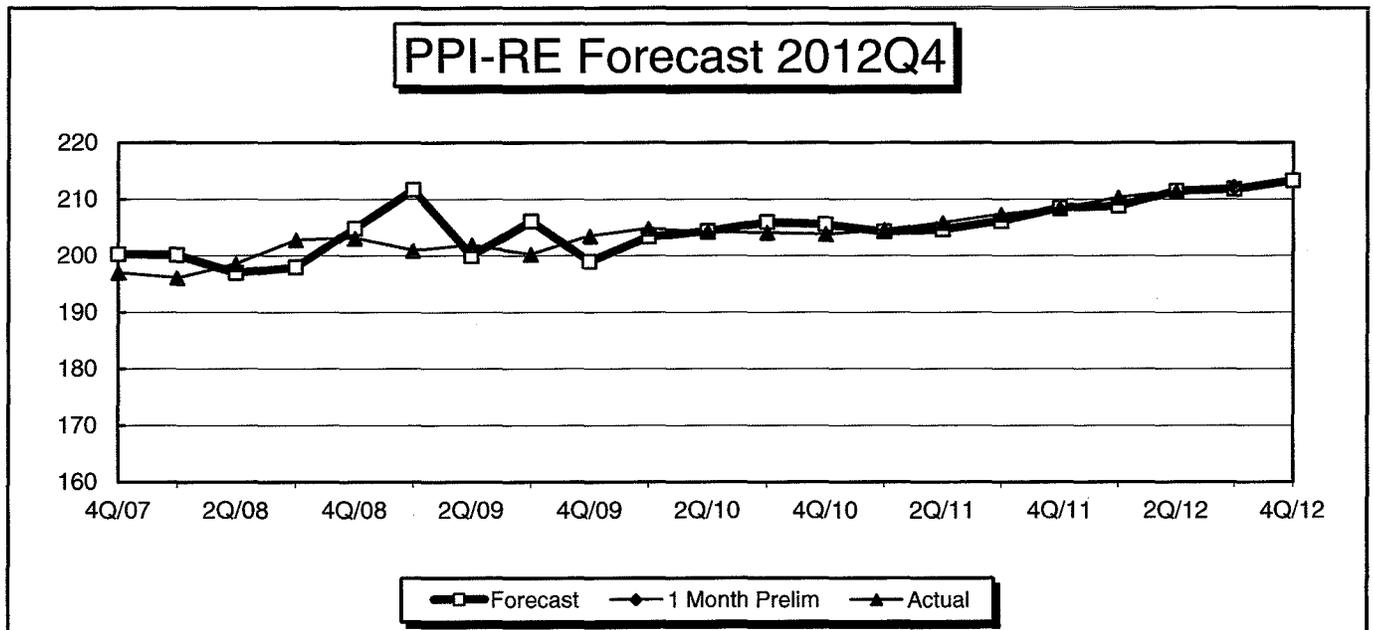
Equipment must be Active in Umler to be included in this report; Pre-registered and Inactive cars are excluded.

PPI-RE Forecast (for Depreciation Component)

	Forecast	Actual	1 Month Prelim
4Q/07	200.2	197.0	
1Q/08	200.1	196.1	
2Q/08	196.9	198.5	
3Q/08	197.9	202.8	
4Q/08	204.8	203.1	
1Q/09	211.6	200.9	
2Q/09	199.9	201.9	
3Q/09	206.0	200.2	
4Q/09	198.9	203.5	
1Q/10	203.3	204.8	
2Q/10	204.3	204.2	
3Q/10	205.9	204.1	
4Q/10	205.5	203.8	
1Q/11	204.2	204.6	
2Q/11	204.6	205.8	
3Q/11	206.1	207.3	
4Q/11	208.4	208.4	
1Q/12	208.7	210.3	
2Q/12	211.4	211.4	
3Q/12	211.7		212.1
4Q/12	213.2		

1980 Base

	PPI-RE Forecast		Yr Ago Actual	Percent Change		
	(82=100)	(80=100)		Latest Month Actual	2nd Prev Qtr Actual	Previous Forecast
2012Q4						
Low	189.2	209.3	0.4%			
Midpoint	192.7	213.2	2.3%	0.5%	0.9%	0.7%
High	196.3	217.1	4.2%			



Forecast Pro Version 4.3 Standard Edition

Database I:\Indexes2\RCAF\2012Q4\5Deprec\FPre_ppi.xls is open and ready for use.

Expert data exploration of dependent variable PPIRE

 Length 72 Minimum 170.200 Maximum 191.700
 Mean 182.087 Standard deviation 5.393

Classical decomposition (multiplicative)
 Trend-cycle: 93.03% Seasonal: 0.73% Irregular: 6.24%

Choice is narrowed down to Box-Jenkins or exponential smoothing.

Exponential smoothing outperforms Box-Jenkins by 1.024 to 2.013 out-of-sample Mean Absolute Deviation. I tried 78 forecasts up to a maximum horizon 12.

Series is trended and nonseasonal.

Recommended model: Exponential Smoothing
 Forecast Model for PPIRE
 Holt exponential smoothing: Linear trend, No seasonality

Component	Smoothing Weight	Final Value
Level	0.80753	191.66
Trend	0.01677	0.26489

within-Sample Statistics

 Sample size 72 Number of parameters 2
 Mean 182.1 Standard deviation 5.393
 R-square 0.9664 Adjusted R-square 0.9659
 Durbin-watson 1.999 Ljung-Box(18)=25.59 P=0.8904
 Forecast error 0.9961 BIC 1.042
 MAPE 0.003715 RMSE 0.9822
 MAD 0.6719

Forecast Report
 Wed Aug 15 10:09:03 2012
 Exponential Smoothing model for PPIRE
 Analysis of Historic Fit Set

Date	Historic
2006-08	170.900
2006-09	170.400
2006-10	170.200
2006-11	170.300
2006-12	172.700
2007-01	173.900
2007-02	175.600
2007-03	176.100
2007-04	174.200
2007-05	175.600
2007-06	176.400
2007-07	177.400
2007-08	177.400
2007-09	177.900
2007-10	177.500
2007-11	177.700
2007-12	177.500
2008-01	178.400
2008-02	178.200
2008-03	177.600
2008-04	178.700
2008-05	178.000
2008-06	181.200
2008-07	180.800
2008-08	181.700
2008-09	182.900
2008-10	181.900
2008-11	181.600

2008-12	180.700
2009-01	181.600
2009-02	181.800
2009-03	181.600
2009-04	183.100
2009-05	180.000
2009-06	180.000
2009-07	179.900
2009-08	179.900
2009-09	183.800
2009-10	183.600
2009-11	183.600
2009-12	184.400
2010-01	184.500
2010-02	184.700
2010-03	184.500
2010-04	184.500
2010-05	184.600
2010-06	184.600
2010-07	184.500
2010-08	184.500
2010-09	184.500
2010-10	184.200
2010-11	184.200
2010-12	184.200
2011-01	184.900
2011-02	185.100
2011-03	187.000
2011-04	186.600
2011-05	186.700
2011-06	186.800
2011-07	187.300
2011-08	187.400
2011-09	187.500
2011-10	187.500
2011-11	187.700
2011-12	189.900
2012-01	190.100
2012-02	190.100
2012-03	190.600
2012-04	190.400
2012-05	191.700
2012-06	191.100
2012-07	191.700

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2012-08	189.882	191.925	193.968
2012-09	189.547	192.190	194.833
2012-10	189.324	192.455	195.586
2012-11	189.168	192.720	196.272
2012-12	189.057	192.985	196.913
2013-01	188.979	193.250	197.521
2013-02	188.926	193.515	198.103
2013-03	188.894	193.780	198.665
2013-04	188.879	194.044	199.210
2013-05	188.878	194.309	199.740
2013-06	188.890	194.574	200.258
2013-07	188.913	194.839	200.766

Databases, Tables & Calculators by Subject

FONT SIZE: 

Change Output Options: From: To: 

Include graphs

[More Formatting Options](#) 

Data extracted on: August 15, 2012 (9:38:27 AM)

Producer Price Index-Commodities

Series Id: WPU144
 Not Seasonally Adjusted
Group: Transportation equipment
Item: Railroad equipment
Base Date: 198200

Download:  .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2011	184.9	185.1	187.0	186.6	186.7	186.8	187.3	187.4	187.5	187.5	187.7	189.9	187.0
2012	190.1	190.1	190.6	190.4(P)	191.7(P)	191.1(P)	191.7(P)						

P : Preliminary. All indexes are subject to revision four months after original publication.

TOOLS

[Areas at a Glance](#)
[Industries at a Glance](#)
[Economic Releases](#)
[Databases & Tables](#)
[Maps](#)

CALCULATORS

[Inflation](#)
[Location Quotient](#)
[Injury And Illness](#)

HELP

[Help & Tutorials](#)
[FAQs](#)
[Glossary](#)
[About BLS](#)
[Contact Us](#)

INFO

[What's New](#)
[Careers @ BLS](#)
[Find It! DOL](#)
[Join our Mailing Lists](#)
[Linking & Copyright Info](#)

RESOURCES

[Inspector General \(OIG\)](#)
[Budget and Performance](#)
[No Fear Act](#)
[USA.gov](#)
[Benefits.gov](#)
[Disability.gov](#)

[Freedom of Information Act](#) | [Privacy & Security Statement](#) | [Disclaimers](#) | [Customer Survey](#) | [Important Web Site Notices](#)

U.S. Bureau of Labor Statistics | Postal Square Building, 2 Massachusetts Avenue, NE Washington, DC 20212-0001
www.bls.gov | Telephone: 1-202-691-5200 | TDD: 1-800-877-8339 | [Contact Us](#)

Calculation of Interest Rate for RCAF

2011	
Sch. 210	Col. b.
L. 42	1,231,943
L. 44	7,598
-L. 22	3,353
Tot. Interest	1,236,188

Sch. 200	(close of year) Col b.	(beg. of year) Col c.	Avg.
L. 30	104,901	110,606	
L. 39	633,826	751,259	
L. 41	2,662,886	2,821,270	
L. 42	1,084,804	1,247,452	
L. 43	2,899,042	3,123,181	
L. 44	0	0	
L. 45	8,965,888	9,365,141	
L. 46	68,376	82,819	
Tot. Debt	16,419,723	17,501,728	16,960,725.5 7.29%

Index (1980=100)

92.9

1980	
Sch. 210	Col. b.
L. 44	1,015,377
L. 46	19,097
-L. 22	413
Tot. Interest	1,034,061

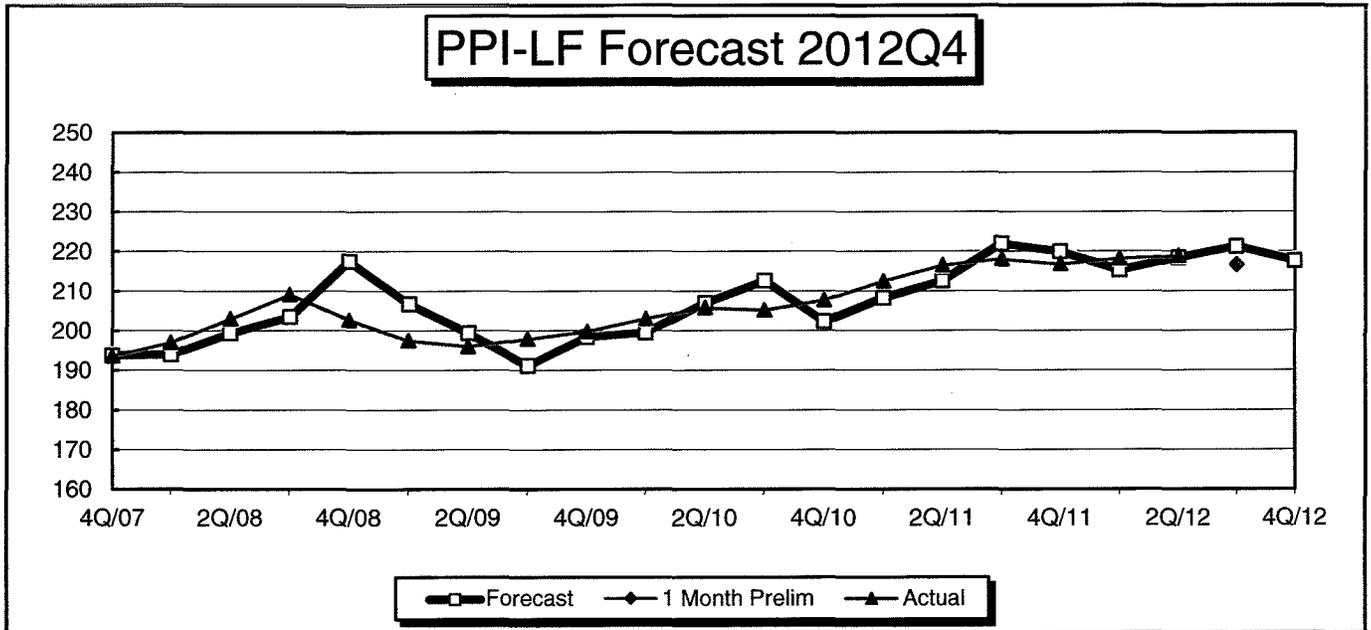
Sch. 200	Col b.	Col c.	
L. 26	56,047	40,480	
L. 34	975,151	1,016,289	
L. 36	4,459,060	4,230,627	
L. 37	6,110,818	5,461,765	
L. 38	1,477,000	1,519,719	
L. 39	207,142	207,142	
L. 40	393,362	279,509	
L. 41	(54,679)	(24,481)	
Tot. Debt	13,623,901	12,731,050	7.85%

PPI-LF Forecast (for Other and Lease Rentals Components)

	Forecast	Actual	1 Month Prelim
4Q/07	194.1	193.7	
1Q/08	194.3	197.1	
2Q/08	199.7	203.1	
3Q/08	203.8	209.2	
4Q/08	217.8	202.8	
1Q/09	207.0	197.6	
2Q/09	199.7	196.1	
3Q/09	191.5	198.0	
4Q/09	198.7	199.9	
1Q/10	199.8	203.1	
2Q/10	207.3	205.9	
3Q/10	212.9	205.3	
4Q/10	202.6	207.8	
1Q/11	208.6	212.6	
2Q/11	212.9	216.6	
3Q/11	222.3	218.2	
4Q/11	220.3	216.9	
1Q/12	215.6	218.3	
2Q/12	218.8	218.9	
3Q/12	221.6		216.6
4Q/12	218.0		

1980 Base

	PPI-LF Forecast		Percent Change			
	(82=100)	(80=100)	Yr Ago Actual	Latest Month Actual	2nd Prev Qtr Actual	Previous Forecast
2012Q4						
Low	189.9	212.9	-1.8%			
Midpoint	194.5	218.0	0.5%	0.6%	-0.4%	-1.6%
High	199.0	223.1	2.9%			



Forecast Pro Version 4.3 Standard Edition

Database I:\Indexes2\RCAF\2012Q4\70ther\FPI\lf_ppi.xls is open and ready for use.

Expert data exploration of dependent variable PPILF

 Length 72 Minimum 167.500 Maximum 195.900
 Mean 181.344 Standard deviation 8.992

Classical decomposition (multiplicative)
 Trend-cycle: 96.43% Seasonal: 0.68% Irregular: 2.88%

Choice is narrowed down to Box-Jenkins or exponential smoothing.

Exponential smoothing outperforms Box-Jenkins by 2.953 to 3.003 out-of-sample Mean Absolute Deviation. I tried 78 forecasts up to a maximum horizon 12.

Series is trended and nonseasonal.

Recommended model: Exponential Smoothing
 Forecast Model for PPILF
 Holt exponential smoothing: Linear trend, No seasonality

Component	Smoothing weight	Final Value
Level	1.00000	193.20
Trend	0.01719	0.31665

within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 181.3	Standard deviation 8.992
R-square 0.9854	Adjusted R-square 0.9852
Durbin-watson 0.5165	** Ljung-Box(18)=86.49 P=1
Forecast error 1.095	BIC 1.146
MAPE 0.004286	RMSE 1.08
MAD 0.7835	

Forecast Report
 Wed Aug 15 10:38:54 2012
 Exponential Smoothing model for PPILF
 Analysis of Historic Fit Set

Date	Historic
2006-08	167.500
2006-09	167.600
2006-10	167.700
2006-11	167.800
2006-12	167.900
2007-01	168.200
2007-02	168.600
2007-03	169.400
2007-04	170.300
2007-05	170.800
2007-06	171.000
2007-07	171.400
2007-08	171.100
2007-09	171.200
2007-10	172.200
2007-11	173.100
2007-12	173.100
2008-01	174.700
2008-02	175.900
2008-03	177.400
2008-04	179.800
2008-05	181.800
2008-06	183.200
2008-07	185.900
2008-08	186.600
2008-09	186.200
2008-10	183.700

lf_ppi.txt

2008-11	179.900
2008-12	177.400
2009-01	176.900
2009-02	176.100
2009-03	175.600
2009-04	175.000
2009-05	174.900
2009-06	175.200
2009-07	175.500
2009-08	176.600
2009-09	177.200
2009-10	177.700
2009-11	178.100
2009-12	178.900
2010-01	180.200
2010-02	181.200
2010-03	182.400
2010-04	183.800
2010-05	184.000
2010-06	183.100
2010-07	182.700
2010-08	183.100
2010-09	183.500
2010-10	184.600
2010-11	185.400
2010-12	186.300
2011-01	188.600
2011-02	190.200
2011-03	191.200
2011-04	193.000
2011-05	193.700
2011-06	193.900
2011-07	194.600
2011-08	194.500
2011-09	194.600
2011-10	193.900
2011-11	193.200
2011-12	192.700
2012-01	193.800
2012-02	194.700
2012-03	195.700
2012-04	195.900
2012-05	195.600
2012-06	194.400
2012-07	193.200

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2012-08	191.271	193.517	195.762
2012-09	190.630	193.833	197.037
2012-10	190.215	194.150	198.085
2012-11	189.917	194.467	199.016
2012-12	189.692	194.783	199.874
2013-01	189.520	195.100	200.680
2013-02	189.387	195.417	201.446
2013-03	189.285	195.733	202.181
2013-04	189.209	196.050	202.890
2013-05	189.155	196.367	203.578
2013-06	189.118	196.683	204.248
2013-07	189.097	197.000	204.902

Databases, Tables & Calculators by Subject

FONT SIZE: 

Change Output Options: From: To:

include graphs

[More Formatting Options](#) 

Data extracted on: August 15, 2012 (9:44:09 AM)

Producer Price Index-Commodities

Series Id: WPU03T15M05
 Not Seasonally Adjusted
Group: Industrial Commodities less fuels
Item: Industrial commodities less fuels
Base Date: 198200

Download:  .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2011	188.6	190.2	191.2	193.0	193.7	193.9	194.6	194.5	194.6	193.9	193.2	192.7	192.8
2012	193.8	194.7	195.7	195.9(P)	195.6(P)	194.4(P)	193.2(P)						

P : Preliminary. All indexes are subject to revision four months after original publication.

TOOLS

[Areas at a Glance](#)
[Industries at a Glance](#)
[Economic Releases](#)
[Databases & Tables](#)
[Maps](#)

CALCULATORS

[Inflation](#)
[Location Quotient](#)
[Injury And Illness](#)

HELP

[Help & Tutorials](#)
[FAQs](#)
[Glossary](#)
[About BLS](#)
[Contact Us](#)

INFO

[What's New](#)
[Careers @ BLS](#)
[Find It! DOL](#)
[Join our Mailing Lists](#)
[Linking & Copyright Info](#)

RESOURCES

[Inspector General \(OIG\)](#)
[Budget and Performance](#)
[No Fear Act](#)
[USA.gov](#)
[Benefits.gov](#)
[Disability.gov](#)

[Freedom of Information Act](#) | [Privacy & Security Statement](#) | [Disclaimers](#) | [Customer Survey](#) | [Important Web Site Notices](#)

U.S. Bureau of Labor Statistics | Postal Square Building, 2 Massachusetts Avenue, NE Washington, DC 20212-0001
www.bls.gov | Telephone: 1-202-691-5200 | TDD: 1-800-877-8339 | [Contact Us](#)

Forecast Error Calculation

	2010 Weight	Second Quarter 2012		Pct. Diff.	Notes			
		2012Q2 Forecast	2012Q2 Actual					
Labor	33.3%	385.8	385.8	0.0	* actual=forecast			
Fuel	18.0%	409.4	403.2	-6.2	from 1st month of quarter			
M&S	5.0%	274.1	274.0	-0.1	* actual=corrected forecast			
Equip Rents	6.2%	204.8	204.3	-0.5	from Equipment Rents below			
Depreciation	12.8%	211.4	211.4	0.0	PPI-RE <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="width: 50px; text-align: center;">190.40</td><td style="width: 50px; text-align: center;">191.70</td><td style="width: 50px; text-align: center;">191.10</td></tr></table> 0.9040	190.40	191.70	191.10
190.40	191.70	191.10						
Interest	2.9%	90.6	90.6	0.0	* actual=forecast			
Other	21.8%	218.8	218.9	0.1	PPI-LF <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="width: 50px; text-align: center;">195.90</td><td style="width: 50px; text-align: center;">195.60</td><td style="width: 50px; text-align: center;">194.40</td></tr></table> 0.8920	195.90	195.60	194.40
195.90	195.60	194.40						
Weighted Avg	100.0%							
1980 = 100		306.0	304.8		calculated			
1980 = 100 (linked)		296.7	295.2		calculated			
4Q07 = 100	2.459	120.7	120.0		calculated			
4Q02 = 100	1.921	154.5	153.7		calculated			
4Q97 = 100	1.732	171.3	170.4		calculated			
4Q92 = 100	1.569	189.1	188.1		calculated			
Forecast Error	→	-0.7			calculated -0.007 = RCAF adj.			
<u>Prior Quarter</u>								
1980 = 100		298.3	297.0 **					
1980 = 100 (linked)		289.2	287.6					
4Q07 = 100		117.6	117.0		calculated			
4Q02 = 100		150.5	149.7		calculated			
4Q97 = 100		167.0	166.1		calculated			
4Q92 = 100		184.3	183.3		calculated			
<u>Equipment Rents</u>								
Car Hire	45.8%	174.8	173.3		from Equipment Rents/CHARM			
Lease Rentals	54.2%	218.8	218.9		(equals PPI-LF from above)			
Weighted Average		198.6	198.0		calculated			
Linked		204.8	204.3		calculated			
<u>Prior Quarter</u>								
Weighted Average		197.2	199.0 **					
Linked		203.4	205.3					
Sum of Weights	ok				** if fourth quarter, weighted avg for prior needs to use new weights, linked is ok			
Sum of ER Wt.	ok							

All-Inclusive Index (Actual)

	10 Wts	3Q/11 09 Wts	3Q/11 10 Wts	% Chg.	4Q/11 10 Wts	% Chg.	1Q/12 10 Wts	% Chg.	2Q/12 10 Wts	% Chg.	3Q/12 10 Wts	% Chg.
Labor	33.3%	382.1	382.1	0.0%	373.9	-2.1%	379.4	1.5%	385.8	1.7%		NA
Fuel	18.0%	387.0	387.0	0.0%	375.4	-3.0%	375.7	0.1%	403.2	7.3%		NA
M&S	5.0%	257.9	257.9	0.0%	265.7	3.0%	263.6	-0.8%	274.0	3.9%		NA
Equipment Rents	6.2%	207.0	207.0	0.0%	204.2	-1.4%	205.3	0.5%	204.3	-0.5%	0.0	NA
Depreciation	12.8%	207.3	207.3	0.0%	208.4	0.5%	210.3	0.9%	211.4	0.5%		NA
Interest	2.9%	84.5	84.5	0.0%	90.6	7.2%	90.6	0.0%	90.6	0.0%	90.6	0.0%
Other	21.8%	218.2	218.2	0.0%	216.9	-0.6%	218.3	0.6%	218.9	0.3%		NA
	<u>1.0000</u>											
Weighted Avg.		295.9	299.2	1.1%	294.6	-1.5%	297.0	0.8%	304.8	2.6%	2.6	NA
Linked		289.8			285.3	-1.6%	287.6	0.8%	295.2	2.6%	2.5	NA
10/1/80	1.027	282.2			277.8	-1.6%	280.0	0.8%	287.4	2.6%	2.4	NA
10/1/82	1.209	239.7			236.0	-1.5%	237.9	0.8%	244.2	2.6%	2.1	NA
4Q/87	1.322	219.2			215.8	-1.6%	217.5	0.8%	223.3	2.7%	1.9	NA
4Q/92	1.569	184.7			181.8	-1.6%	183.3	0.8%	188.1	2.6%	1.6	NA
4Q/97	1.732	167.3			164.7	-1.6%	166.1	0.9%	170.4	2.6%	1.4	NA
4Q/02	1.921	150.9			148.5	-1.6%	149.7	0.8%	153.7	2.7%	1.3	NA
4Q/07	2.459	117.9			116.0	-1.6%	117.0	0.9%	120.0	2.6%	1.0	NA
Equipment Rents												
Car Hire	45.8%	179.8	179.8	0.0%	175.5	-2.4%	176.2	0.4%	173.3	-1.6%		NA
Lease Rentals	54.2%	218.2	218.2	0.0%	216.9	-0.6%	218.3	0.6%	218.9	0.3%	0.0	NA
	<u>1.0000</u>											
ER Weighted Avg		202.0	200.6	-0.7%	197.9	-1.3%	199.0	0.6%	198.0	-0.5%	0.0	NA
ER Linked		207.0			204.2	-1.4%	205.3	0.5%	204.3	-0.5%	0.0	NA

Impact/Check of weight change	09 Wts	10 Wts
Labor	132.589	127.239
Fuel	57.663	69.660
Material & Supplies	13.153	12.895
Equipment Rents	14.697	12.834
Depreciation	28.815	26.534
Interest	2.535	2.451
Other	46.477	47.568
Weighted Avg.	295.928	299.181
ER Weighted Avg.	201.99334	200.6128

Note: 2011Q4 Labor Index was corrected from 375.3 filed to 373.9 because of a Wage Stat revision by one railroad. The corrected 373.9 will be used as actual in calculating Forecast Error.

Note: 2012Q1 M&S Index was corrected from 263.7 filed to 263.6 because of a revision by one railroad.

Note: 2012Q2 M&S Index was corrected from 274.1 filed to 274.0 because of two railroad revisions.

RCAF Fuel (Actual All-Inclusive Index)

April 2012

Monthly Report

	April 2012 Price (cents) (1)	1/1/81 Price (cents) (2)	1/91 New Method Linking Factors (3)	April 2012 Index 1/1/81=100 (4)	Linking Factor 1980=100 (5)	April 2012 1980=100 Current Index (6)
U.S.	330.00	89.34	99.415	367.21	1.096	402.47

(4) = (1) / (2) x (3)

(6) = (4) x (5)

Final Actual All-inclusive Index Used for RCAF's Forecast Error Adjustment

	April 2012 1980=100 Current Index	Adjustment Factor	April 2012 1980=100 Linked Index
U.S.	402.47	1.00192	403.24 ←

January	=	Q1
April	=	Q2
July	=	Q3
October	=	Q4

The index of railroad input prices, RCAF (Unadjusted), RCAF (Adjusted), and RCAF-5 for the third quarter of 2012 are shown in Table A of the Appendix to this decision. Table B shows the first quarter 2012 index and the RCAF calculated on both an actual and a forecasted basis. The difference between the actual calculation and the forecasted calculation is the forecast error adjustment.

In its submission, AAR states that during April, one railroad revised Materials & Supplies (M&S) pricing data that had been used in the first and second quarter 2012 calculations. According to AAR, both revisions caused the M&S component to be 0.1 points lower than previously reported. AAR proposes that the Board use this quarter's forecast error calculation to account for any differences caused by the first quarter 2012 revision. In the fourth quarter filing AAR plans to use the fourth quarter 2012 forecast error calculation to account for any differences caused by the second quarter 2012 revision.

The Board has used the forecast error adjustment procedure to remedy similar errors, and we believe it is the best available method to account for the corrected M&S component figures.² Therefore, we will not restate the first or second quarter 2012 RCAF figures, but rather will allow the corrections to be made using the forecast error calculations. As a result, the third quarter 2012 forecast error calculation will include the original 263.7 figure as the "forecast" version of the first quarter 2012 M&S component, and the corrected 263.6 figure as the "actual" version of the first quarter 2012 M&S component. In the fourth quarter index calculation, the fourth quarter 2012 forecast error calculation will include the original 274.1 figure as the "forecast" version of the second quarter 2012 M&S component, and the corrected 274.0 figure as the "actual" version of the second quarter 2012 M&S component. In the current third quarter 2012 RCAF calculations, the M&S component has been calculated as if the second quarter 2012 version had used the corrected figure.³

We have examined AAR's calculations and we find that AAR has complied with our procedures. We find that the third quarter 2012 RCAF (Unadjusted) is 1.171, a decrease of 1.2%

² See Quarterly Rail Cost Adjustment Factor, EP 290 (Sub-No. 5) (2011-4), slip op. at 2 (STB served Sept. 20, 2011) (correcting, but not restating, the third quarter 2011 M&S component using the first quarter 2012 forecast error calculation); see also Quarterly Rail Cost Adjustment Factor, EP 290 (Sub-No. 5) (2001-1), slip op. at 2 (STB served Dec. 20, 2000) (noting that the forecast error adjustment was the best available method for correcting a previously overstated RCAF calculation and not restating the previously overstated RCAF).

³ The Western Coal Traffic League (WCTL) filed a letter on June 7, 2012, in response to AAR's submission addressing the revised M&S pricing data. As WCTL notes, our use of the forecast error adjustment "follows past practice" for addressing a party's errors in the calculation of M&S component figures. WCTL Letter 1. In addition, no party has asked the Board to restate any of the previously published figures, and WCTL does not propose an alternative approach to resolving the issue now before the Board. As such, here, we will account for the corrected errors in the M&S component figures as described above.

Car Hire for RCAF

RCAF (Actual)

		1980	Aug 3Q/11	Nov 4Q/11	Feb 1Q/12	May 2Q/12	Aug 3Q/12
RATE							
	RR-OWNED TIME	31.00	67.00	67.00	66.00	63.00	--
	RR-OWNED MILEAGE	4.69	7.20	7.20	7.10	6.80	--
	PRIVATELY-OWNED CARS	25.47	45.00	43.50	44.03	43.79	--
	AUTORACKS	47.00	42.33	42.33	37.32	38.33	--
INDEX							
	RR-OWNED TIME	100.0	216.1	216.1	212.9	203.2	--
	RR-OWNED MILEAGE	100.0	153.5	153.5	151.4	145.0	--
	PRIVATELY-OWNED CARS	100.0	176.7	170.8	172.9	171.9	--
	AUTORACKS	100.0	90.1	90.1	79.4	81.5	--
CAR HIRE INDEX (old wts)	2009	100.0	180.2	--	--	--	--
CAR HIRE INDEX (new wts)	2010	100.0	180.7	176.4	177.1	174.2	--
CAR HIRE INDEX (LINKED)		100.0	179.8	175.5	176.2	173.3	--

Note: Indexes are rounded, rates are full float.

Equipment Rents Data From CHARM

	2011 (first day of month)						2012 (first day of month)							
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Railroad Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	10,309	10,132	10,124	10,070	10,054	10,794	7,489	7,423	7,408	7,304	7,340	7,353		
Rate (in cents)														
Superstructures #3 - Auto Rack	20.0	21.0	21.0	21.0	21.0	20.0	28.0	27.0	28.0	28.0	28.0	28.0		
All other #1 - Time	67.0	67.0	67.0	67.0	67.0	67.0	65.0	66.0	66.0	63.0	63.0	63.0		
All other #2 - Mileage	7.2	7.2	7.2	7.2	7.2	7.2	7.1	7.1	7.1	6.8	6.8	6.8		
Private Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	46,434	46,336	46,222	46,104	45,960	45,824	45,720	45,645	45,602	45,337	45,304	45,296		
Covered Hoppers	332,007	331,523	334,180	332,890	332,345	336,974	312,043	313,704	314,908	315,131	316,856	318,579		
Tank Cars	305,295	304,829	304,863	305,905	305,104	306,181	296,936	296,845	298,469	297,412	298,467	299,421		
Others	308,308	306,477	306,394	308,539	307,098	309,432	287,359	286,731	287,028	284,792	285,693	285,741		
Rate (in cents)														
Superstructures #1 - Time	78.0	78.0	78.0	78.0	78.0	78.0	78.0	78.0	78.0	78.0	78.0	78.0		
Superstructures #2 - Mileage	1.2	1.4	1.4	1.4	1.4	1.4	1.4	1.6	1.6	1.4	1.4	1.4		
Superstructures #3 - Auto Rack	46.0	47.0	47.0	47.0	47.0	47.0	47.0	39.0	39.0	40.0	40.0	40.0		
Covered Hoppers #2 - Mileage	43.1	43.2	43.2	43.2	43.2	43.2	43.1	43.2	43.2	43.2	43.3	43.4		
Tank Cars #2 - Mileage	74.4	74.5	69.2	69.4	69.4	69.5	69.3	69.5	67.9	68.1	68.2	68.3		
Others #1 - Time	64.0	65.0	65.0	66.0	66.0	66.0	68.0	69.0	69.0	71.0	71.0	71.0		
Others #2 - Mileage	6.9	7.0	7.0	7.0	7.0	7.0	7.0	7.1	7.1	6.9	6.9	6.9		
AVERAGE RATES														
Private Superstructures	19.53	19.73	19.73	19.73	19.73	19.73	19.73	19.93	19.93	19.73	19.73	19.73	0.00	0.00
Private Others	21.11	21.43	21.43	21.65	21.65	21.65	22.10	22.42	22.42	22.66	22.66	22.66	0.00	0.00
Private Total	44.79	45.00	43.37	43.49	43.50	43.51	43.82	44.03	43.57	43.72	43.79	43.88	#DIV/0!	#DIV/0!
Autoracks	41.28	42.33	42.33	42.34	42.33	41.85	44.33	37.32	37.46	38.33	38.33	38.32	#DIV/0!	#DIV/0!

WEIGHTS	"Old Wts"	"New Wts"
	2009	2010
For RCAF & RCR		
RR-owned Time	0.168	0.174
RR-owned Mileage	0.084	0.084
Privately-owned Cars	0.735	0.732
Autoracks	0.013	0.010
----- Check sum	1.000	1.000

Weights for Equipment Rents (not used in Car Hire calculation)		
	2009	2010
Car Hire - U.S.	0.422	0.458
Lease Rentals - U.S.	0.578	0.542
----- Check sum	1.000	1.000

Note: The 4 bold lines are used for the Car Hire Rate. Private Total uses a weighted average of the Covered Hoppers, Tank Cars, Combined Private Superstructures, and Combined Private Others rates.

CHARM Process - Umler Hire Rate Report

Average Car Rental Rates for 05/2012

Ownership	Car Group	Car Count	Time Rate (cents/hour)	Mileage Rate (\$/mile)	Auto Rack Rate (cents/hour)
Railroad	Vehicular Flats	7,340	116	0.081	28
Railroad	Number of Zero-Rated Vehicular Flats	101	.	.	.
Railroad	All Other Cars	505,530	63	0.068	.
Railroad	Number of Zero-Rated Other Cars	21,873	.	.	.
Railroad	Total Railroad Equipment	534,844	.	.	.
	
Private	Vehicular Flats	45,304	78	0.014	40
Private	Number of Zero-Rated Vehicular Flats	3	.	.	.
Private	Covered Hoppers	316,856	0	0.433	.
Private	Number of Zero-Rated Covered Hoppers	9,575	.	.	.
Private	Tanks	298,467	0	0.682	.
Private	Number of Zero-Rated Tanks	8,003	.	.	.
Private	All Other Cars	285,693	71	0.069	.
Private	Number of Zero-Rated Other Cars	30,222	.	.	.
Private	Total Private Equipment	994,123	.	.	.

Notes
This report excludes these car types: D (Locomotives), M (MoW, EOTs, etc.), U (Containers), Z (Trailers).
All TTX equipment (including ABOX, RBOX, GONX) is contained in the Private section of report.
Equipment can be zero rated due to owners supplying incorrect or insufficient information to the car accounting process.
Zero-rated equipment includes those with Umler Rate_Indicator of 6 and 0 (zero).
Zero-rated equipment is excluded from the averages shown in this report.
Equipment must be Active in Umler to be included in this report; Pre-registered and Inactive cars are excluded.

RCAF - Depreciation

Series ID : wpu144

Not Seasonally Adjusted

Group : Transportation equipment

Item : Railroad equipment

Forecast Year 2012

As reported at end of month 82=100

		Nov.	Feb.	May	Aug.
For Forecast	→	12Q1	12Q2	12Q3	12Q4
For Actual	→	11Q3	11Q4	12Q1	12Q2
January	2011	184.9	184.9	184.9	184.9
February	2011	185.1	185.1	185.1	185.1
March	2011	187.0	187.0	187.0	187.0
April	2011	186.6	186.6	186.6	186.6
May	2011	186.7	186.7	186.7	186.7
June	2011	186.8	186.8	186.8	186.8
July	2011	187.4	187.3	187.3	187.3
August	2011	187.4	187.4	187.4	187.4
September	2011	187.4	187.5	187.5	187.5
October	2011	187.5	187.5	187.5	187.5
November	2011		187.7	187.7	187.7
December	2011		189.9	189.9	189.9
January	2012		189.9	189.9	190.1
February	2012			190.2	190.1
March	2012			190.2	190.6
April	2012			190.4	190.4
May	2012				191.7
June	2012				191.1
July	2012				191.7
Actual Qtr.		187.4	188.4	190.1	191.1

1980=100

Actual Qtr.	207.3	208.4	210.3	211.4
First Mo. next qtr.	207.4	210.1	210.6	212.1

0.904 =1980

[A to Z Index](#) | [FAQs](#) | [About BLS](#) | [Contact Us](#) | [Subscribe to E-mail Updates](#) 

[Follow Us](#)  | [What's New](#) | [Release Calendar](#) | [Site Map](#)

Search BLS.gov 

[Home](#) | [Subject Areas](#) | [Databases & Tools](#) | [Publications](#) | [Economic Releases](#) | [Beta](#)

Databases, Tables & Calculators by Subject

FONT SIZE: 

Change Output Options: From: To:

Include graphs

[More Formatting Options](#) 

Data extracted on: August 15, 2012 (9:38:27 AM)

Producer Price Index-Commodities

Series Id: WPU144
Not Seasonally Adjusted
Group: Transportation equipment
Item: Railroad equipment
Base Date: 198200

Download:  .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2011	184.9	185.1	187.0	186.6	186.7	186.8	187.3	187.4	187.5	187.5	187.7	189.9	187.0
2012	190.1	190.1	190.6	190.4(P)	191.7(P)	191.1(P)	191.7(P)						

P : Preliminary. All indexes are subject to revision four months after original publication.

TOOLS

[Areas at a Glance](#)
[Industries at a Glance](#)
[Economic Releases](#)
[Databases & Tables](#)
[Maps](#)

CALCULATORS

[Inflation](#)
[Location Quotient](#)
[Injury And Illness](#)

HELP

[Help & Tutorials](#)
[FAQs](#)
[Glossary](#)
[About BLS](#)
[Contact Us](#)

INFO

[What's New](#)
[Careers @ BLS](#)
[Find It! DOL](#)
[Join our Mailing Lists](#)
[Linking & Copyright Info](#)

RESOURCES

[Inspector General \(OIG\)](#)
[Budget and Performance](#)
[No Fear Act](#)
[USA.gov](#)
[Benefits.gov](#)
[Disability.gov](#)

[Freedom of Information Act](#) | [Privacy & Security Statement](#) | [Disclaimers](#) | [Customer Survey](#) | [Important Web Site Notices](#)

U.S. Bureau of Labor Statistics | Postal Square Building, 2 Massachusetts Avenue, NE Washington, DC 20212-0001
www.bls.gov | Telephone: 1-202-691-5200 | TDD: 1-800-877-8339 | [Contact Us](#)

RCAF - Other

Series ID : wpu03t15m05

Not Seasonally Adjusted

Group : Industrial Commodities less fuels

Item : Industrial commodities less fuels

Forecast Year 2012

As reported at end of month 82=100

		Nov.	Feb.	May	Aug.
For Forecast →		12Q1	12Q2	12Q3	12Q4
For Actual →		11Q3	11Q4	12Q1	12Q2
January	2011	188.6	188.6	188.6	188.6
February	2011	190.2	190.2	190.2	190.2
March	2011	191.2	191.2	191.2	191.2
April	2011	193.0	193.0	193.0	193.0
May	2011	193.7	193.7	193.7	193.7
June	2011	193.9	193.9	193.9	193.9
July	2011	194.5	194.6	194.6	194.6
August	2011	194.5	194.5	194.5	194.5
September	2011	194.7	194.6	194.6	194.6
October	2011	194.2	194.2	193.9	193.9
November	2011		193.4	193.2	193.2
December	2011		193.0	192.7	192.7
January	2012		193.5	193.5	193.8
February	2012			194.8	194.7
March	2012			195.8	195.7
April	2012			195.9	195.9
May	2012				195.6
June	2012				194.4
July	2012				193.2
Actual Qtr.		194.6	193.5	194.7	195.3

1980=100

Actual Qtr.	218.2	216.9	218.3	218.9
First Mo. next qtr.	217.7	216.9	219.6	216.6

0.892 =1980

Databases, Tables & Calculators by Subject

FONT SIZE: 

Change Output Options: From: To: 

include graphs

[More Formatting Options](#) 

Data extracted on: August 15, 2012 (9:44:09 AM)

Producer Price Index-Commodities

Series Id: WPU03T15M05

Not Seasonally Adjusted

Group: Industrial Commodities less fuels

Item: Industrial commodities less fuels

Base Date: 198200

Download:  .xls

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Annual
2011	188.6	190.2	191.2	193.0	193.7	193.9	194.6	194.5	194.6	193.9	193.2	192.7	192.8
2012	193.8	194.7	195.7	195.9(P)	195.6(P)	194.4(P)	193.2(P)						

P : Preliminary. All indexes are subject to revision four months after original publication.

TOOLS

[Areas at a Glance](#)
[Industries at a Glance](#)
[Economic Releases](#)
[Databases & Tables](#)
[Maps](#)

CALCULATORS

[Inflation](#)
[Location Quotient](#)
[Injury And Illness](#)

HELP

[Help & Tutorials](#)
[FAQs](#)
[Glossary](#)
[About BLS](#)
[Contact Us](#)

INFO

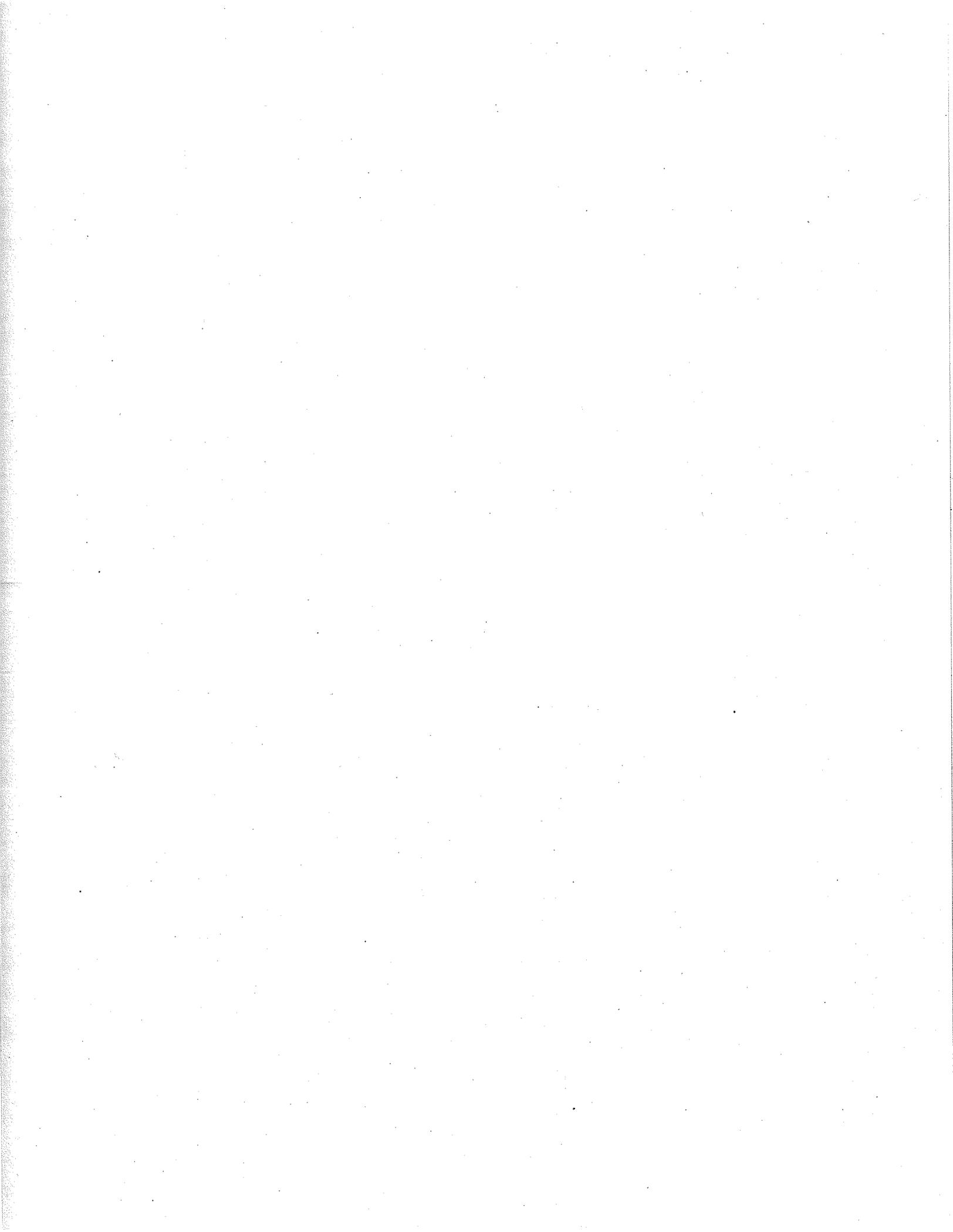
[What's New](#)
[Careers @ BLS](#)
[Find It! DOL](#)
[Join our Mailing Lists](#)
[Linking & Copyright Info](#)

RESOURCES

[Inspector General \(OIG\)](#)
[Budget and Performance](#)
[No Fear Act](#)
[USA.gov](#)
[Benefits.gov](#)
[Disability.gov](#)

[Freedom of Information Act](#) | [Privacy & Security Statement](#) | [Disclaimers](#) | [Customer Survey](#) | [Important Web Site Notices](#)

U.S. Bureau of Labor Statistics | Postal Square Building, 2 Massachusetts Avenue, NE Washington, DC 20212-0001
www.bls.gov | Telephone: 1-202-691-5200 | TDD: 1-800-877-8339 | [Contact Us](#)



**AAR 2011 Wage Statistics August 17, 2012
U.S.**

Union	Employees	Straight Time		PFTNW	Union Lump
	Paid	Hours	Comp.	Comp.	Sums
UTU	41,349	73,411,321	1,854,615,147	818,885,397	60,632,951
TCU	6,738	11,500,548	292,249,666	59,032,753	5,784,333
BLET	26,734	53,129,967	1,565,520,037	602,640,202	120,625,795
SMW	1,017	1,825,906	45,440,152	6,961,704	413
BRS	7,226	13,440,148	357,496,367	79,672,814	151,838
BMWE	25,419	46,281,563	1,056,091,405	193,203,287	8,040,776
TCU-CAR	9,858	17,876,713	448,192,971	73,988,499	175,874
NCFO	2,419	4,270,139	88,297,500	14,741,611	25,615
IAM	6,987	12,463,969	319,102,988	59,001,830	387,523
IBBM	1,389	2,412,814	53,386,929	7,572,799	28,218
IBEW	5,501	9,839,492	252,587,161	47,888,620	424,873
ATDA	2,472	4,204,758	160,979,889	30,964,087	6,483,611
UTU-YMD	2,062	3,102,308	118,486,906	32,041,633	1,985,264
OTHER	25,927	52,038,803	2,265,242,098	88,689,837	
Total	165,098	305,798,449	\$8,877,689,216	\$2,115,285,073	\$204,747,084
ST Comp less Union Lump Sums			\$8,672,942,132		

Checks

OK Match	OK Match	OK Match	OK Match
Total including non-union			\$516,315,550

RCAF Weights

	U.S.	East	West	2011	2010	Amt Chg	2009	2008	2007
Labor	\$15,764,774	\$6,600,021	\$9,164,753	31.3%	33.3%	-2.0%	34.7%	30.2%	32.8%
Fuel	11,342,822	3,393,866	7,948,956	22.5%	18.0%	4.5%	14.9%	25.2%	20.3%
Mat & Sup.	2,554,746	1,048,277	1,506,469	5.1%	5.0%	0.1%	5.1%	5.1%	5.0%
Equip. Rents	2,799,225	746,385	2,052,840	5.6%	6.2%	-0.6%	7.1%	6.3%	7.2%
Depreciation	5,853,920	2,078,793	3,775,127	11.6%	12.8%	-1.2%	13.9%	10.4%	11.0%
Interest	1,231,768	510,680	721,088	2.5%	2.9%	-0.4%	3.0%	2.3%	2.7%
Other	10,795,780	5,001,794	5,793,986	21.4%	21.8%	-0.4%	21.3%	20.5%	21.0%
Total	\$50,343,035	\$19,379,816	\$30,963,219	100.0%	100.0%		100.0%	100.0%	100.0%

Check

Bolded number was adjusted to force rounded numbers to add to 100.0%.

410 620f	49,111,267
Interest	1,231,768
Total	50,343,035
	ok

Other	U.S.	East	West	2011	2010	Amt Chg.
Purch Service	\$7,048,066	\$3,105,657	\$3,942,409	14.0%	14.1%	-0.1%
Taxes	994,266	367,441	626,825	2.0%	1.9%	0.1%
Cas & Insuran	694,651	369,699	324,952	1.4%	1.4%	0.0%
Loss & Dam	79,798	43,075	36,723	0.2%	0.1%	0.1%
Gen & Admn	1,978,999	1,115,922	863,077	3.9%	4.2%	-0.3%
Total	\$10,795,780	\$5,001,794	\$5,793,986	21.4%	21.8%	-0.4%

RCR and RCAF Internal Weights

	U.S.	East	West	U.S. 2011	East 2011	West 2011	U.S. 2010	Amt Diff
Labor								
Wages	10,793,221	4,402,843	6,390,378	68.5%	66.7%	69.7%	69.8%	-1.3%
Wage Supplem	4,971,553	2,197,178	2,774,375	31.5%	33.3%	30.3%	30.2%	1.3%
Total	15,764,774	6,600,021	9,164,753	100.0%	100.0%	100.0%	100.0%	
	ok	ok	ok					

Depreciation (RCR)

Road	3,950,548	1,487,375	2,463,173	67.5%	71.5%	65.2%	68.8%	-1.3%
Locomotive	1,032,577	292,626	739,951	17.6%	14.1%	19.6%	17.4%	0.2%
Freight Car	304,801	174,597	130,204	5.2%	8.4%	3.5%	5.0%	0.2%
Other Equip.	565,994	124,195	441,799	9.7%	6.0%	11.7%	8.8%	0.9%
Total	5,853,920	2,078,793	3,775,127	100.0%	100.0%	100.0%	100.0%	
Check	ok	ok	ok					

Deprec - Other (RCR)

Locomotive	1,032,577	292,626	739,951	77.2%	62.6%	85.0%	77.6%	-0.4%
Freight Car	304,801	174,597	130,204	22.8%	37.4%	15.0%	22.4%	0.4%
Total	1,337,378	467,223	870,155	100.0%	100.0%	100.0%	100.0%	

Equip. Rents

Car Hire	1,360,891	596,671	764,220	48.6%	79.9%	37.2%	45.8%	2.8%
Lease Rents	1,438,334	149,714	1,288,620	51.4%	20.1%	62.8%	54.2%	-2.8%
Total	2,799,225	746,385	2,052,840	100.0%	100.0%	100.0%	100.0%	
Check	ok	ok	ok					

Interest (RCR)

Road	150,417,993	57,750,298	92,667,695	83.4%	78.7%	86.6%	83.8%	-0.4%
Locomotive	19,900,696	9,088,452	10,812,244	11.0%	12.4%	10.1%	10.7%	0.3%
Freight Car	10,109,311	6,533,929	3,575,382	5.6%	8.9%	3.3%	5.5%	0.1%
Total	180,428,000	73,372,679	107,055,321	100.0%	100.0%	100.0%	100.0%	
from Sch. 352B	ok	ok	ok					

Car Hire

RR Time excl Autork	231,384			17.0%			17.4%	-0.4%
RR Mileage excl Auto	105,819			7.8%			8.4%	-0.6%
Private excl Autorack	1,002,399			73.8%			73.2%	0.6%
Autorack	18,473			1.4%			1.0%	0.4%
Total	1,358,075			100.0%			100.0%	
from Sch. 414	ok							

Car Hire, Adjusted to eliminate negative numbers

RR Time excl Autork	231,384			17.0%			17.4%	-0.4%
RR Mileage excl Auto	105,819			7.8%			8.4%	-0.6%
Private excl Autorack	1,002,399			73.8%			73.2%	0.6%
Autorack	18,473			1.4%			1.0%	0.4%
Total	1,358,075			100.0%			100.0%	

Note: These numbers are all rounded to 3 digits after the decimal or 1 digit after the decimal for a percentage. In the event that the rounded percentages do not sum to 100.0%, the number that is closest to rounding in the other direction will be changed to force a 100.0% total. The number is identified by a **bold font**.

Railroad Retirement and Medicare Benchmark for U.S.

Inputs:

RRB Earnings Distribution Year	2010	RR Retirement Tier I Maximum Taxable Earnings for 2011	\$106,800
Wage Statistics Year*	2011	RR Retirement Tier II Maximum Taxable Earnings for 2011	\$79,200
Employees Receiving Pay*	165,098	Medicare Maximum Taxable Earnings for 2011	no limit
		Tier I Employer Tax Rate for 2011	6.20%
		Tier II Employer Tax Rate for 2011	12.10%
		Medicare Employer Tax Rate for 2011	1.45%

* final Wage Statistics with revisions through August 17, 2012

(Info Only)

USA	ST+PFTNW Hrly Rate	Update Factor	RR Ret. Tax Paid	Hourly Rate	
2010	\$33.913				
2011	\$34.752	1.02474	\$555,926,521	\$7.216	Hourly rate from SUPPL2011.xls

Railroad Retirement and Medicare Benchmark for U.S.

From 2010 RRB Earnings Distribution			Quarterly Average for Benchmark Year 2011 (using updated 2010 Earnings Distribution with data for 2011)									
Earnings Groups	Avg Annual Earnings	% of Total Employees	Employees Receivg. Pay	Avg. Annual Earnings	Avg. Qtrly. Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)			
									Tier I	Tier II	Medicare	
\$0 - 41,699	\$32,794	4.238	6,997	\$33,605	\$8,401	8,401	\$8,401	\$8,401	\$58,782,866	\$58,782,866	\$58,782,866	
41,700 - 43,699	\$42,800	1.310	2,163	\$43,859	10,965	10,965	10,965	10,965	23,714,309	23,714,309	23,714,309	
43,700 - 45,699	\$44,737	1.462	2,414	\$45,844	11,461	11,461	11,461	11,461	27,663,660	27,663,660	27,663,660	
45,700 - 47,699	\$46,787	2.117	3,495	\$47,944	11,986	11,986	11,986	11,986	41,893,001	41,893,001	41,893,001	
47,700 - 49,699	\$48,731	3.377	5,575	\$49,937	12,484	12,484	12,484	12,484	69,603,615	69,603,615	69,603,615	
49,700 - 51,699	\$50,781	5.847	9,653	\$52,037	13,009	13,009	13,009	13,009	125,582,683	125,582,683	125,582,683	
51,700 - 53,699	\$52,707	5.141	8,488	\$54,011	13,503	13,503	13,503	13,503	114,607,045	114,607,045	114,607,045	
53,700 - 55,699	\$54,705	5.040	8,321	\$56,058	14,015	14,015	14,015	14,015	116,614,612	116,614,612	116,614,612	
55,700 - 57,699	\$56,741	4.788	7,905	\$58,145	14,536	14,536	14,536	14,536	114,907,015	114,907,015	114,907,015	
57,700 - 59,699	\$58,792	4.133	6,824	\$60,247	15,062	15,062	15,062	15,062	102,773,005	102,773,005	102,773,005	
59,700 - 61,699	\$60,712	3.931	6,490	\$62,214	15,554	15,554	15,554	15,554	100,942,254	100,942,254	100,942,254	
61,700 - 63,699	\$62,715	4.032	6,657	\$64,267	16,067	16,067	16,067	16,067	106,951,619	106,951,619	106,951,619	
63,700 - 65,699	\$64,545	3.730	6,158	\$66,142	16,535	16,535	16,535	16,535	101,827,915	101,827,915	101,827,915	
65,700 - 67,699	\$66,535	2.671	4,410	\$68,181	17,045	17,045	17,045	17,045	75,165,658	75,165,658	75,165,658	
67,700 - 69,699	\$68,839	3.831	6,325	\$70,542	17,636	17,636	17,636	17,636	111,542,948	111,542,948	111,542,948	
69,700 - 71,699	\$70,621	3.175	5,242	\$72,368	18,092	18,092	18,092	18,092	94,835,952	94,835,952	94,835,952	
71,700 - 73,699	\$72,580	2.671	4,410	\$74,376	18,594	18,594	18,594	18,594	81,994,792	81,994,792	81,994,792	
73,700 - 75,699	\$74,566	3.982	6,574	\$76,411	19,103	19,103	19,103	19,103	125,584,927	125,584,927	125,584,927	
75,700 - 77,699	\$76,710	2.369	3,911	\$78,608	19,652	19,652	19,652	19,652	76,862,138	76,862,138	76,862,138	
77,700 - 79,699	\$78,473	2.268	3,744	\$80,414	20,104	20,104	19,800	20,104	75,276,379	74,139,568	75,276,379	
79,700 - 81,699	\$80,613	2.873	4,743	\$82,607	20,652	20,652	19,800	20,652	97,957,146	93,916,658	97,957,146	
81,700 - 83,699	\$82,701	2.671	4,410	\$84,747	21,187	21,187	19,800	21,187	93,428,648	87,313,398	93,428,648	
83,700 - 85,699	\$84,701	2.520	4,160	\$86,796	21,699	21,699	19,800	21,699	90,278,533	82,377,298	90,278,533	
85,700 - 87,699	\$86,591	2.369	3,911	\$88,733	22,183	22,183	19,800	22,183	86,762,734	77,441,198	86,762,734	
87,700 - 89,699	\$88,509	1.764	2,912	\$90,699	22,675	22,675	19,800	22,675	66,036,102	57,664,109	66,036,102	
89,700 - 91,699	\$90,575	2.167	3,578	\$92,816	23,204	23,204	19,800	23,204	83,016,165	70,837,938	83,016,165	
91,700 - 93,699	\$92,632	1.613	2,663	\$94,924	23,731	23,731	19,800	23,731	63,196,179	52,728,009	63,196,179	
93,700 - 95,699	\$94,761	1.008	1,664	\$97,105	24,276	24,276	19,800	24,276	40,400,392	32,950,919	40,400,392	
95,700 - 97,699	\$96,625	1.310	2,163	\$99,015	24,754	24,754	19,800	24,754	53,537,269	42,823,119	53,537,269	
97,700 - 99,699	\$98,617	1.109	1,831	\$101,057	25,264	25,264	19,800	25,264	46,257,137	36,252,549	46,257,137	
99,700 - 101,699	\$100,607	1.210	1,998	\$103,096	25,774	25,774	19,800	25,774	51,488,351	39,554,179	51,488,351	
101,700 - 103,699	\$102,747	1.058	1,747	\$105,289	26,322	26,322	19,800	26,322	45,978,017	34,585,389	45,978,017	
103,700 - 105,699	\$104,705	0.706	1,166	\$107,295	26,824	26,700	19,800	26,824	31,121,303	23,078,719	31,265,655	
105,700 - 107,699	\$106,587	0.806	1,331	\$109,224	27,306	26,700	19,800	27,306	35,529,420	26,347,660	36,335,797	
107,700 - 109,699	\$108,670	0.554	915	\$111,358	27,840	26,700	19,800	27,840	24,420,966	18,109,930	25,463,309	
109,700 - 111,699	\$110,636	0.504	832	\$113,373	28,343	26,700	19,800	28,343	22,216,908	16,475,460	23,584,269	
111,700 - 113,699	\$112,713	0.403	665	\$115,501	28,875	26,700	19,800	28,875	17,764,710	13,173,830	19,212,084	
113,700 - 115,699	\$114,669	0.202	333	\$117,506	29,376	26,700	19,800	29,376	8,904,396	6,603,260	9,796,993	
\$115,700 - over	\$181,962	5.040	8,321	\$186,464	46,616	26,700	19,800	46,616	222,169,077	164,754,596	387,888,276	
TOTAL		100.000	165,098						Total Taxable Earn'gs.	\$2,927,589,847	\$2,722,977,801	\$3,099,009,452
									Employer Tax Rate	6.20%	12.10%	1.45%
									Employer Payment	\$181,510,571	\$329,480,314	\$44,935,637
									Total Tier I & II & Medicare			\$555,926,521

RRB 2010 EARNINGS DATA

Annual Salary Range	Number of Employees	Gross Salary	Average Salary (Group)	Group Employment % Total Employment	Cumulative Employees	Cumulative Salary	Average Salary (Cumulative)	Cumulative % Total Employment
\$ 0 TO \$41,699	84	\$2,754,727	\$32,794	4.234	84	\$2,754,727	\$32,794	4.234
\$41,700 TO \$43,699	26	\$1,112,804	\$42,800	1.310	110	\$3,867,531	\$35,159	5.544
\$43,700 TO \$45,699	29	\$1,297,367	\$44,737	1.462	139	\$5,164,898	\$37,158	7.006
\$45,700 TO \$47,699	42	\$1,965,055	\$46,787	2.117	181	\$7,129,953	\$39,392	9.123
\$47,700 TO \$49,699	67	\$3,264,991	\$48,731	3.377	248	\$10,394,944	\$41,915	12.500
\$49,700 TO \$51,699	116	\$5,890,562	\$50,781	5.847	364	\$16,285,506	\$44,740	18.347
\$51,700 TO \$53,699	102	\$5,376,074	\$52,707	5.141	466	\$21,661,580	\$46,484	23.488
\$53,700 TO \$55,699	100	\$5,470,454	\$54,705	5.040	566	\$27,132,034	\$47,936	28.528
\$55,700 TO \$57,699	95	\$5,390,431	\$56,741	4.788	661	\$32,522,465	\$49,202	33.317
\$57,700 TO \$59,699	82	\$4,820,954	\$58,792	4.133	743	\$37,343,419	\$50,260	37.450
\$59,700 TO \$61,699	78	\$4,735,568	\$60,712	3.931	821	\$42,078,987	\$51,253	41.381
\$61,700 TO \$63,699	80	\$5,017,218	\$62,715	4.032	901	\$47,096,205	\$52,271	45.413
\$63,700 TO \$65,699	74	\$4,776,363	\$64,545	3.730	975	\$51,872,568	\$53,203	49.143
\$65,700 TO \$67,699	53	\$3,526,363	\$66,535	2.671	1,028	\$55,398,931	\$53,890	51.815
\$67,700 TO \$69,699	76	\$5,231,768	\$68,839	3.831	1,104	\$60,630,699	\$54,919	55.645
\$69,700 TO \$71,699	63	\$4,449,149	\$70,621	3.175	1,167	\$65,079,848	\$55,767	58.821
\$71,700 TO \$73,699	53	\$3,846,720	\$72,580	2.671	1,220	\$68,926,568	\$56,497	61.492
\$73,700 TO \$75,699	79	\$5,890,699	\$74,566	3.982	1,299	\$74,817,267	\$57,596	65.474
\$75,700 TO \$77,699	47	\$3,605,393	\$76,710	2.369	1,346	\$78,422,660	\$58,263	67.843
\$77,700 TO \$79,699	45	\$3,531,307	\$78,473	2.268	1,391	\$81,953,967	\$58,917	70.111
\$79,700 TO \$81,699	57	\$4,594,932	\$80,613	2.873	1,448	\$86,548,899	\$59,771	72.984
\$81,700 TO \$83,699	53	\$4,383,178	\$82,701	2.671	1,501	\$90,932,077	\$60,581	75.655
\$83,700 TO \$85,699	50	\$4,235,060	\$84,701	2.520	1,551	\$95,167,137	\$61,359	78.175
\$85,700 TO \$87,699	47	\$4,069,756	\$86,591	2.369	1,598	\$99,236,893	\$62,101	80.544
\$87,700 TO \$89,699	35	\$3,097,811	\$88,509	1.764	1,633	\$102,334,704	\$62,667	82.308

RRB 2010 EARNINGS DATA

Annual Salary Range	Number of Employees	Gross Salary	Average Salary (Group)	Group Employment % Total Employment	Cumulative Employees	Cumulative Salary	Average Salary (Cumulative)	Cumulative % Total Employment
\$89,700 TO \$91,699	43	\$3,894,710	\$90,575	2.167	1,676	\$106,229,414	\$63,383	84.476
\$91,700 TO \$93,699	32	\$2,964,229	\$92,632	1.613	1,708	\$109,193,643	\$63,931	86.089
\$93,700 TO \$95,699	20	\$1,895,220	\$94,761	1.008	1,728	\$111,088,863	\$64,288	87.097
\$95,700 TO \$97,699	26	\$2,512,256	\$96,625	1.310	1,754	\$113,601,119	\$64,767	88.407
\$97,700 TO \$99,699	22	\$2,169,563	\$98,617	1.109	1,776	\$115,770,682	\$65,186	89.516
\$99,700 TO \$101,699	24	\$2,414,565	\$100607	1.210	1,800	\$118,185,247	\$65,658	90.726
\$101,700 TO \$103,699	21	\$2,157,685	\$102747	1.058	1,821	\$120,342,932	\$66,086	91.784
\$103,700 TO \$105,699	14	\$1,465,868	\$104705	0.706	1,835	\$121,808,800	\$66,381	92.490
\$105,700 TO \$107,699	16	\$1,705,387	\$106587	0.806	1,851	\$123,514,187	\$66,728	93.296
\$107,700 TO \$109,699	11	\$1,195,365	\$108670	0.554	1,862	\$124,709,552	\$66,976	93.851
\$109,700 TO \$111,699	10	\$1,106,363	\$110636	0.504	1,872	\$125,815,915	\$67,209	94.355
\$111,700 TO \$113,699	8	\$901,702	\$112713	0.403	1,880	\$126,717,617	\$67,403	94.758
\$113,700 TO \$115,699	4	\$458,677	\$114669	0.202	1,884	\$127,176,294	\$67,503	94.960
\$115,700 AND OVER	100	\$18,196,200	\$181962	5.040	1,984	\$145,372,494	\$73,272	100.000
TOTAL	1,984	\$145,372,494	\$73,272	100.000	1,984	\$145,372,494	\$73,272	100.000