

ASSOCIATION
OF AMERICAN
RAILROADS

John T. Gray
Senior Vice President - Policy & Economics

December 5, 2013

235148

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

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Dear Ms. Brown:

This submission is the AAR forecast of the first quarter 2014 All-Inclusive Index and Rail Cost Adjustment Factor, filed in Ex Parte No. 290 (Sub-No. 5) (2014-1) *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 first quarter 2014 results on the fourth quarter 2012 base, and shows the percentage changes from the previous quarter.

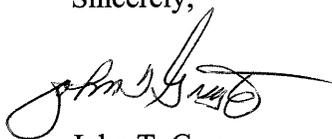
	<u>2013Q4r</u>	<u>2014Q1</u>	<u>% Change</u>
All-Inclusive Index	100.1	98.4	-1.7
Preliminary RCAF	1.001	0.984	-1.7
Forecast Error Adjustment	-0.026	-0.004	
RCAF (Unadjusted)	0.975	0.980	0.5
Productivity Adjustment Factor	2.3059	2.3110	
RCAF (Adjusted)	0.423	0.424	0.2
PAF-5	2.4426	2.4480	
RCAF-5	0.399	0.400	0.3

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.

During 2013, two railroads revised their annual reports for 2010, 2011, and 2012. In a decision served November 27, 2013, the STB directed the AAR to "restate the 2011, 2012, and 2013 RCAFs using BNSF's and UP's revised R-1 reports in its next quarterly submission." The restated RCAFs are listed in Appendix AD of this filing. See Appendices AA, AB, and AC for more detail. Because the revisions affected the 2012Q4=100 basing factor, Appendix AE contains historical RCAFs converted to the revised fourth quarter 2012 base. The AAR's recommended method for converting to another base is shown in the same attachment, as well as factors and indices necessary to make those calculations.

We have notified Paul Aguiar, in the STB office handling this proceeding, of our plan to e-file the submission and the non-proprietary work papers 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 submission and non-proprietary work papers, plus selected highly confidential work papers, will be hand-delivered to a member of Mr. Aguiar's Data Collection and Auditing Team. All workpapers are available for STB inspection. Questions should be directed to me or Clyde Crimmel (202 639-2309) of this office.

Sincerely,



John T. Gray

Attachments

**First Quarter 2014
All-Inclusive Index**

Ex Parte No. 290 (Sub-No. 5) (2014-1)

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

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

December 5, 2013

Table of Contents

Subject	Page
Introduction	1
Index Weights	2
All-Inclusive Index - First Quarter 2014	3
Forecast vs. Actual All Inclusive Index - Third Quarter 2013r	4
Productivity	5
Rail Cost Adjustment Factor - First Quarter 2014	6
Appendices	
A Labor	
B Fuel	
C Materials & Supplies	
D Equipment Rents	
E Depreciation	
F Interest	
G Other Expenses	
H Railroad and Union Abbreviations	
AA Revised/Restated Data and the RCAF	
AB Rail Cost Adjustment Factor Calculation (original)	
AC Rail Cost Adjustment Factor Calculation (original with changes....)	
AD Restated RCAFs	
AE Historical RCAF Data Restated Using New Basing Factor	

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, employs 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 first quarter 2014.

In a decision (Docket No. FD 35506) served July 25, 2013, the STB ordered BNSF to "refile its R-1 report for 2010, 2011, and 2012...." The AAR received the revised data on October 23, and promptly updated its annual report database. Union Pacific's interest expense revisions (July 2013) for 2010 and 2011 were also added to the database in addition to the revision for 2012 that had been added earlier. The AAR has examined the impact of the revisions, and found that they caused numerous small changes. Because the revisions include data for 2010 through 2012, RCAFs for 2011Q4 through 2013Q4 are affected. The 2011Q4 index was the first RCAF to use 2010 data (for weights, labor benchmarks, and the calculation of the Interest Index component of the RCAF's All-Inclusive Index). More detail on our findings can be found in appendices AA, AB and AC. In a decision served November 27, 2013, the STB directed the AAR "to restate the 2011, 2012, and 2013 RCAFs using BNSF's and UP's revised R-1 reports in its next quarterly submission." The restated RCAFs are listed in Appendix AD. One of the more significant changes is a change in the 2012Q4=100 basing factor, from 297.5 to 297.6. Appendix AE contains historical data, originally calculated using different bases, restated to the corrected base for comparison purposes.

RCAF calculations beginning with this 2014Q1 filing use the corrected weights, benchmarks, basing factors, and component indices. The calculation for 2014Q1 has been made as if corrected data has always been used – meaning the 2013Q4 "Previous Forecast" on page 3 uses restated data, and will not match the original filing. The "Forecast vs. Actual" calculation on page 4 also uses the restated forecast instead of an as-filed forecast, and compares to an Actual that uses all corrected data.

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.

In a decision (Docket No. FD 35506) served July 25, 2013, the Surface Transportation Board ordered BNSF Railway to "refile its R-1 report for 2010, 2011, and 2012...." In addition, Union Pacific Railroad revised its interest expense for years 2010 through 2012 during the same month. The BNSF revisions became available in late October 2013. The revisions caused changes to the weights used by the RCAF's All-Inclusive Index. Weights for all three years are listed below. Assuming the STB will decide (in its December 20 decision) to restate past indices, the "With Revisions" will become the correct weights.

Weights for RCAF's All-Inclusive Index						
	As Originally Filed			With Revisions		
	2010	2011	2012	2010	2011	2012
Labor	33.3 %	31.3 %	31.2 %	33.4 %	31.4 %	31.3 %
Fuel	18.0	22.5	22.4	18.1	22.6	22.4
Materials & Supplies	5.0	5.1	4.9	5.0	5.1	4.9
Equipment Rents	6.2	5.6	5.6	6.2	5.6	5.6
Depreciation	12.8	11.6	12.1	12.7	11.5	11.9
Interest	2.9	2.5	1.9	2.9	2.3	2.0
Other	<u>21.8</u>	<u>21.4</u>	<u>21.9</u>	<u>21.7</u>	<u>21.5</u>	<u>21.9</u>
Total	100.0	100.0	100.0	100.0	100.0	100.0

Reweightings 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 First Quarter 2014

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.

	2012r Weights	Forecast		Percent Change
		Previous 2013Q4r	Current 2014Q1	
1. Labor	31.3%	387.1	386.2	-0.2 %
2. Fuel	22.4%	399.6	377.9	-5.4
3. M&S	4.9%	261.4	265.9	1.7
4. Equipment Rents	5.6%	207.7	208.7	0.5
5. Depreciation	11.9%	221.0	217.8	-1.4
6. Interest	2.0%	76.6	76.6	0.0
7. Other	21.9%	220.0	220.5	0.2
8. Weighted Average				
a. 1980 = 100		311.1	306.0	
b. 1980 = 100 (linked)		297.8	292.9 ¹	
c. 4Q12 = 100		100.1	98.4 ²	-1.7

Weights have been restated to include recent revisions made by one railroad. "Previous", in this case, is the restated version (not the September 5 filing) as directed by the Board in its November 27, 2013, decision. The 4Q12 Basing Factor has also been restated from 297.5 to 297.6. See Appendix AA and AC.

$$\begin{aligned}
 {}^1 \text{ Index80} &= (\text{Current Index} / \text{Previous Index}) * \text{the Previous Quarter Linked Index} \\
 &= (306.0 / 311.1) \times 297.8 \\
 &= 292.9
 \end{aligned}$$

² To calculate the 4Q12 = 100 index:

$$\begin{aligned}
 \text{Index4Q12} &= (\text{Current Linked Index} / \text{4Q12 Basing Factor}) * 100 \\
 &= 292.9 \text{ divided by } 297.6 \text{ times } 100 \\
 &= 98.4
 \end{aligned}$$

Indexes based on other periods:

- 4Q07 based index = 292.9 / 245.9 x 100 = 119.1
- 4Q02 based index = 292.9 / 192.1 x 100 = 152.5
- 4Q97 based index = 292.9 / 173.2 x 100 = 169.1
- 4Q92 based index = 292.9 / 156.9 x 100 = 186.7
- 4Q87 based index = 292.9 / 132.2 x 100 = 221.6

Forecast vs. Actual All-Inclusive Index Third Quarter 2013r

Because of data availability, the forecast error adjustment has a two-quarter lag from each filing. As shown below, the third quarter actual index of 98.5 is 0.4 index points below the forecast value of 98.9. Therefore, the forecast error adjustment for first quarter 2014 is -0.4 index points.

	2011r Weights	Third Quarter 2013r		Amt Difference
		Forecast	Actual	
1. Labor	31.4%	391.3	391.3	
2. Fuel	22.6%	375.6	376.0	
3. M&S	5.1%	264.2	264.2	
4. Equipment Rents ¹	5.6%	208.0	207.6	
5. Depreciation	11.5%	218.9	217.8	
6. Interest	2.3%	87.3	87.3	
7. Other	21.5%	221.4	218.8	
8. Weighted Average				
a. 1980 = 100		307.7	307.0	
b. 1980 = 100 (linked)		294.4	293.1 ²	
c. 4Q12 = 100 ³		98.9	98.5	-0.4

Forecast error → **-0.4 index points**

Weights have been restated to include revent revisions made by two railroads. Q3 Forecast and Actual are the restated versions (not from the original filings) as directed by the Board in its November 27, 2013, decision. The 4Q12 Basing Factor has also been restated from 297.5 to 297.6. See Appendix AA and AC.

	2011r Weights	Third Quarter 2013r	
		Forecast	Actual
Car-Hire	48.7%	178.3	179.7
Lease Rentals	51.3%	221.4	218.8
Weighted Average		200.4	199.8
Weighted Average (linked)		208.0	207.6

² Linked actual index = (actual index / previous actual index) x previous linked actual index.

$$293.1 = 307.0 / 304.7 \times 290.9$$

³ The 4Q12 based indexes are 1980 based indexes divided by the 4Q12 basing factor (297.6/100). Other basing factors are: 4Q07 = 245.9; 4Q02 = 192.1; 4Q97 = 173.2; 4Q92 = 156.9; and 4Q87 = 132.2.

Productivity

On February 11, 2013, the Surface Transportation Board (STB) served a decision in Ex Parte 290 (Sub-No. 4) which added the year 2011 to the Productivity Adjustment Factor (PAF) and removed the year 2006. This creates a geometric average annual productivity change, for the five-year period 2007 through 2011, of 0.9 percent per year. The components of this average annual value are shown on the following table in ratio format – therefore, 1.009 is the same as an increase of 0.9 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			
2007 - 2011			
Year	Output Index (1)	Input Index (2)	Productivity ¹ Changes (3)
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
2011	1.041	1.041	1.000
Average			1.009
Previous Average (2006-2010)			1.008

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 2007-2011, use fourth root of avg. productivity change = 1.0022			
For 2006-2010, use fourth root of avg. productivity change = 1.0020			
Quarter	Year	PAF	PAF-5
Q1	2013	2.2907	2.4279
Q2	2013	2.2957	2.4328
Q3	2013	2.3008	2.4377
Q4	2013	2.3059	2.4426
Q1	2014	2.3110	2.4480

Rail Cost Adjustment Factor First Quarter 2014

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, beginning with 2013Q1, the All-Inclusive Index is on a 2012Q4=100 basis.**

	Previous 2013Q4r	Current 2014Q1	Percent Change
All-Inclusive Index ¹	100.1	98.4	-1.7
Preliminary RCAF ²	1.001	0.984	-1.7
Forecast Error Adjustment ³	-0.026	-0.004	
RCAF (Unadjusted) ⁴	0.975	0.980	0.5
Productivity Adjustment Factor ⁵	2.3059	2.3110	
RCAF (Adjusted) ⁶	0.423	0.424	0.2
PAF-5 ⁷	2.4426	2.4480	
RCAF-5 ⁸	0.399	0.400	0.3

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.

See Appendix AA for discussion of revised data.

Appendixes

Labor

First Quarter 2014

The first quarter 2014 Labor Index is forecast to decrease 0.2 percent from the revised version of the previous quarter. The decrease was caused by lower costs for health & welfare.

Wage Rate Index

The Wage Rate Index portion of the Labor Index increased 1.0 percent. The major changes were a 3 percent wage increase applied to non-union employees and independent wage increases that ranged from 2 to 3.8 percent.

Wage Increases: No wage increases are scheduled for the first quarter in the national union labor agreements. Following past index procedure, non-union employees were assigned a general wage increase (3.0 percent) similar to the increase received by most unions last July. Some independent labor agreements have general wage increases (typically 3 percent) scheduled for January 1. This included some larger unions such as the BLET. Additionally, a few independent unions are still receiving cost-of-living adjustments.

Lump Sums: The first quarter lump sum rate changed little from the previous quarter, decreasing \$0.003. Two small lump sums were fully amortized and removed from the index, while two small amounts were added.

Back Pay: The first quarter back pay rate decreased 1.4 cents, as one back pay amount became completely amortized and removed from the rate. There were no new additions to the rate. The current rate continues to be negative because of the second quarter change where one railroad's conductors were rebenchmarked from national-agreement to independent.

Other: In wages, "Other" contains the amortization of incentive payments that a railroad makes each year to its dispatchers, yardmasters, and engineers. The current amount is for a payment made in early 2013, and it is unchanged.

Supplements Index

The Supplements Index decreased because of lower health & welfare costs, as new health insurance premiums become effective January 1 (see pages 4 and 5).

Health & Welfare: The Health & Welfare rate decreased 5.7 percent (or 45.7 cents) from the restated previous quarter. Lower employer contributions (lower premiums) will go into effect January 1. Employee health & welfare cost sharing was unchanged. Benchmark data used to calculate the rate has been adjusted for restated data, as required by the Surface Transportation Board's decision.

Railroad Retirement: The Railroad Retirement rate increased 1.6 percent. The increase was caused by a combination of higher taxable earnings and higher maximum taxable earnings that go into effect January 1. Page 4 of this appendix lists tax rates and maximum taxable earnings for 2012 through 2014. Employer tax rates for Tier I and Tier II did not change for 2014.

Labor

First Quarter 2014

Unemployment Insurance: The Unemployment Insurance rate increased 0.2 cents as maximum taxable earnings increased effective January 1. The weighted average tax rate also had a very slight increase, moving from 0.67 percent to 0.68 – as shown on page 4 of this appendix.

Other: The "Other" category is a reflection of all other fringe benefits, and currently contains known employer contributions to employee 401(k) accounts and employer contributions to employee stock plans that are recorded as fringe benefits. For the first quarter, the rate increased 4.4 cents mostly because of one railroad's perfect attendance stock award.

Labor Index Calculation

As shown in Table A-1 on the next page, the 1.0 percent increase in the Wage Rate Index and the 1.8 percent decrease in the Supplements Index combined to cause a 0.2 percent decrease in the Labor Index. The linked first quarter 2014 Labor Index is 386.2, and was calculated as if all revisions made by railroads during 2013 (to annual report data from 2010 through 2012) were used in original calculations. For more information on the revised data, see the page 1 introduction and Appendices AA through AD.

Labor First Quarter 2014

Table A-1 Labor Index

	2013Q4r	2014Q1	Change	
			Percent	Amount
<u>Base Wage</u> – Straight Time & Pay For Time Not Worked	\$38.344	\$38.724	1.0%	\$0.380
Adjustments:				
Lump Sum	0.217	0.214	-1.4%	-\$0.003
Back Pay	-0.063	-0.077	22.2%	-\$0.014
Other	0.208	0.208	0.0%	\$0.000
Total Wages	<u>38.706</u>	<u>39.069</u>	0.9%	\$0.363
Health & Welfare Benefits	8.080	7.623	-5.7%	-\$0.457
RR Retirement & Medicare	7.613	7.736	1.6%	\$0.123
Unemployment Insurance	0.057	0.059	3.5%	\$0.002
Other	0.103	0.147	42.7%	\$0.044
Total Supplements	<u>\$15.853</u>	<u>\$15.565</u>	-1.8%	-\$0.288
Total Labor	\$54.559	\$54.634		
Wage Index¹	331.2	334.4	1.0%	
Supplements Index²	585.8	575.2	-1.8%	
Total labor Index, 2012r Weights ³	409.6	408.6		
Labor Index (linked)⁴	387.1	386.2	-0.2%	

¹ 1980 wage rate \$11.685

² 1980 supplements rate \$2.706

³ 2012r weights: wages, supplements 69.2% 30.8%

⁴ 2014Q1 linked Index = 2013Q4r linked x (2014Q1 / 2013Q4r)
= 387.1 x 408.6 / 409.6

Labor
First Quarter 2014

Supplement Comparisons

Health and Welfare Rates

Plan	Railroad Contribution Per Employee Per Month				
	2012	2013	2014	Change	
				'12-'13	'13-'14
Group Health & Life	\$1,349.77	\$1,350.36	\$1,285.74	0.0%	-4.8%
Early Retirement Major Medical	154.49	139.04	127.92	-10.0%	-8.0%
Group Dental	55.90	55.90	53.00	0.0%	-5.2%
Group Vision	10.71	8.37	8.39	-21.8%	0.2%
Supplemental Sickness					
Maintenance of Way	36.52	32.87	32.87	-10.0%	0.0%
Shop Crafts	48.28	48.28	48.28	0.0%	0.0%
Signalmen	25.62	30.74	30.74	20.0%	0.0%
Yardmasters	34.95	34.95	34.96	0.0%	0.0%

Railroad Retirement and Medicare

	Earnings Base			Employer Rate		
	2012	2013	2014	2012	2013	2014
Tier I	\$110,100	\$113,700	\$117,000	6.20%	6.20%	6.20%
Tier II	81,900	84,300	87,000	12.10%	12.60%	12.60%
Medicare	no limit	no limit	no limit	1.45%	1.45%	1.45%

Unemployment Insurance

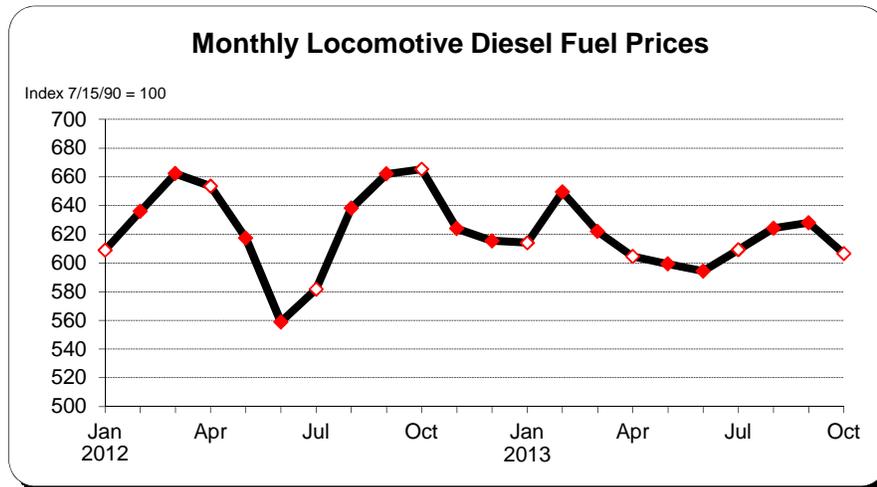
Monthly Taxable Earnings Base			Weighted Avg. Class I Rate		
2012	2013	2014	2012	2013	2014
\$1,365	\$1,405	\$1,440	5.00%	0.67%	0.68%

Fuel First Quarter 2014

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.

While the latest average prices for locomotive diesel fuel are available only through October (see chart below), data through most of November are available for related fuel types. Crude oil* was thought to be in equilibrium in early December, and futures prices were stable throughout November. Residential heating oil** prices rose slightly during the last week of November.

Locomotive diesel fuel prices increased in August and September, but moved back down close to the July level in October. The chart below shows the AAR's Monthly Locomotive Diesel Fuel Price Index from January 2012 through October 2013. Railroads believe prices for January 2014 (Q1) will be 5.4 percent below the fourth quarter forecast (represented by October 2013), and 1 percent higher than the average price actually paid in October.



Forecast Fuel Index (1980 = 100)	377.9
Change from previous quarter forecast	-5.4%
Change from previous quarter actual	1.0%

* 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

First Quarter 2014

The first quarter 2014 Materials & Supplies Index increased 1.7 percent from the previous quarter. The change was caused by increases in prices in the Miscellaneous Products and Forest Products categories. Prices in the Metal Products category did not change much.

2014Q1 Materials & Supplies Index = 265.9

2013Q4r Materials & Supplies Index = 261.4

Difference	4.5 basis points
	or
	1.7 %

Equipment Rents First Quarter 2014

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

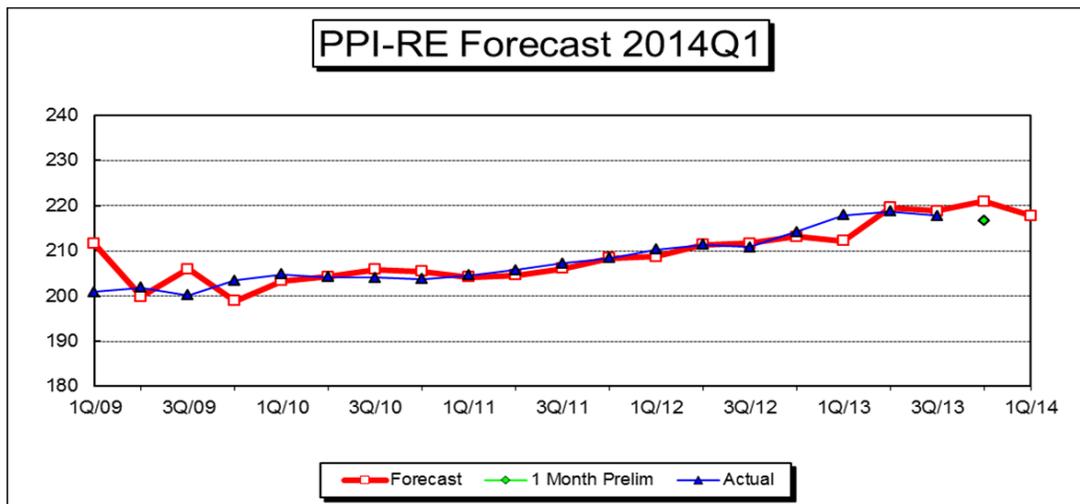
During 2013, two railroads revised their annual reports for 2010, 2011, and 2012. See Appendix AA for more detail. The table below calculates the Equipment Rent Index, and uses weights based on revised 2012 annual report data. The revised previous quarter index (2013Q4r) has been recalculated as if all revisions for 2010 through 2012 were available for the original filings. The first quarter Car Hire portion of the Index increased 0.8 percent because of higher rates mostly for privately-owned cars. A 0.2 percent increase for the projected PPI-LF (see Appendix G) used as a proxy for Lease Rentals, combined with the 0.8 percent increase for Car Hire, caused the Equipment Rent Index to increase by 0.5 percent.

	2012r Weight	2013Q4r	2014Q1	Percent Change
Car Hire	48.2%	179.1	180.6	0.8 %
Lease Rentals	51.8%	220.0	220.5	0.2
Weighted Average		200.3	201.3	0.5
Weighted Average (Linked)		207.7	208.7	0.5

Depreciation First Quarter 2014

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 dropped in the last two months to levels similar to those at the start of the year. The decrease from the previous quarter forecast is amplified by a previous quarter forecast that was probably too high.

Forecast of Depreciation Index (1982=100)	196.9
Forecast of Depreciation Index (1980=100)	217.8
Change from previous quarter forecast	-1.4%
Change from actual first month of previous quarter	0.6%
Change from same quarter of prior year (actual)	0.0%



Depreciation First Quarter 2014

PPI RAILROAD EQUIPMENT

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

Component	Smoothing Weight	Final Value
Level	0.64314	195.98
Trend	0.01644	0.23504

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 186.4	Standard deviation 5.788
R-square 0.9619	Adjusted R-square 0.9614
Durbin-Watson 1.99	Ljung-Box(18)=21.18 P=0.7296
Forecast error 1.138	BIC 1.19
MAPE 0.003988	RMSE 1.122
MAD 0.7466	

Actual Values for the Most Recent 6 Periods:

Date	Actual
2013-05	198.100
2013-06	196.300
2013-07	198.400
2013-08	197.200
2013-09	195.100
2013-10	195.800

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2013-11	193.884	196.217	198.551
2013-12	193.665	206.452	199.240
2014-01	193.510	196.687	199.865
2014-02	193.398	196.923	200.447
2014-03	193.317	197.158	200.998
QTR AVG	193.408	196.923	200.437

Interest First Quarter 2014

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 2013, the Interest Index was based on data for 2012, and included revisions to interest expense submitted by one railroad during July 2013. Beginning with the first quarter 2014, the Interest Index was based on data that also included revisions submitted by an additional railroad during October 2013, as ordered by the Surface Transportation Board.

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

2012	Interest Rate	6.01%
1980	Interest Rate	7.85%
2014Q1	Interest Index	76.6
2013Q4r	Interest Index	76.6
	Percent Change	0.0%

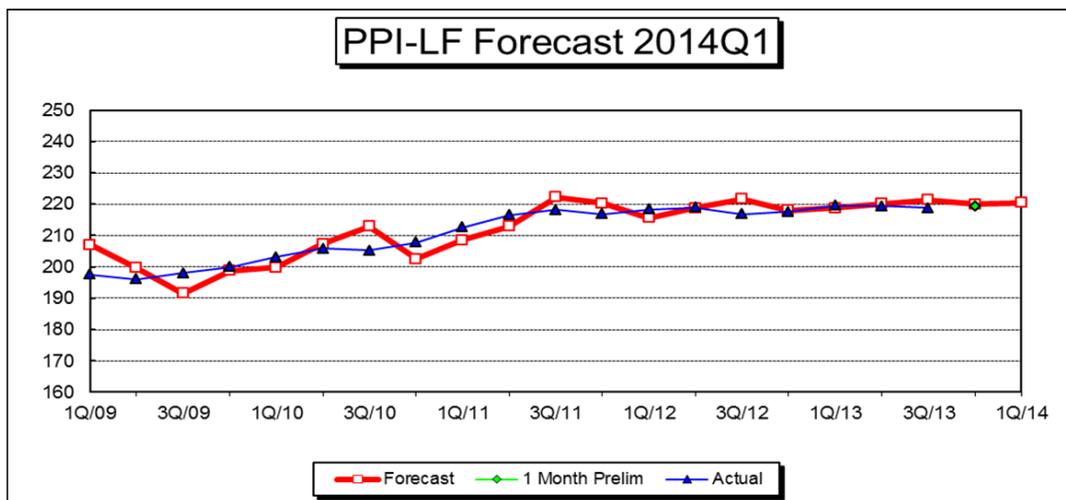
Interest Index of 76.6 includes revised annual report data submitted by 2 railroads during the Summer and Fall of 2013.

Other Expenses First Quarter 2014

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 first quarter reflects monthly PPI-LF figures that are showing little change in the last 6 months.

Forecast of Other Expense Index (1982=100)	196.7
Forecast of Other Expense Index (1980=100)	220.5
Change from previous quarter forecast	0.2%
Change from actual first month of previous quarter	0.5%
Change from same quarter of prior year (actual)	0.5%



Other Expenses First Quarter 2014

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	195.60
Trend	0.01616	0.26505

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 186.6	Standard deviation 7.836
R-square 0.9806	Adjusted R-square 0.9803
Durbin-Watson 0.544	**Ljung-Box(18)=89.76 P=1
Forecast error 1.1	BIC 1.151
MAPE 0.004301	RMSE 1.084
MAD 0.7952	

Actual Values for the Most Recent 6 Periods:

Date	Actual
2013-05	195.500
2013-06	195.400
2013-07	195.100
2013-08	195.300
2013-09	195.200
2013-10	195.600

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2013-11	193.610	195.865	198.121
2013-12	192.914	196.130	199.346
2014-01	192.446	196.395	200.344
2014-02	192.094	196.660	201.226
2014-03	191.817	196.925	202.034
QTR AVG	192.119	196.660	201.201

Railroad and Union Abbreviations

First Quarter 2014

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, included beginning 2011Q4.)
DME	Dakota, Minnesota & Eastern (Canadian Pacific's U.S. operations, 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)

Revised/Restated Data and the RCAF First Quarter 2014

During 2013, two railroads revised R-1 data for 2010 through 2012, which affects the RCAFs calculated for 2011Q4 through 2013Q4 and the 2012Q4=100 basing factor.

During July 2013, Union Pacific Railroad revised interest expense lines in Schedule 210 (and 510) in its Annual Report Form R-1 for the years 2010 through 2012. The revised 2012 data from Union Pacific were used to calculate the Interest Expense component of the RCAF's 2013Q4 All-Inclusive Index, and to calculate weights normally calculated in each September's filing. The revisions cause the Interest Index, and its weight, to go down – with corresponding small increases in weights for other components. The impact of UP's revisions on the previous 8 RCAFs was not determined in the September 5 filing.

In a decision served July 25, 2013, the Surface Transportation Board ordered BNSF Railway to "refile its R-1 report for 2010, 2011, and 2012...." BNSF responded to the Board's order, and refiled its 3 R-1 reports on October 23, 2013. The BNSF restatement caused changes in weights for the components in the RCAF's All-Inclusive Index, and changed numbers used to calculate the Interest Index. It also caused changes in internal weights for two components: Labor's Wage Rates and Wage Supplements, and Equipment Rents' Car Hire and Lease Rentals. The restatement also changed the Health & Welfare benchmark used to calculate the Health & Welfare portion of Wage Supplements. In summary, the BNSF restatement affects internal and external index weights, and the Interest, Labor and Equipment Rents indices.

The revisions presented the Surface Transportation Board with a dilemma: Should it revise its RCAF numbers for the affected quarters (2011Q4 through 2013Q4), or derive a special forecast error adjustment? The AAR planned to handle the revisions with a special forecast error adjustment spread over 4 quarters. However, in a decision served November 27, 2013, the Board directed the AAR "to restate the 2011, 2012, and 2013 RCAFs using BNSF's and UP's revised R-1 reports in its next quarterly submission."

Our first step in determining the revised indices was to construct a single spreadsheet that replicates all RCAF calculations for 2011Q4 through 2013Q4. Our review of the data changes indicated that the spreadsheet needed to have flexibility for health & welfare benchmarks, component indices, weights, and basing factors. Once this spreadsheet was completed, a copy was used to insert corrections caused by the revised data. The forecast error adjustment is also re-calculated to enable changes in the forecast to flow through to the forecast error adjustment. Material & Supplies indices, including subsequent revisions handled in the forecast error adjustment were treated the same way as filed – as was the revision to the 2010 wage statistics that affected Labor for 2011Q4. In summary, the corrected RCAFs for 2011Q4 through 2013Q4 were recalculated as if we had the revisions made in 2013 for the original filings. Appendix AB is a replication of the *original* filings. Appendix AC contains the revised/restated data and calculates the resulting RCAFs. Appendix AD lists the restated RCAFs, as ordered by the Board. Appendix AE contains historical data originally calculated on a different base, restated for comparison purposes using the corrected basing factor.

Rail Cost Adjustment Factor Calculation

		Original Labor Component for RCAF's All-Inclusive Index																		
		Weights & Wt. Yr.-->			2009		2009	2010		2010		2010	2010	2010	2010	2011	2011	2011	2011	2012
<i>Labor Index</i>		2010	2011	2012	2011Q2	2011Q3	2011Q3r	2011Q4	2011Q4r	2012Q1	2012Q2	2012Q2r	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3	2013Q4	2013Q4	
Wage Rate		69.8%	68.5%	69.4%	311.4	313.8		303.7	304.2	311.5	319.0		331.6	332.0	333.4	328.0	331.4	331.2		
Supplements		30.2%	31.5%	30.6%	605.1	608.1		607.6	602.0	604.2	609.1		599.6	595.6	589.7	585.3	596.1	580.6		
Labor		100.0%	100.0%	100.0%	399.2	401.8		395.5	394.1	399.9	406.6		412.5	415.0	414.1	409.0	414.8	407.5		
Labor with New Weights						402.7							416.0				412.4			
Linked 1980=100					379.6	382.1	382.1	375.3	373.9	379.4	385.8	385.8	391.4	390.5	389.7	384.9	390.4	385.8		

Supplement Hourly Rates

H&W	\$8.631	\$8.631		\$8.640	\$8.558	\$8.554	\$8.554		\$7.985	\$7.871	\$7.765	\$7.764	\$7.965	\$7.938
RR Ret & Medicare	\$6.963	\$7.002		\$7.105	\$7.037	\$7.228	\$7.363		\$7.588	\$7.709	\$7.988	\$7.893	\$7.952	\$7.613
Unemp. Insurance	\$0.606	\$0.606		\$0.599	\$0.599	\$0.433	\$0.433		\$0.434	\$0.431	\$0.059	\$0.059	\$0.059	\$0.057
Other	\$0.173	\$0.217		\$0.097	\$0.096	\$0.134	\$0.133		\$0.219	\$0.107	\$0.146	\$0.122	\$0.155	\$0.103
Total (index = total divided by \$2.706)	\$16.373	\$16.456		\$16.441	\$16.290	\$16.349	\$16.483		\$16.226	\$16.118	\$15.958	\$15.838	\$16.131	\$15.711

Inputs for H&W Hourly Rate

H&W Update Ratio (from each original H&W.xls)				1.08144	1.08133	1.08092	1.08092		1.03545	0.95762	0.94512	0.94500	0.94508	0.98760
H&W Benchmark				\$7.989	\$7.914	\$7.914	\$7.914		\$7.914	\$8.428	\$8.428	\$8.428	\$8.428	\$8.038
Adj for H&W Overpayment				\$0.000	\$0.000	\$0.000	\$0.000		-\$0.210	-\$0.200	-\$0.200	-\$0.200	\$0.000	\$0.000

Rail Cost Adjustment Factor - Forecast Error Adjustment Calculation

Rail Cost Adjustment Factor - Original Actual for Forecast Error Calculation

	Fcast Error Adj Qtr -->		2011Q4	2012Q1	2012Q2	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3	2013Q4
	Weights & Wts Yr. -->		2009	2009	2010	2010	2010	2010	2011	2011	2011
A-I index	2010 Wts	2011 Wts	2011Q2	2011Q3	2011Q4	2012Q1	2012Q2	2012Q3	2012Q4	2013Q1	2013Q2
Labor	33.3%	31.3%	379.6	382.1	373.9	379.4	385.8	391.4	390.5	389.7	384.9
Fuel	18.0%	22.5%	408.3	387.0	375.4	375.7	403.2	359.0	410.6	378.8	373.1
Mat & Sup.	5.0%	5.1%	249.0	257.9	265.7	263.6	274.0	274.8	266.1	263.4	261.0
Equip. Rents	6.2%	5.6%	205.7	207.0	204.2	205.3	204.3	203.6	206.0	207.6	207.0
Depreciation	12.8%	11.6%	205.8	207.3	208.4	210.3	211.4	210.8	214.2	217.9	218.8
Interest	2.9%	2.5%	84.5	84.5	90.6	90.6	90.6	90.6	92.9	92.9	92.9
Other	21.8%	21.4%	216.6	218.2	216.9	218.3	218.9	216.8	217.6	219.5	219.4
Total - Wt. Avg	100.0%	100.0%	297.1	295.9	294.6	297.0	304.8	298.2	313.5	306.8	304.0
Wt. Avg New Weights				299.2				301.8			
Linked 1980=100			291.0	289.8	285.3	287.6	295.2	288.8	300.0	293.6	290.9
4Q07 = 100	245.9		118.3	117.9	116.0	117.0	120.0	117.4	122.0	119.4	118.3
Forecast			<u>115.7</u>	<u>118.6</u>	<u>118.2</u>	<u>117.6</u>	<u>120.7</u>	<u>117.7</u>	<u>121.6</u>	<u>120.9</u>	<u>121.4</u>
Difference			2.6	-0.7	-2.2	-0.6	-0.7	-0.3	0.4	-1.5	-3.1
Forecast Error Adj.			0.026	-0.007	-0.022	-0.006	-0.007	-0.003	0.004	-0.015	-0.031
4Q12 = 100	297.5		97.8	97.4	95.9	96.7	99.2	97.1	100.8	98.7	97.8
Forecast			<u>95.6</u>	<u>98.1</u>	<u>97.7</u>	<u>97.2</u>	<u>99.7</u>	<u>97.3</u>	<u>100.5</u>	<u>99.9</u>	<u>100.3</u>
Difference			2.2	-0.7	-1.8	-0.5	-0.5	-0.2	0.3	-1.2	-2.5
Forecast Error Adj.			0.022	-0.007	-0.018	-0.005	-0.005	-0.002	0.003	-0.012	-0.025

Note: 2011Q2 and 2011Q3 are based on benchmark data from 2009, so index components, weights, and the Linked 1980 = 100 index are not affected by revisions to 2010, 2011, and 2012.

Car Hire	45.8%	48.6%	178.9	179.8	175.5	176.2	173.3	174.3	178.1	179.1	178.0
Lease Rentals	54.2%	51.4%	216.6	218.2	216.9	218.3	218.9	216.8	217.6	219.5	219.4
Wtd. Avg.	100.0%	100.0%	200.7	202.0	197.9	199.0	198.0	197.3	198.4	199.9	199.3
New Wts.				200.6				196.1			
Linked Equip. Rents			205.7	207.0	204.2	205.3	204.3	203.6	206.0	207.6	207.0

Notes:

Blue font numbers are formulas or lookups. Red font numbers are cases where the Forecast Error Adjustment was used to account for revised data.

Beginning 2013Q1, the RCAF changed to a 4Q2012=100 basis, meaning the Forecast Error Adjustment calculation switched to that basis beginning with data for 2012Q3. Forecast Error Adjustments for 2011Q4 through 2012Q2 are calculated using the 4Q12=100 basis (in addition to the 4Q07=100 basis) for comparison purposes.

RCAF/All-Inclusive Index Weights 2010 - 2012

Original Weights

	2010	Calculation	Rounded	Wts Used	
Labor	\$14,592,576	33.3262%	33.30%	33.30%	
Fuel	7,868,731	17.9704%	18.00%	18.00%	
Mat & Sup.	2,195,433	5.0139%	5.00%	5.00%	
Equip. Rents	2,730,382	6.2356%	6.20%	6.20%	
Depreciation	5,622,073	12.8396%	12.80%	12.80%	
Interest	1,252,528	2.8605%	2.90%	2.90%	
Other	9,525,407	21.7539%	21.80%	21.80%	
Total	\$43,787,130	100.0000%	100.00%	100.00%	
Wages	10,180,101	69.7622%	69.80%	69.80%	
Wage Supp.	4,412,475	30.2378%	30.20%	30.20%	
Total Labor	14,592,576	100.0000%	100.00%	100.00%	\$ Match
Car Hire	1,250,855	45.8125%	45.80%	45.80%	
Lease Rents	1,479,527	54.1875%	54.20%	54.20%	
Total Eq Rent.	2,730,382	100.0000%	100.00%	100.00%	\$ Match

	2011	Calculation	Rounded	Wts Used	
Labor	\$15,764,774	31.3147%	31.30%	31.30%	
Fuel	11,342,822	22.5311%	22.50%	22.50%	
Mat & Sup.	2,554,746	5.0747%	5.10%	5.10%	
Equip. Rents	2,799,225	5.5603%	5.60%	5.60%	
Depreciation	5,853,920	11.6281%	11.60%	11.60%	
Interest	1,231,768	2.4467%	2.40%	2.50%	
Other	10,795,780	21.4444%	21.40%	21.40%	
Total	\$50,343,035	100.0000%	99.90%	100.00%	
Wages	10,793,221	68.4642%	68.50%	68.50%	
Wage Supp.	4,971,553	31.5358%	31.50%	31.50%	
Total Labor	15,764,774	100.0000%	100.00%	100.00%	\$ Match
Car Hire	1,360,891	48.6167%	48.60%	48.60%	
Lease Rents	1,438,334	51.3833%	51.40%	51.40%	
Total Eq Rent.	2,799,225	100.0000%	100.00%	100.00%	\$ Match

	2012	Calculation	Rounded	Wts Used	
Labor	\$16,026,085	31.2066%	31.20%	31.20%	
Fuel	11,480,653	22.3556%	22.40%	22.40%	
Mat & Sup.	2,508,163	4.8840%	4.90%	4.90%	
Equip. Rents	2,900,408	5.6478%	5.60%	5.60%	
Depreciation	6,206,925	12.0864%	12.10%	12.10%	
Interest	974,308	1.8972%	1.90%	1.90%	
Other	11,258,220	21.9224%	21.90%	21.90%	
Total	\$51,354,762	100.0000%	100.00%	100.00%	
Wages	11,125,896	69.4237%	69.40%	69.40%	
Wage Supp.	4,900,189	30.5763%	30.60%	30.60%	
Total Labor	16,026,085	100.0000%	100.00%	100.00%	\$ Match
Car Hire	1,398,523	48.2181%	48.20%	48.20%	
Lease Rents	1,501,885	51.7819%	51.80%	51.80%	
Total Eq Rent.	2,900,408	100.0000%	100.00%	100.00%	\$ Match

Rebasing

Original Calculation

Rebasing the Denominator of the RCAF to the Fourth Quarter 2012

1. Fourth Quarter 2012 Linked Index	299.0
2. Second Quarter 2012 Linked Index	
Calculated Using Actual Data	295.2
Calculated Using Forecasted Data	<u>296.7</u>
Difference	(1.5)
3. Fourth Quarter 2012 Linked Index	
Adjusted for Second Quarter 2012 Forecast Error	297.5
Rounding Adjustment to Force 1.000	Not necessary
New Basing Factor for 2012Q4 = 100	297.5

Note: Linked Indexes on this page refer to the All Inclusive Index, 1980=100 basis.

Test of Basing Factor Fourth Quarter 2012 = 100

1. Fourth Quarter 2012 Linked Index (1980 = 100)	299.0
Divided by 2012Q4 Basing Factor	297.5
Fourth Quarter 2012 Linked Index (2012Q4 = 100)	1.005
2. Second Quarter 2012 Linked Index	
Calculated Using Actual Data (1980 = 100)	295.2
Calculated Using Forecasted Data (1980 = 100)	296.7
Divide both by 2012Q4 Basing Factor	297.5
Calculated Using Actual Data (2012Q4 = 100)	0.992
Calculated Using Forecasted Data (2012Q4 = 100)	<u>0.997</u>
Difference (Forecast Error Adjustment)	(0.005)
3. Fourth Quarter 2012 Linked Index (2012Q4 = 100)	
Adjusted for Second Quarter 2012 Forecast Error	1.000

Note: Fourth Quarter 2012 Linked Index (2012Q4 = 100), after forecast error adjustment, must equal 1.000.

Rail Cost Adjustment Factor Calculation

Original Labor Component for RCAF's All-Inclusive Index with Changes for UP corrections and BNSF restatements

Labor Index	Weights & Wt. Yr.-->			2009		2009	2010		2010	2010	2010	2010	2010	2011	2011	2011	2011	2012
	2010	2011	2012	2011Q2	2011Q3	2011Q3r	2011Q4	2011Q4r	2012Q1	2012Q2	2012Q2r	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3	2013Q4	
Wage Rate	69.7%	68.3%	69.2%	311.4	313.8		303.7	304.2	311.5	319.0		331.6	332.0	333.4	328.0	331.4	331.2	
Supplements	30.3%	31.7%	30.8%	605.1	608.1		610.8	605.2	607.4	612.4		602.7	599.3	593.3	588.9	599.7	585.8	
Labor	100.0%	100.0%	100.0%	399.2	401.8		396.8	395.4	401.2	407.9		413.7	416.7	415.8	410.7	416.5	409.6	
Labor with New Weights					403.0							417.5				414.0		
Linked 1980=100				379.6	382.1	382.1	376.2	374.9	380.4	386.8	386.8	392.3	391.5	390.7	385.9	391.3	387.1	

Supplement Hourly Rates

H&W	\$8.631	\$8.631		\$8.728	\$8.645	\$8.642	\$8.642		\$8.068	\$7.969	\$7.863	\$7.862	\$8.062	\$8.080
RR Ret & Medicare	\$6.963	\$7.002		\$7.105	\$7.037	\$7.228	\$7.363		\$7.588	\$7.709	\$7.988	\$7.893	\$7.952	\$7.613
Unemp. Insurance	\$0.606	\$0.606		\$0.599	\$0.599	\$0.433	\$0.433		\$0.434	\$0.431	\$0.059	\$0.059	\$0.059	\$0.057
Other	\$0.173	\$0.217		\$0.097	\$0.096	\$0.134	\$0.133		\$0.219	\$0.107	\$0.146	\$0.122	\$0.155	\$0.103
Total (index = total divided by \$2.706)	\$16.373	\$16.456		\$16.529	\$16.377	\$16.437	\$16.571		\$16.309	\$16.216	\$16.056	\$15.936	\$16.228	\$15.853

Inputs for H&W Hourly Rate

H&W Update Ratio (from each original H&W.xls)				1.08144	1.08133	1.08092	1.08092		1.03545	0.95762	0.94512	0.94500	0.94508	0.98760
H&W Benchmark				\$8.071	\$7.995	\$7.995	\$7.995		\$7.995	\$8.531	\$8.531	\$8.531	\$8.531	\$8.181
Adj for H&W Overpayment				\$0.000	\$0.000	\$0.000	\$0.000		-\$0.210	-\$0.200	-\$0.200	-\$0.200	\$0.000	\$0.000

Rail Cost Adjustment Factor - Forecast Error Adjustment Calculation

Rail Cost Adjustment Factor - Actual for Forecast Error Calculation with UP Revisions and BNSF Restatements											
	Fcast Error Adj Qtr -->		2011Q4	2012Q1	2012Q2	2012Q3	2012Q4	2013Q1	2013Q2	2013Q3	2013Q4
	Weights & Wts Yr. -->		2009	2009	2010	2010	2010	2010	2011	2011	2011
A-I index	2010 Wts	2011 Wts	2011Q2	2011Q3	2011Q4	2012Q1	2012Q2	2012Q3	2012Q4	2013Q1	2013Q2
Labor	33.4%	31.4%	379.6	382.1	374.9	380.4	386.8	392.3	391.5	390.7	385.9
Fuel	18.1%	22.6%	408.3	387.0	375.4	375.7	403.2	359.0	410.6	378.8	373.1
Mat & Sup.	5.0%	5.1%	249.0	257.9	265.7	263.6	274.0	274.8	266.1	263.4	261.0
Equip. Rents	6.2%	5.6%	205.7	207.0	204.3	205.3	204.3	203.7	206.1	207.6	207.0
Depreciation	12.7%	11.5%	205.8	207.3	208.4	210.3	211.4	210.8	214.2	217.9	218.8
Interest	2.9%	2.3%	84.5	84.5	91.2	91.2	91.2	91.2	87.3	87.3	87.3
Other	21.7%	21.5%	216.6	218.2	216.9	218.3	218.9	216.8	217.6	219.5	219.4
Total - Wt. Avg	100.0%	100.0%	297.1	295.9	295.3	297.7	305.5	298.8	314.3	307.6	304.7
Wt. Avg New Weights				299.5				302.7			
Linked 1980=100			291.0	289.8	285.7	288.0	295.5	289.0	300.1	293.7	290.9
4Q07 = 100	245.9		118.3	117.9	116.2	117.1	120.2	117.5	122.0	119.4	118.3
Forecast			<u>115.7</u>	<u>118.6</u>	<u>118.3</u>	<u>117.7</u>	<u>120.8</u>	<u>117.8</u>	<u>121.6</u>	<u>120.9</u>	<u>121.4</u>
Difference			2.6	-0.7	-2.1	-0.6	-0.6	-0.3	0.4	-1.5	-3.1
Forecast Error Adj.			0.026	-0.007	-0.021	-0.006	-0.006	-0.003	0.004	-0.015	-0.031
4Q12 = 100	297.6		97.8	97.4	96.0	96.8	99.3	97.1	100.8	98.7	97.7
Forecast			<u>95.6</u>	<u>98.0</u>	<u>97.8</u>	<u>97.3</u>	<u>99.8</u>	<u>97.3</u>	<u>100.5</u>	<u>99.9</u>	<u>100.3</u>
Difference			2.2	-0.6	-1.8	-0.5	-0.5	-0.2	0.3	-1.2	-2.6
Forecast Error Adj.			0.022	-0.006	-0.018	-0.005	-0.005	-0.002	0.003	-0.012	-0.026

Note: 2011Q2 and 2011Q3 are based on benchmark data from 2009, so index components, weights, and the Linked 1980 = 100 index are not affected by revisions to 2010, 2011, and 2012.

Car Hire	46.0%	48.7%	178.9	179.8	175.5	176.2	173.3	174.3	178.1	179.1	178.0
Lease Rentals	54.0%	51.3%	216.6	218.2	216.9	218.3	218.9	216.8	217.6	219.5	219.4
Wtd. Avg.	100.0%	100.0%	200.7	202.0	197.9	198.9	197.9	197.3	198.4	199.8	199.2
New Wts.				200.5				196.1			
Linked Equip. Rents			205.7	207.0	204.3	205.3	204.3	203.7	206.1	207.6	207.0

Notes:

Blue font numbers are formulas or lookups. Red font numbers are cases where the Forecast Error Adjustment was used to account for revised data.

Beginning 2013Q1, the RCAF changed to a 4Q2012=100 basis, meaning the Forecast Error Adjustment calculation switched to that basis beginning with data for 2012Q3. Forecast Error Adjustments for 2011Q4 through 2012Q2 are calculated using the 4Q12=100 basis (in addition to the 4Q07=100 basis) for comparison purposes.

RCAF/All-Inclusive Index Weights 2010 - 2012
With UP Revisions and BNSF Restatements

	2010	Calculation	Rounded	Wts Used
Labor	\$14,616,069	33.4047%	33.40%	33.40%
Fuel	7,917,413	18.0950%	18.10%	18.10%
Mat & Sup.	2,195,433	5.0176%	5.00%	5.00%
Equip. Rents	2,717,797	6.2115%	6.20%	6.20%
Depreciation	5,551,231	12.6872%	12.70%	12.70%
Interest	1,253,875	2.8657%	2.90%	2.90%
Other	9,502,769	21.7183%	21.70%	21.70%
Total	\$43,754,587	100.0000%	100.00%	100.00%
Wages	10,180,101	69.6501%	69.70%	69.70%
Wage Supp.	4,435,968	30.3499%	30.30%	30.30%
Total Labor	14,616,069	100.0000%	100.00%	100.00% \$ Match
Car Hire	1,250,855	46.0246%	46.00%	46.00%
Lease Rents	1,466,942	53.9754%	54.00%	54.00%
Total Eq Rent.	2,717,797	100.0000%	100.00%	100.00% \$ Match

	2011	Calculation	Rounded	Wts Used
Labor	\$15,796,305	31.4526%	31.50%	31.40%
Fuel	11,362,525	22.6244%	22.60%	22.60%
Mat & Sup.	2,554,746	5.0869%	5.10%	5.10%
Equip. Rents	2,795,535	5.5663%	5.60%	5.60%
Depreciation	5,769,830	11.4885%	11.50%	11.50%
Interest	1,145,221	2.2803%	2.30%	2.30%
Other	10,798,348	21.5010%	21.50%	21.50%
Total	\$50,222,510	100.0000%	100.10%	100.00%
Wages	10,793,221	68.3275%	68.30%	68.30%
Wage Supp.	5,003,084	31.6725%	31.70%	31.70%
Total Labor	15,796,305	100.0000%	100.00%	100.00% \$ Match
Car Hire	1,360,891	48.6809%	48.70%	48.70%
Lease Rents	1,434,644	51.3191%	51.30%	51.30%
Total Eq Rent.	2,795,535	100.0000%	100.00%	100.00% \$ Match

	2012	Calculation	Rounded	Wts Used
Labor	\$16,070,783	31.2969%	31.30%	31.30%
Fuel	11,477,236	22.3513%	22.40%	22.40%
Mat & Sup.	2,508,163	4.8845%	4.90%	4.90%
Equip. Rents	2,900,229	5.6480%	5.60%	5.60%
Depreciation	6,128,615	11.9351%	11.90%	11.90%
Interest	1,005,611	1.9584%	2.00%	2.00%
Other	11,258,755	21.9258%	21.90%	21.90%
Total	\$51,349,392	100.0000%	100.00%	100.00%
Wages	11,125,896	69.2306%	69.20%	69.20%
Wage Supp.	4,944,887	30.7694%	30.80%	30.80%
Total Labor	16,070,783	100.0000%	100.00%	100.00% \$ Match
Car Hire	1,398,523	48.2211%	48.20%	48.20%
Lease Rents	1,501,706	51.7789%	51.80%	51.80%
Total Eq Rent.	2,900,229	100.0000%	100.00%	100.00% \$ Match

Rebasing

Includes Changes for UP and BNSF

Rebasing the Denominator of the RCAF to the Fourth Quarter 2012

1. Fourth Quarter 2012 Linked Index	299.1
2. Second Quarter 2012 Linked Index	
Calculated Using Actual Data	295.5
Calculated Using Forecasted Data	297.0
Difference	(1.5)
3. Fourth Quarter 2012 Linked Index	
Adjusted for Second Quarter 2012 Forecast Error	297.6
Rounding Adjustment to Force 1.000	Not necessary
New Basing Factor for 2012Q4 = 100	297.6

Original = 297.5

Note: Linked Indexes on this page refer to the All Inclusive Index, 1980=100 basis.

Test of Basing Factor Fourth Quarter 2012 = 100

1. Fourth Quarter 2012 Linked Index (1980 = 100)	299.1
Divided by 2012Q4 Basing Factor	297.6
Fourth Quarter 2012 Linked Index (2012Q4 = 100)	1.005
2. Second Quarter 2012 Linked Index	
Calculated Using Actual Data (1980 = 100)	295.5
Calculated Using Forecasted Data (1980 = 100)	297.0
Divide both by 2012Q4 Basing Factor	297.6
Calculated Using Actual Data (2012Q4 = 100)	0.993
Calculated Using Forecasted Data (2012Q4 = 100)	0.998
Difference (Forecast Error Adjustment)	(0.005)
3. Fourth Quarter 2012 Linked Index (2012Q4 = 100)	
Adjusted for Second Quarter 2012 Forecast Error	1.000

Note: Fourth Quarter 2012 Linked Index (2012Q4 = 100), after forecast error adjustment, must equal 1.000.

Restated RCAFs

In a decision served November 27, 2013, the Surface Transportation Board directed the AAR "to restate the 2011, 2012, and 2013 RCAFs using BNSF's and UP's revised R-1 reports in its next quarterly submission." The AAR has complied and recalculated all RCAFs that used the revised 2010, 2011, or 2012 Annual Report Form R-1 data for both railroads. The calculations were treated as if the revised annual reports were available at the time of the original filings. Original and restated data are shown in the table below. The RCAFs for the first three quarters of 2011 relied upon data from the 2009 R-1 for weights, benchmarks, and the Interest Index – and are therefore unaffected. More detail on the calculations are presented in Appendix AC and the AAR's workpapers. The 2012Q4=100 basing factor was also affected.

	PAF	PAF-5	Original			Restated			Difference		
			RCAF	RCAF	RCAF-5	RCAF	RCAF	RCAF	RCAF	RCAF	RCAF-5
			Unadj.	Adj.	RCAF-5	Unadj.	Adj.	RCAF-5	Unadj.	Adj.	RCAF-5
2007Q4=100											
2011Q4	2.2645	2.3894	1.208	0.533	0.506	1.209	0.534	0.506	0.001	0.001	0.000
2012Q1	2.2724	2.3978	1.169	0.514	0.488	1.170	0.515	0.488	0.001	0.001	0.000
2012Q2	2.2769	2.4062	1.185	0.520	0.492	1.187	0.521	0.493	0.002	0.001	0.001
2012Q3	2.2815	2.4146	1.171	0.513	0.485	1.172	0.514	0.485	0.001	0.001	0.000
2012Q4	2.2861	2.4231	1.209	0.529	0.499	1.210	0.529	0.499	0.001	0.000	0.000
2012Q4=100											
2013Q1	2.2907	2.4279	0.997	0.435	0.411	0.997	0.435	0.411	0.000	0.000	0.000
2013Q2	2.2957	2.4328	1.006	0.438	0.414	1.006	0.438	0.414	0.000	0.000	0.000
2013Q3	2.3008	2.4377	0.977	0.425	0.401	0.977	0.425	0.401	0.000	0.000	0.000
2013Q4	2.3059	2.4426	0.975	0.423	0.399	0.975	0.423	0.399	0.000	0.000	0.000
2012Q4=100 Basing Factor			297.5			297.6			0.1		

Rail Cost Adjustment Factor — 2012Q4r Base

Appendix AE
Page 1 of 5

Yr/Qtr (Col 1)	Preliminary RCAF (Col 2)	Forecast Error Adjustment (Col. 3)	RCAF (Unad- justed) (Col 4)	Productivity-Adjusted RCAF		STB's 2nd Productivity- Adjusted RCAF (Not endorsed by AAR)	
				Productivity Adjustment Factor (Col 5)	RCAF (Adjusted) (Col 6)	PAF-5 (Col 7)	RCAF-5 (Col 8)
2003 Q1	0.640	0.002	0.642	1.9466	0.330	2.0126	0.319
Q2	0.653	0.006	0.659	1.9557	0.337	2.0333	0.324
Q3	0.650	0.010	0.660	1.9649	0.336	2.0542	0.321
Q4	0.658	-0.002	0.656	1.9741	0.332	2.0754	0.316
2004 Q1	0.657	0.004	0.661	1.9834	0.333	2.0852	0.317
Q2	0.662	0.005	0.667	1.9943	0.334	2.0950	0.318
Q3	0.681	0.011	0.692	2.0053	0.345	2.1048	0.329
Q4	0.694	0.014	0.708	2.0163	0.351	2.1147	0.335
2005 Q1	0.708	0.006	0.714	2.0274	0.352	2.1263	0.336
Q2	0.722	0.019	0.741	2.0420	0.363	2.1380	0.347
Q3	0.729	0.004	0.733	2.0567	0.356	2.1498	0.341
Q4	0.757	0.008	0.765	2.0715	0.369	2.1616	0.354
2006 Q1	0.752	0.008	0.760	2.0864	0.364	2.1772	0.349
Q2	0.752	0.008	0.760	2.0962	0.363	2.1929	0.347
Q3	0.773	-0.002	0.771	2.1061	0.366	2.2087	0.349
Q4	0.790	0.016	0.806	2.1160	0.381	2.2246	0.362
2007 Q1	0.773	0.007	0.780	2.1259	0.367	2.2351	0.349
Q2	0.773	-0.032	0.741	2.1348	0.347	2.2456	0.330
Q3	0.786	-0.014	0.772	2.1438	0.360	2.2562	0.342
Q4	0.812	0.014	0.826	2.1528	0.384	2.2668	0.364
2008 Q1	0.855	0.013	0.868	2.1618	0.402	2.2763	0.381
Q2	0.877	0.013	0.890	2.1683	0.410	2.2859	0.389
Q3	0.955	-0.007	0.948	2.1748	0.436	2.2955	0.413
Q4	0.955	0.036	0.991	2.1813	0.454	2.3051	0.430
2009 Q1	0.833	0.012	0.845	2.1878	0.386	2.3120	0.365
Q2	0.784	-0.082	0.702	2.1944	0.320	2.3189	0.303
Q3	0.824	-0.049	0.775	2.2010	0.352	2.3259	0.333
Q4	0.825	-0.002	0.823	2.2076	0.373	2.3329	0.353
2010 Q1	0.863	-0.005	0.858	2.2142	0.387	2.3399	0.367
Q2	0.863	0.013	0.876	2.2208	0.394	2.3469	0.373
Q3	0.880	0.003	0.883	2.2275	0.396	2.3539	0.375
Q4	0.883	0.028	0.911	2.2342	0.408	2.3610	0.386
2011 Q1	0.915	-0.012	0.903	2.2409	0.403	2.3681	0.381
Q2	0.956	0.016	0.972	2.2487	0.432	2.3752	0.409
Q3	0.980	0.017	0.997	2.2566	0.442	2.3823	0.419
Q4	0.978	0.022	1.000	2.2645	0.442	2.3894	0.419
2012 Q1	0.973	-0.006	0.967	2.2724	0.426	2.3978	0.403
Q2	0.998	-0.018	0.980	2.2769	0.430	2.4062	0.407
Q3	0.973	-0.005	0.968	2.2815	0.424	2.4146	0.401
Q4	1.005	-0.005	1.000	2.2861	0.437	2.4231	0.413
2013 Q1	0.999	-0.002	0.997	2.2907	0.435	2.4279	0.411
Q2	1.003	0.003	1.006	2.2957	0.438	2.4328	0.414
Q3	0.989	-0.012	0.977	2.3008	0.425	2.4377	0.401
Q4	1.001	-0.026	0.975	2.3059	0.423	2.4426	0.399
2014 Q1	0.984	-0.004	0.980	2.3110	0.424	2.4480	0.400

Rail Cost Adjustment Factor — 2012Q4r Base

Yr/Qtr (Col 1)	Preliminary RCAF (Col 2)	Forecast Error Adjustment (Col. 3)	RCAF (Unad- justed) (Col 4)	Productivity-Adjusted RCAF		STB's 2nd Productivity- Adjusted RCAF (Not endorsed by AAR)		
				Productivity Adjustment Factor (Col 5)	RCAF (Adjusted) (Col 6)	PAF-5 (Col 7)	RCAF-5 (Col 8)	
1992	Q1	0.519	-0.001	0.518	1.1227	0.461	Beginning 1989Q2, a productivity adjustment was added to the RCAF. What was formerly called the RCAF is now called the "RCAF (Unadjusted)" because it does not have a productivity adjustment. The productivity-adjusted RCAF is called the "RCAF (Adjusted)". In its October 3, 1996 decision, the Surface Transportation Board added another version of a productivity-adjusted RCAF called the "RCAF-5". This second productivity adjustment factor began being used with the 1997Q1 Rail Cost Adjustment Factor.	
	Q2	0.514	0.002	0.516	1.1348	0.455		
	Q3	0.516	-0.001	0.515	1.1471	0.449		
	Q4	0.525	0.002	0.527	1.1595	0.455		
1993	Q1	0.531	0.002	0.533	1.1720	0.455		
	Q2	0.529	0.001	0.530	1.1847	0.447		
	Q3	0.533	0.001	0.534	1.1975	0.446		
	Q4	0.540	0.000	0.540	1.2104	0.446		
1994	Q1	0.545	-0.002	0.543	1.2253	0.443		
	Q2	0.539	0.001	0.540	1.2404	0.435		
	Q3	0.551	0.000	0.551	1.2557	0.439		
	Q4	0.550	0.001	0.551	1.2711	0.433		
1995	Q1	0.556	0.002	0.558	1.2867	0.434		
	Q2	0.561	0.002	0.563	1.3052	0.431		
	Q3	0.567	0.002	0.569	1.3240	0.430		
	Q4	0.568	0.002	0.570	1.3431	0.424		
1996	Q1	0.565	-0.002	0.563	1.3624	0.413		
	Q2	0.563	-0.003	0.560	1.3820	0.405		
	Q3	0.568	-0.002	0.566	1.4019	0.404		
	Q4	0.573	0.003	0.576	1.4221	0.405		
1997	Q1	0.587	0.001	0.588	1.4426	0.408		
	Q2	0.584	0.004	0.588	1.4603	0.403		
	Q3	0.587	-0.001	0.586	1.4783	0.396		
	Q4	0.582	0.000	0.582	1.4965	0.389		
1998	Q1	0.580	-0.001	0.579	1.5149	0.382	1.5567	0.372
	Q2	0.576	0.003	0.579	1.5503	0.373	1.5758	0.367
	Q3	0.583	-0.002	0.581	1.5866	0.366	1.5952	0.364
	Q4	0.582	0.001	0.583	1.6237	0.359	1.6148	0.361
1999	Q1	0.581	-0.002	0.579	1.6617	0.348	1.6526	0.350
	Q2	0.578	0.000	0.578	1.6850	0.343	1.6913	0.342
	Q3	0.585	-0.002	0.583	1.7086	0.341	1.7309	0.337
	Q4	0.585	0.004	0.589	1.7325	0.340	1.7714	0.333
2000	Q1	0.603	0.004	0.607	1.7568	0.346	1.7962	0.338
	Q2	0.606	0.005	0.611	1.7719	0.345	1.8213	0.335
	Q3	0.610	0.001	0.611	1.7871	0.342	1.8468	0.331
	Q4	0.617	0.002	0.619	1.8025	0.343	1.8727	0.331
2001	Q1	0.628	0.003	0.631	1.8180	0.347	1.8888	0.334
	Q2	0.624	0.002	0.626	1.8305	0.342	1.9050	0.329
	Q3	0.628	0.000	0.628	1.8431	0.341	1.9214	0.327
	Q4	0.625	0.002	0.627	1.8558	0.338	1.9379	0.324
2002	Q1	0.626	0.000	0.626	1.8686	0.335	1.9513	0.321
	Q2	0.619	-0.001	0.618	1.8878	0.327	1.9648	0.315
	Q3	0.624	-0.005	0.619	1.9072	0.325	1.9784	0.313
	Q4	0.638	0.007	0.645	1.9268	0.335	1.9921	0.324

Sample Rebasing Calculations

Preliminary RCAF:

Recommended Method

The All-Inclusive Index (AII) Forecast is divided by the appropriate Basing Factor.

Example calculations (AII and Basing Factors are listed on page 4):

$$2011Q1 \text{ on a } 4Q12 \text{ basis} = 272.4 / 297.6 = 0.9153226 = 0.915$$

$$2011Q1 \text{ on a } 4Q07 \text{ basis} = 272.4 / 245.9 = 1.1077674 = 1.108$$

$$2011Q1 \text{ on a } 4Q97 \text{ basis} = 272.4 / 173.2 = 1.5727483 = 1.573$$

Alternative Method

An alternative method can be used to convert a Preliminary RCAF from one basis to another basis without knowing the All-Inclusive Index. This method will occasionally have small rounding differences, and is not recommended except as a "check" or as an approximation.

New Base Index = (Old Basing Factor / New Basing Factor) x Old Base Index.

Example for converting 2011Q1 on a 4Q07 basis to a 4Q12 basis:

$$(245.9 / 297.6) \times 1.108 = 0.9155148 = 0.916 \text{ (which is close, but not exact)}$$

Forecast Error Adjustment:

Recommended Method

1. Use the All-Inclusive Indexes (AII) for the two quarters prior to the quarter to be adjusted.
2. The All Actual is divided by the appropriate Basing Factor and rounded 3 digits after decimal.
3. The All Forecast is divided by the appropriate Basing Factor and rounded.
4. Take the result from step 2 and subtract the result from step 3.

Example calculation for 2011Q1:

$$1. \text{ Use A-I Index from 2 quarters prior, } 2010Q3: 258.3 = \text{Actual}, 262.0 = \text{Forecast}$$

$$2. \text{ Actual} = 258.3 / 297.6 = 0.8679435 = 0.868$$

$$3. \text{ Forecast} = 262.0 / 297.6 = 0.8803763 = 0.880$$

$$4. \text{ Forecast Error} = 0.868 - 0.880 = -0.012$$

Alternative Method

This method has occasional rounding differences, and is not recommended except as a check or an approximation. The new base Forecast Error Adjustment equals:

(Old Basing Factor / New Basing Factor) x Old Forecast Error Adjustment.

Example for converting 2010Q3 on a 4Q07 basis, which was used for 2011Q1, to a 4Q12 basis:

$$\text{Forecast Error } 4Q12 \text{ basis} = (245.9 / 297.6) \times -0.015 = -0.0123942 = -0.012$$

RCAF (Unadjusted)

RCAF (Unadjusted) = Preliminary RCAF + Forecast Error Adjustment.

$$\text{Example for } 2011Q1, \text{ on a } 4Q12 \text{ basis: } 0.915 + -0.012 = 0.903$$

Productivity Adjustment Factor

Use the Productivity Adjustment Factor as originally calculated for each quarter.

For 2011Q1, the Productivity Adjustment Factor is 2.2409.

RCAF (Adjusted)

RCAF (Adjusted) = RCAF (Unadjusted) / Productivity Adjustment Factor.

$$\text{Example for } 2011Q1, \text{ on a } 4Q12 \text{ basis: } 0.903 / 2.2409 = 0.4029631 = 0.403$$

PAF-5

Use the STB's alternative productivity adjustment factor, PAF-5, as originally calculated.

For 2011Q1, the Productivity Adjustment Factor is 2.3681.

RCAF-5

RCAF-5 = RCAF (Unadjusted) / PAF-5

$$\text{Example for } 2011Q1, \text{ on a } 4Q12 \text{ basis: } 0.903 / 2.3681 = 0.3813184 = 0.381$$

Indexes & Factors for RCAF

Appendix AE
Page 4 of 5

Yr/Qtr	All-Inclusive Index 1980 = 100		Prod. Adj. Factor	PAF-5	Original Prelim RCAF	Original Forecast Error	Basing Factor	
	Forecast	Actual						
1991	Q1	151.2	150.1	1.0755	-	1.144	0.001	132.2
	Q2	149.1	148.8	1.0871	-	1.128	0.015	132.2
	Q3	153.0	152.8	1.0988	-	1.157	-0.009	132.2
	Q4	155.5	156.1	1.1107	-	1.176	-0.002	132.2
1992	Q1	154.5	154.1	1.1227	-	1.169	-0.001	132.2
	Q2	152.9	153.7	1.1348	-	1.157	0.005	132.2
	Q3	153.5	154.1	1.1471	-	1.161	-0.003	132.2
	Q4	156.1	156.5	1.1595	-	1.181	0.006	132.2
1993	Q1	158.1	158.4	1.1720	-	1.008	0.004	156.9
	Q2	157.3	157.5	1.1847	-	1.003	0.002	156.9
	Q3	158.6	158.0	1.1975	-	1.011	0.002	156.9
	Q4	160.7	161.0	1.2104	-	1.024	0.001	156.9
1994	Q1	162.1	162.1	1.2253	-	1.033	-0.004	156.9
	Q2	160.4	160.7	1.2404	-	1.022	0.002	156.9
	Q3	164.1	164.6	1.2557	-	1.046	0.000	156.9
	Q4	163.7	164.4	1.2711	-	1.043	0.002	156.9
1995	Q1	165.5	166.2	1.2867	-	1.055	0.003	156.9
	Q2	167.1	167.6	1.3052	-	1.065	0.005	156.9
	Q3	168.8	168.0	1.3240	-	1.076	0.004	156.9
	Q4	168.9	168.2	1.3431	-	1.076	0.003	156.9
1996	Q1	168.0	167.6	1.3624	-	1.071	-0.005	156.9
	Q2	167.4	168.4	1.3820	-	1.067	-0.004	156.9
	Q3	169.0	169.4	1.4019	-	1.077	-0.003	156.9
	Q4	170.4	171.7	1.4221	-	1.086	0.006	156.9
1997	Q1	174.7	174.4	1.4426	1.4733	1.113	0.003	156.9
	Q2	173.7	173.7	1.4603	1.4945	1.107	0.008	156.9
	Q3	174.6	174.4	1.4783	1.5160	1.113	-0.001	156.9
	Q4	173.2	174.2	1.4965	1.5378	1.104	0.000	156.9
1998	Q1	172.7	172.1	1.5149	1.5567	0.997	-0.001	173.2
	Q2	171.5	171.8	1.5503	1.5758	0.990	0.006	173.2
	Q3	173.4	172.9	1.5866	1.5952	1.001	-0.003	173.2
	Q4	173.3	173.2	1.6237	1.6148	1.001	0.002	173.2
1999	Q1	173.0	172.3	1.6617	1.6526	0.999	-0.003	173.2
	Q2	172.1	173.2	1.6850	1.6913	0.994	-0.001	173.2
	Q3	174.2	175.4	1.7086	1.7309	1.006	-0.004	173.2
	Q4	174.1	175.6	1.7325	1.7714	1.005	0.006	173.2
2000	Q1	179.4	179.8	1.7568	1.7962	1.036	0.007	173.2
	Q2	180.3	180.8	1.7719	1.8213	1.041	0.009	173.2
	Q3	181.6	182.5	1.7871	1.8468	1.048	0.002	173.2
	Q4	183.5	184.1	1.8025	1.8727	1.059	0.003	173.2
2001	Q1	186.9	186.8	1.8180	1.8888	1.079	0.006	173.2
	Q2	185.6	186.4	1.8305	1.9050	1.072	0.004	173.2
	Q3	186.9	186.8	1.8431	1.9214	1.079	0.000	173.2
	Q4	186.1	185.7	1.8558	1.9379	1.074	0.004	173.2
2002	Q1	186.4	184.7	1.8686	1.9513	1.076	0.000	173.2
	Q2	184.2	186.4	1.8878	1.9648	1.064	-0.002	173.2
	Q3	185.6	186.4	1.9072	1.9784	1.072	-0.010	173.2
	Q4	189.9	191.7	1.9268	1.9921	1.096	0.012	173.2
2003	Q1	190.6	193.3	1.9466	2.0126	0.992	0.004	192.1
	Q2	194.3	193.6	1.9557	2.0333	1.011	0.009	192.1
	Q3	193.3	194.6	1.9649	2.0542	1.006	0.014	192.1
	Q4	195.9	197.2	1.9741	2.0754	1.020	-0.003	192.1

Indexes & Factors for RCAF

Yr/Qtr	All-Inclusive Index 1980 = 100		Prod. Adj.	PAF-5	Original Prelim	Original Forecast	Basing Factor	
	Forecast	Actual	Factor		RCAF	Error		
2004	Q1	195.6	198.7	1.9834	2.0852	1.018	0.007	192.1
	Q2	197.1	201.3	1.9943	2.0950	1.026	0.007	192.1
	Q3	202.6	204.5	2.0053	2.1048	1.055	0.016	192.1
	Q4	206.5	212.2	2.0163	2.1147	1.075	0.022	192.1
2005	Q1	210.7	211.9	2.0274	2.1263	1.097	0.010	192.1
	Q2	214.9	217.2	2.0420	2.1380	1.119	0.030	192.1
	Q3	217.0	219.2	2.0567	2.1498	1.130	0.006	192.1
	Q4	225.3	227.8	2.0715	2.1616	1.173	0.012	192.1
2006	Q1	223.9	223.1	2.0864	2.1772	1.166	0.011	192.1
	Q2	223.8	228.7	2.0962	2.1929	1.165	0.013	192.1
	Q3	230.0	232.0	2.1061	2.2087	1.197	-0.005	192.1
	Q4	235.2	225.6	2.1160	2.2246	1.224	0.026	192.1
2007	Q1	229.9	226.0	2.1259	2.2351	1.197	0.011	192.1
	Q2	230.0	234.1	2.1348	2.2456	1.197	-0.050	192.1
	Q3	234.0	237.7	2.1438	2.2562	1.218	-0.021	192.1
	Q4	241.7	245.6	2.1528	2.2668	1.258	0.022	192.1
2008	Q1	254.4	252.3	2.1618	2.2763	1.035	0.015	245.9
	Q2	260.9	271.6	2.1683	2.2859	1.061	0.016	245.9
	Q3	284.3	287.8	2.1748	2.2955	1.156	-0.009	245.9
	Q4	284.1	259.7	2.1813	2.3051	1.155	0.044	245.9
2009	Q1	247.8	233.2	2.1878	2.3120	1.008	0.014	245.9
	Q2	233.4	232.8	2.1944 *	2.3189	0.949	-0.099	245.9
	Q3	245.3	243.8	2.2010 *	2.3259	0.998	-0.060	245.9
	Q4	245.5	249.4	2.2076 *	2.3329	0.998	-0.002	245.9
2010	Q1	256.9	257.6	2.2142 *	2.3399 *	1.045	-0.007	245.9
	Q2	256.8	265.3	2.2208	2.3469	1.044	0.016	245.9
	Q3	262.0	258.3	2.2275	2.3539	1.065	0.003	245.9
	Q4	262.9	267.5	2.2342	2.3610	1.069	0.035	245.9
2011	Q1	272.4	277.4	2.2409	2.3681	1.108	-0.015	245.9
	Q2	284.4	291.0	2.2487	2.3752	1.157	0.019	245.9
	Q3	291.7	289.8	2.2566	2.3823	1.186	0.020	245.9
	Q4	291.0	285.7	2.2645	2.3894	1.183	0.026	245.9
2012	Q1	289.5	288.0	2.2724	2.3978	1.177	-0.007	245.9
	Q2	297.0	295.5	2.2769	2.4062	1.208	-0.021	245.9
	Q3	289.6	289.0	2.2815	2.4146	1.178	-0.006	245.9
	Q4	299.1	300.1	2.2861	2.4231	1.216	-0.006	245.9
2013	Q1	297.4	293.7	2.2907	2.4279	0.999	-0.002	297.6
	Q2	298.6	290.9	2.2957	2.4328	1.003	0.003	297.6
	Q3	294.4	293.1	2.3008	2.4377	0.989	-0.012	297.6
	Q4	297.8	-	2.3059	2.4426	1.001	-0.026	297.6
2014	Q1	292.9	-	2.3110	2.4480	0.984	-0.004	297.6

Preliminary RCAF = All-Inclusive Index Forecast / Basing Factor
Forecast Error = (A-II Actual/Basing Factor) - (A-II Forecast/Basing Factor)
 where each is rounded to 3 digits after the decimal
 where A-II for forecast error calculation is from 2 quarters earlier
RCAF Unadjusted = Preliminary RCAF less Forecast Error
RCAF Adjusted = RCAF Unadjusted / Productivity Adjustment Factor
RCAF-5 = RCAF Unadjusted / PAF-5

Note: Each RCAF is rounded to 3 digits after the decimal. Productivity Adjustment

Basing Factors

10/1/80 = 102.7
 10/1/82 = 120.9
 4Q/87 = 132.2
 4Q/92 = 156.9
 4Q/97 = 173.2
 4Q/02 = 192.1
 4Q/07 = 245.9

* restated by STB in Docket No. EP 290 (Sub-No. 4) served January 20, 2012.

Highlighted data from 2011Q4 through 2013Q4 were restated as directed by the STB on November 27, 2013.

Workpapers Sent to STB for 2014 Q1 RCAF

December 5, 2013

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. Wall Street Journal - 13 week Treasury Bill Rate from latest auction (a.k.a. 3-Mo. T-Bill)
6. 2013/Q4 RCAF Lump Sum Amortization summary, public version (1 page)
7. 2012/Q4 RCAF Back Pay Amortization summary, public version (1 page)
8. Health & Welfare worksheet (1 page)
9. Railroad Retirement spreadsheet (5 pages)
10. Railroad Retirement maximum earnings and tax rates for 2014 from RR Retirement Board
11. Unemployment Insurance worksheet
12. 2-page SAS run for Q1 Unemployment Insurance
13. Unemployment Insurance maximum earnings and tax rate ranges for 2014 from RR Retirement Board
14. Memo for new Unemployment insurance tax rate average for 2014
15. Energy Information Administration's This Week in Petroleum, Distillate section (4 pages)
16. Summary of Materials & Supplies (one page)
17. Car Hire Spreadsheet (2 pages) plus source data page for December 2013
18. 4 pages of PPI-RE for Depreciation including graph, input/output, and BLS source data
19. Interest Rate Index calculation using revised R-1 data for 2010, 2011, 2012
20. 4 pages of PPI-LF for Other (and Lease Rentals) incl. graph, input/output, BLS source data
21. Forecast Error calc. and workpapers (10 pages: calc, index, fuel, 3 car hire, 2 deprec, 2 other)

RCAF All-Inclusive Index's Labor Index Based on 2012 Benchmarks Including Revised & Restated Data

	12 Wts.	Corrected			Corrected							
		3Q/13 Original	3Q/13 Rebench As Info Only	% Chg	4Q/13	% Chg	1Q/14	% Chg	2Q/14	% Chg	3Q/14	% Chg
Straight Time		\$30.866	\$31.499	2.1%	\$31.500	2.1%	\$31.853	1.1%		--		--
PFTNW		\$7.440	\$6.844	-8.0%	\$6.844	-8.0%	\$6.871	0.4%		--		--
Total		\$38.306	\$38.343	0.1%	\$38.344	0.1%	\$38.724	1.0%	\$0.000	--	\$0.000	--
Adjustments												
Lump Sum		\$0.244	\$0.239		\$0.217		\$0.214					
Back Pay		(\$0.044)	(\$0.043)		(\$0.063)		(\$0.077)					
Other		\$0.213	\$0.208		\$0.208		\$0.208					
Total Wages		\$38.719	\$38.747	0.1%	\$38.706	0.0%	\$39.069	0.9%	\$0.000	--	\$0.000	--
Pre-Tax Reduction		(\$1.187)	(\$1.160)		(\$1.161)		(\$1.161)					
Taxable Wages		\$37.532	\$37.587		\$37.545		\$37.908		\$0.000	--	\$0.000	--
H & W		\$8.062	\$8.080	0.2%	\$8.080	0.2%	\$7.623	-5.7%		--		--
RR Ret & Medicare		\$7.952	\$7.619	-4.2%	\$7.613	-4.3%	\$7.736	1.6%		--		--
Unemp. Insurance		\$0.059	\$0.057	-3.4%	\$0.057	-3.4%	\$0.059	3.5%		--		--
Other		\$0.155	\$0.152	-1.9%	\$0.103	-33.5%	\$0.147	42.7%		--		--
Total		\$16.228	\$15.908	-2.0%	\$15.853	-2.3%	\$15.565	-1.8%	\$0.000	--	\$0.000	--
Adjustments												
Total Supplements		\$16.228	\$15.908	-2.0%	\$15.853	-2.3%	\$15.565	-1.8%	\$0.000	--	\$0.000	--
Total Labor		\$54.947	\$54.655	-0.5%	\$54.559	-0.7%	\$54.634	0.1%	\$0.000	--	\$0.000	--
Wage Rate Index	0.6920	331.4	331.6	0.1%	331.2	-0.1%	334.4	1.0%	0.0	--	0.0	--
Supplements Index	0.3080	599.7	587.9	-2.0%	585.8	-2.3%	575.2	-1.8%	0.0	--	0.0	--
Total Labor Index '11 Wts.		416.5										
Total Labor Index '12 Wts.		414.0	410.5	-0.8%	409.6	-1.1%	408.6	-0.2%	0.0	--	0.0	--
Labor Index (Linked)		391.3			387.1	-1.1%	386.2	-0.2%	0.0	#####	#DIV/0!	--

All Inclusive Index and RCAF

	Corrected		3Q/13		Corrected		1Q/14	% Chg	2Q/14	% Chg	3Q/14	% Chg
	12 Wts	3Q/13	12 Wts	% Chg	4Q/13	% Chg						
Labor	0.313	391.30	391.3	0.0%	387.1	-1.1%	386.2	-0.2%	0.0	#####	#DIV/0!	--
Fuel	0.224	375.60	375.6	0.0%	399.6	6.4%	377.9	-5.4%	--	--	--	--
M&S	0.049	264.20	264.2	0.0%	261.4	-1.1%	265.9	1.7%	--	--	--	--
Equip. Rents	0.056	208.00	208.0	0.0%	207.7	-0.1%	208.7	0.5%	0.0	#####	#DIV/0!	--
Depreciation	0.119	218.90	218.9	0.0%	221.0	1.0%	217.8	-1.4%	--	--	--	--
Interest	0.020	87.30	87.3	0.0%	76.6	-12.3%	76.6	0.0%	76.6	0.0%	76.6	0.0%
Other	0.219	221.40	221.4	0.0%	220.0	-0.6%	220.5	0.2%	--	--	--	--
Weighted Avg.	1.000	307.70	307.5	-0.1%	311.1	1.2%	306.0	-1.6%	1.5	-99.5%	#DIV/0!	--
Linked		294.40			297.8	1.2%	292.9	-1.6%	1.4	-99.5%	#DIV/0!	--
	Basing Factor											
10/1/80 basis	102.7	286.7			290.0	1.2%	285.2	-1.7%	1.4	-99.5%	#DIV/0!	--
10/1/82	120.9	243.5			246.3	1.1%	242.3	-1.6%	1.2	-99.5%	#DIV/0!	--
4Q/87	132.2	222.7			225.3	1.2%	221.6	-1.6%	1.1	-99.5%	#DIV/0!	--
4Q/92	156.9	187.6			189.8	1.2%	186.7	-1.6%	0.9	-99.5%	#DIV/0!	--
4Q/97	173.2	170.0			171.9	1.1%	169.1	-1.6%	0.8	-99.5%	#DIV/0!	--
4Q/02	192.1	153.3			155.0	1.1%	152.5	-1.6%	0.7	-99.5%	#DIV/0!	--
4Q/07	245.9	119.7			121.1	1.2%	119.1	-1.7%	0.6	-99.5%	#DIV/0!	--
4Q/12 basis	297.6	98.9			100.1	1.2%	98.4	-1.7%	0.5	-99.5%	#DIV/0!	--
Car Hire	0.482	178.30	178.3	0.0%	179.1	0.4%	180.6	0.8%	--	--	--	--
Lease Rents	0.518	221.40	221.4	0.0%	220.0	-0.6%	220.5	0.2%	0.0	--	0.0	--
Wghted Avg Eq Rents		200.50	200.6	0.0%	200.3	-0.1%	201.3	0.5%	0.0	--	0.0	--
Linked Equipment Rents		208.00			207.7	-0.1%	208.7	0.5%	0.0	#####	#DIV/0!	--
Preliminary RCAF		0.989			1.001	1.21%	0.984	-1.7%	0.005	-99.5%	#DIV/0!	--
Forecast Error Adj.		(0.012)			(0.026)		(0.004)					
RCAF Unadjusted		0.977			0.975	-0.20%	0.980	0.5%	0.005	-99.5%	#DIV/0!	--
PAF		2.3008			2.3059	0.22%	2.3110	0.22%		--		--
RCAF Adjusted		0.425			0.423	-0.47%	0.424	0.2%	#DIV/0!	--	#DIV/0!	--
PAF-5		2.4377			2.4426	0.20%	2.4480	0.22%		--		--
RCAF-5		0.401			0.399	-0.50%	0.400	0.3%	#DIV/0!	--	#DIV/0!	--

Hourly Rate for 2014 Q1

Straight Time and Time Paid For But Not Worked

2014Q1 Straight Time Hourly Rate (from national spreadsheet) \$31.578
 3% wage increase for non-unions

Adjustments to 2012 base:

Adjustments added 2013 Q1

CN Railroads	WC BRS 3% GWI; some unions \$0.09 COLA; WC & EJE UTU 2.97%; non-unions 4.3%	0.005
Misc. Indep ATDA, BLET, UTU, UTU-YMD	BNSF BLET 2.5% GWI; CSX ATDA-East & BLET 3%, UTU-CSRA 2%; UP ATDA (non-union) 4.3%	0.079
Soo Corp.	DME BLET 2.81% GWI; DME UTU 2.87%; some unions 3%; non-unions 4.3%	0.003

Adjustments added 2013 Q2

CN Railroads	No change	0.000
Misc. Indep ATDA, BLET, UTU, UTU-YMD	No change	0.000
Soo Corp.	1 major union new contract with retro GWIs	0.005

Adjustments added 2013 Q3

CN Railroads	3% GWI for most unions; \$0.05 COLA for some other unions	0.010
Misc. Indep ATDA, BLET, UTU, UTU-YMD	2% GWI for NS BLET; 3% GWI for some other unions	0.076
Soo Corp.	3% GWI for most DH unions	0.002

Adjustments added 2013 Q4

CN Railroads	2 new contracts with retro GWIs	0.001
Misc. Indep ATDA, BLET, UTU, UTU-YMD	No change	0.000
Soo Corp.	No change	0.000

Adjustments added 2014 Q1

CN Railroads	\$0.06 COLA for some unions; WC BRS 3.8%; WC&EJE UTU 3%; non-union 3%	0.005
Misc. Indep ATDA, BLET, UTU, UTU-YMD	3% for BNSF BLET, CSX ATDA-East & BLET, UP ATDA(non-union); 2% for CSX-CSRA UTU	0.087
Soo Corp.	2% for most DME unions; 0.99% for DME BLET & UTU	0.002

Adjusted STHR Total **\$31.853**

Pay For Time Not Worked

PFTNW (from national spreadsheet)		\$6.812
Ratio Adj STHR to Nat STHR	31.853 / 31.578 =	1.00871

Adjusted Pay For Time Not Worked **\$6.871**

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, UTU 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 1Q/2014

U.S. ST Hours = 312,795,753
 Wage Statistics are for 2012.

Union Group	Employees	Mo. Rate	Annual \$
National BLET (BNSF, CSX, KCS, NS, SOO, UP)	26,136	(\$198.00)	(\$62,099,136.00)
National BMWE (BNSF, CSX, KCS, NS, SOO, UP)	24,199	(\$198.00)	(\$57,496,824.00)
National BRS (BNSF, CSX, KCS, NS, SOO, UP)	7,213	(\$198.00)	(\$17,138,088.00)
National IAM (BNSF, CSX, KCS, NS, SOO, UP)	6,831	(\$198.00)	(\$16,230,456.00)
National IBBM (BNSF, CSX, KCS, NS, SOO, UP)	1,166	(\$198.00)	(\$2,770,416.00)
National IBEW (BNSF, CSX, KCS, NS, SOO, UP)	5,520	(\$198.00)	(\$13,115,520.00)
National NCFO (BNSF, CSX, KCS, NS, SOO, UP)	2,379	(\$198.00)	(\$5,652,504.00)
National SMW (BNSF, CSX, KCS, NS, SOO, UP)	1,010	(\$198.00)	(\$2,399,760.00)
National TCU (BNSF, CSX, KCS, NS, SOO, UP)	5,939	(\$198.00)	(\$14,111,064.00)
National TCU-CAR (BNSF, CSX, KCS, NS, SOO, UP)	9,444	(\$198.00)	(\$22,438,944.00)
National UTU (BNSF, CSX, KCS, NS, SOO, UP)	40,207	(\$198.00)	(\$95,531,832.00)
Yardmasters (BNSF, CSX, KCS, NS, SOO, UP)	1,878	(\$198.00)	(\$4,462,128.00)
National ATDA (wt. avg. BNSF, CSX, KCS, NS, SOO)	1,881	(\$198.00)	(\$4,469,256.00)
Independent CNGT (wt avg all union categories)	6,069	(\$162.65)	(\$11,845,474.20)
Independent SLC (wt avg all DH & DME union categories)	1,387	(\$166.43)	(\$2,770,060.92)
Total Union	141,259		(\$332,531,463.12)
All Other @ \$2,540,103.13 total per month			(\$30,481,237.56)
Total			(\$363,012,700.68)

Reduction in Wage Rate Per ST Hour	-\$1.16054229
Deduct this amount from the Wage Rate	-\$1.161

National Contracts U.S.

Straight Time Hourly Rate

	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Check Sum
Weight	0.23472	0.03638	0.17236	0.0059	0.04558	0.14670	0.05816	0.0141	0.04072	0.00689	0.03297	0.01484	0.00929	0.18138	1.00000
2012 Avg.	25.369	25.897	29.146	26.460	28.052	24.543	26.553	22.006	27.038	24.250	27.180	36.220	42.690	45.559	410.963
12/31/12	25.689	26.437	29.408	27.017	28.631	25.031	27.110	22.468	27.604	24.759	27.749	36.590	43.300	45.559	417.351
1/1/13	25.689	26.437	29.408	27.017	28.631	25.031	27.110	22.468	27.604	24.759	27.749	36.590	43.300	47.518	
4/1/13	25.689	26.437	29.408	27.017	28.631	25.031	27.110	22.468	27.604	24.759	27.749	36.590	43.300	47.518	
7/1/13	26.308	27.154	29.445	27.815	29.447	25.731	27.879	23.122	28.403	25.476	28.552	36.930	44.418	47.518	
10/1/13	26.308	27.154	29.445	27.815	29.447	25.731	27.879	23.122	28.403	25.476	28.552	36.930	44.418	47.518	
1/1/14	26.308	27.154	29.445	27.815	29.447	25.731	27.879	23.122	28.403	25.476	28.552	36.930	44.418	48.943	
4/1/14	26.308	27.154	29.445	27.815	29.447	25.731	27.879	23.122	28.403	25.476	28.552	36.930	44.418	48.943	
7/1/14	26.308	27.154	29.445	27.815	29.447	25.731	27.879	23.122	28.403	25.476	28.552	36.930	44.418	48.943	

Weighted Straight Time Hourly Rate

	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Total
2012 Avg.	5.955	0.942	5.024	0.156	1.279	3.601	1.544	0.310	1.101	0.167	0.896	0.537	0.396	8.263	30.172
12/31/12	6.030	0.962	5.069	0.159	1.305	3.672	1.577	0.317	1.124	0.171	0.915	0.543	0.402	8.263	30.508
1/1/13	6.030	0.962	5.069	0.159	1.305	3.672	1.577	0.317	1.124	0.171	0.915	0.543	0.402	8.619	30.864
4/1/13	6.030	0.962	5.069	0.159	1.305	3.672	1.577	0.317	1.124	0.171	0.915	0.543	0.402	8.619	30.864
7/1/13	6.175	0.988	5.075	0.164	1.342	3.775	1.622	0.326	1.157	0.176	0.941	0.548	0.412	8.619	31.319
10/1/13	6.175	0.988	5.075	0.164	1.342	3.775	1.622	0.326	1.157	0.176	0.941	0.548	0.412	8.619	31.319
1/1/14	6.175	0.988	5.075	0.164	1.342	3.775	1.622	0.326	1.157	0.176	0.941	0.548	0.412	8.877	31.578
4/1/14	6.175	0.988	5.075	0.164	1.342	3.775	1.622	0.326	1.157	0.176	0.941	0.548	0.412	8.877	31.578
7/1/14	6.175	0.988	5.075	0.164	1.342	3.775	1.622	0.326	1.157	0.176	0.941	0.548	0.412	8.877	31.578

Note: The 2012 Average and 12/31/12 Straight Time Hourly Rates are the industry rates, and include all Class I railroad employees. The rates for 1/1/13 through 7/1/14 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 2012 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	0.23472	0.03638	0.17236	0.0059	0.04558	0.14670	0.05816	0.0141	0.04072	0.00689	0.03297	0.01484	0.00929	0.18138	1.00000
2012 Avg.	10.487	4.473	10.825	3.943	6.503	4.735	4.019	3.031	4.508	3.311	4.806	6.938	9.733	1.374	78.687
12/31/12	10.619	4.567	10.922	4.026	6.637	4.829	4.103	3.095	4.603	3.381	4.907	7.009	9.872	1.374	
1/1/13	10.619	4.567	10.922	4.026	6.637	4.829	4.103	3.095	4.603	3.381	4.907	7.009	9.872	1.433	
4/1/13	10.619	4.567	10.922	4.026	6.637	4.829	4.103	3.095	4.603	3.381	4.907	7.009	9.872	1.433	
7/1/13	10.875	4.691	10.936	4.145	6.826	4.964	4.220	3.185	4.736	3.479	5.049	7.074	10.127	1.433	
10/1/13	10.875	4.691	10.936	4.145	6.826	4.964	4.220	3.185	4.736	3.479	5.049	7.074	10.127	1.433	
1/1/14	10.875	4.691	10.936	4.145	6.826	4.964	4.220	3.185	4.736	3.479	5.049	7.074	10.127	1.476	
4/1/14	10.875	4.691	10.936	4.145	6.826	4.964	4.220	3.185	4.736	3.479	5.049	7.074	10.127	1.476	
7/1/14	10.875	4.691	10.936	4.145	6.826	4.964	4.220	3.185	4.736	3.479	5.049	7.074	10.127	1.476	

Pay For Time Not Worked Hourly Rate

	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Total
2012 Avg.	2.462	0.163	1.866	0.023	0.296	0.695	0.234	0.043	0.184	0.023	0.158	0.103	0.090	0.249	6.588
12/31/12	2.493	0.166	1.883	0.024	0.303	0.708	0.239	0.044	0.187	0.023	0.162	0.104	0.092	0.249	6.676
1/1/13	2.493	0.166	1.883	0.024	0.303	0.708	0.239	0.044	0.187	0.023	0.162	0.104	0.092	0.260	6.686
4/1/13	2.493	0.166	1.883	0.024	0.303	0.708	0.239	0.044	0.187	0.023	0.162	0.104	0.092	0.260	6.686
7/1/13	2.553	0.171	1.885	0.024	0.311	0.728	0.245	0.045	0.193	0.024	0.166	0.105	0.094	0.260	6.805
10/1/13	2.553	0.171	1.885	0.024	0.311	0.728	0.245	0.045	0.193	0.024	0.166	0.105	0.094	0.260	6.805
1/1/14	2.553	0.171	1.885	0.024	0.311	0.728	0.245	0.045	0.193	0.024	0.166	0.105	0.094	0.268	6.812
4/1/14	2.553	0.171	1.885	0.024	0.311	0.728	0.245	0.045	0.193	0.024	0.166	0.105	0.094	0.268	6.812
7/1/14	2.553	0.171	1.885	0.024	0.311	0.728	0.245	0.045	0.193	0.024	0.166	0.105	0.094	0.268	6.812

U.S. National Contract

UTU

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				25.36938	10.48708
12/31/12 Industry Rate				25.68872	10.61908
1/1/13			80.316%	25.68872	10.61908
4/1/13			80.316%	25.68872	10.61908
7/1/13	3.00%		80.316%	26.30769	10.87495
10/1/13			80.316%	26.30769	10.87495
1/1/14			80.316%	26.30769	10.87495
4/1/14			80.316%	26.30769	10.87495
7/1/14			80.316%	26.30769	10.87495

TCU

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				25.89660	4.47341
12/31/12 Industry Rate				26.43724	4.56680
1/1/13			90.331%	26.43724	4.56680
4/1/13			90.331%	26.43724	4.56680
7/1/13	3.00%		90.331%	27.15367	4.69056
10/1/13			90.331%	27.15367	4.69056
1/1/14			90.331%	27.15367	4.69056
4/1/14			90.331%	27.15367	4.69056
7/1/14			90.331%	27.15367	4.69056

BLET

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				29.14585	10.82496
12/31/12 Industry Rate				29.40780	10.92225
1/1/13			4.173%	29.40780	10.92225
4/1/13			4.173%	29.40780	10.92225
7/1/13	3.00%		4.173%	29.44462	10.93593
10/1/13			4.173%	29.44462	10.93593
1/1/14			4.173%	29.44462	10.93593
4/1/14			4.173%	29.44462	10.93593
7/1/14			4.173%	29.44462	10.93593

U.S. National Contract

SMWIA

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				26.46037	3.94323
12/31/12 Industry Rate				27.01729	4.02623
1/1/13			98.381%	27.01729	4.02623
4/1/13			98.381%	27.01729	4.02623
7/1/13	3.00%		98.381%	27.81469	4.14506
10/1/13			98.381%	27.81469	4.14506
1/1/14			98.381%	27.81469	4.14506
4/1/14			98.381%	27.81469	4.14506
7/1/14			98.381%	27.81469	4.14506

BRS

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				28.05236	6.50298
12/31/12 Industry Rate				28.63062	6.63703
1/1/13			95.070%	28.63062	6.63703
4/1/13			95.070%	28.63062	6.63703
7/1/13	3.00%		95.070%	29.44720	6.82633
10/1/13			95.070%	29.44720	6.82633
1/1/14			95.070%	29.44720	6.82633
4/1/14			95.070%	29.44720	6.82633
7/1/14			95.070%	29.44720	6.82633

BMWE

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				24.54267	4.73507
12/31/12 Industry Rate				25.03071	4.82923
1/1/13			93.229%	25.03071	4.82923
4/1/13			93.229%	25.03071	4.82923
7/1/13	3.00%		93.229%	25.73079	4.96429
10/1/13			93.229%	25.73079	4.96429
1/1/14			93.229%	25.73079	4.96429
4/1/14			93.229%	25.73079	4.96429
7/1/14			93.229%	25.73079	4.96429

U.S. National Contract

TCU-Carmen

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				26.55256	4.01887
12/31/12 Industry Rate				27.10956	4.10317
1/1/13			94.656%	27.10956	4.10317
4/1/13			94.656%	27.10956	4.10317
7/1/13	3.00%		94.656%	27.87939	4.21969
10/1/13			94.656%	27.87939	4.21969
1/1/14			94.656%	27.87939	4.21969
4/1/14			94.656%	27.87939	4.21969
7/1/14			94.656%	27.87939	4.21969

NCFO

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				22.00623	3.03093
12/31/12 Industry Rate				22.46779	3.09450
1/1/13			97.102%	22.46779	3.09450
4/1/13			97.102%	22.46779	3.09450
7/1/13	3.00%		97.102%	23.12229	3.18465
10/1/13			97.102%	23.12229	3.18465
1/1/14			97.102%	23.12229	3.18465
4/1/14			97.102%	23.12229	3.18465
7/1/14			97.102%	23.12229	3.18465

IAM

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				27.03849	4.50822
12/31/12 Industry Rate				27.60432	4.60257
1/1/13			96.451%	27.60432	4.60257
4/1/13			96.451%	27.60432	4.60257
7/1/13	3.00%		96.451%	28.40306	4.73574
10/1/13			96.451%	28.40306	4.73574
1/1/14			96.451%	28.40306	4.73574
4/1/14			96.451%	28.40306	4.73574
7/1/14			96.451%	28.40306	4.73574

U.S. National Contract

IBBM

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				24.24951	3.31150
12/31/12 Industry Rate				24.75925	3.38111
1/1/13			96.438%	24.75925	3.38111
4/1/13			96.438%	24.75925	3.38111
7/1/13	3.00%		96.438%	25.47558	3.47893
10/1/13			96.438%	25.47558	3.47893
1/1/14			96.438%	25.47558	3.47893
4/1/14			96.438%	25.47558	3.47893
7/1/14			96.438%	25.47558	3.47893

IBEW

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				27.17995	4.80630
12/31/12 Industry Rate				27.74915	4.90695
1/1/13			96.429%	27.74915	4.90695
4/1/13			96.429%	27.74915	4.90695
7/1/13	3.00%		96.429%	28.55189	5.04890
10/1/13			96.429%	28.55189	5.04890
1/1/14			96.429%	28.55189	5.04890
4/1/14			96.429%	28.55189	5.04890
7/1/14			96.429%	28.55189	5.04890

ATDA

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				36.21964	6.93784
12/31/12 Industry Rate				36.59012	7.00880
1/1/13			30.955%	36.59012	7.00880
4/1/13			30.955%	36.59012	7.00880
7/1/13	3.00%		30.955%	36.92991	7.07389
10/1/13			30.955%	36.92991	7.07389
1/1/14			30.955%	36.92991	7.07389
4/1/14			30.955%	36.92991	7.07389
7/1/14			30.955%	36.92991	7.07389

YDMSTRS

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				42.69019	9.73260
12/31/12 Industry Rate				43.29963	9.87154
1/1/13			86.102%	43.29963	9.87154
4/1/13			86.102%	43.29963	9.87154
7/1/13	3.00%		86.102%	44.41809	10.12653
10/1/13			86.102%	44.41809	10.12653
1/1/14			86.102%	44.41809	10.12653
4/1/14			86.102%	44.41809	10.12653
7/1/14			86.102%	44.41809	10.12653

OTHER

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2012 Industry Avg.				45.55873	1.37422
12/31/12 Industry Rate				45.55873	1.37422
1/1/13	4.30%		100.000%	47.51776	1.43331
4/1/13			100.000%	47.51776	1.43331
7/1/13			100.000%	47.51776	1.43331
10/1/13			100.000%	47.51776	1.43331
1/1/14	3.00%		100.000%	48.94329	1.47631
4/1/14			100.000%	48.94329	1.47631
7/1/14			100.000%	48.94329	1.47631

Check Sums

	Increase	Applicable	ST HR	PFTNW HR
2011 AVG			410.96254	78.68719
12/31/11			417.35094	All three should match check sums on U.S. Benchmark page.
		1159.634%		
	Should match check sum on National Increase Applicability for U.S. Total page.	ok matches	ok matches	ok matches
			ok matches	

0.080%

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

	Oct. index level	CHG FROM (%)	13 weeks	26 weeks
	Sept. '13	Oct. '12	Latest	Week ago
U.S. consumer price index				
All items	233.546	-0.26	0.080	0.080
Core	235.162	0.16	0.130	0.100

Secondary market

Freddie Mac

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
30-year mortgage yields				
30 days	n.a.	n.a.	3.05	2.64
60 days	n.a.	n.a.	3.08	2.68

Fannie Mae

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
30-year mortgage yields				
30 days	3.916	3.859	4.350	2.774
60 days	3.952	3.895	4.396	2.804

Bankers acceptance

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
30 days	0.15	0.15	0.23	0.15
60 days	0.19	0.19	0.28	0.19
90 days	0.23	0.23	0.28	0.23
120 days	0.25	0.25	0.33	0.25
150 days	0.28	0.28	0.38	0.28
180 days	0.38	0.38	0.38	0.38

Other short-term rates

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
Call money	2.00	2.00	2.00	2.00

Commercial paper

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
30 to 59 days	n.q.	...	...	...
60 to 74 days	0.08	...	...	...
75 to 89 days	0.10	...	...	...
90 to 104 days	0.12	...	...	...
105 to 119 days	0.13	...	...	...
120 to 149 days	0.14	...	...	...

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
150 to 179 days	n.q.	...	...	...
180 to 209 days	0.18	...	...	...
210 to 239 days	0.19	...	...	...
240 to 270 days	0.20	...	...	...

Commercial paper (AA financial)

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
90 days	0.12	0.12	0.28	0.06

Euro commercial paper

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
30 day	n.a.	n.a.	0.01	0.01
Two month	n.a.	n.a.	0.01	0.01
Three month	0.12	0.12	0.12	0.02
Four month	0.15	0.15	0.16	0.03
Five month	0.19	0.19	0.19	0.06
Six month	0.24	0.24	0.24	0.13

London interbank offered rate, or Libor

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
One month	0.16400	0.16800	0.21500	0.16400
Three month	0.23585	0.23735	0.31150	0.23585
Six month	0.34490	0.35140	0.52800	0.34490
One year	0.57360	0.58510	0.86100	0.57360

Libor Swaps (USD)

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
Two year	0.378	0.385	0.665	0.338
Three year	0.648	0.640	1.113	0.422
Five year	1.447	1.415	1.994	0.736
Ten year	2.800	2.734	3.165	1.636
20 year	3.564	3.492	3.795	2.366
30 year	3.731	3.673	3.907	2.545

Euro Libor

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
One month	0.117	0.093	0.117	0.051
Three month	0.181	0.169	0.181	0.114
Six month	0.264	0.250	0.291	0.195
One year	0.447	0.434	0.509	0.371

Euro interbank offered rate (Euribor)

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
One month	0.139	0.123	0.139	0.107
Three month	0.227	0.218	0.234	0.024
Six month	0.326	0.319	0.380	0.293
One year	0.498	0.497	0.622	0.473

Hibor

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
One month	0.214	0.211	0.278	0.206
Three month	0.379	0.379	0.398	0.324
Six month	0.549	0.549	0.551	0.384
One year	0.867	0.867	0.875	0.412

DTCC GCF Repo Index

	Latest	Value	Traded	-52-WEEK-High	-52-WEEK-Low
Treasury	0.101	150.124	0.290	0.016	
MBS	0.109	69.346	0.640	0.025	

	Settle	Change	Open	Implied
			Rate	Rate
DTCC GCF Repo Index Futures				
Treasury Nov	99.905	-0.002	23200	0.095
Treasury Dec	99.905	unch.	9918	0.095
Treasury Jan	99.905	unch.	8603	0.095

DTCC GCF Repo Index Futures

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
One month	0.10	0.20	0.15	0.19
Two month	0.12	0.25	0.19	0.19
Three month	0.15	0.30	0.23	0.23
Four month	0.20	0.30	0.25	0.38
Five month	0.20	0.35	0.28	0.33
Six month	0.25	0.50	0.38	0.53

Eurodollars (mid rates)

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
One month	0.10	0.20	0.15	0.19
Two month	0.12	0.25	0.19	0.19
Three month	0.15	0.30	0.23	0.23
Four month	0.20	0.30	0.25	0.38
Five month	0.20	0.35	0.28	0.33
Six month	0.25	0.50	0.38	0.53

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; Commercial Paper (AA financial) is collateralized by U.S. government securities.

International rates

	Week	-52-WEEK-High	-52-WEEK-Low
	Latest	ago	
Prime rates			
U.S.	3.25	3.25	3.25
Canada	3.00	3.00	3.00
Euro zone	0.25	0.25	0.25
Japan	1.475	1.475	1.475
Switzerland	0.50	0.50	0.50
Britain	0.50	0.50	0.50
Australia	2.50	2.50	3.25

Overnight repurchase

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
U.S.	0.11	0.10	0.37	0.03
Euro zone	0.10	0.08	0.11	0.01

U.S. government rates

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
Discount	0.75	0.75	0.75	0.75

Federal funds

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
Effective rate	0.1300	0.1300	0.1900	0.0600
High	0.3750	0.3125	0.5160	0.2500
Low	0.0500	0.0500	0.3000	0.0100
Bid	0.0600	0.0700	0.5000	0.0100
Offer	0.1000	0.0900	0.2800	0.0500

Treasury bill auction

	Latest	Week ago	-52-WEEK-High	-52-WEEK-Low
4 weeks	0.060	0.060	0.350	0.000

New Highs and Lows | WSJ.com/newhighs

Continued from Page C8.

STOCK	SYM	52-WK HI/LO	% CHG	STOCK	SYM	52-WK HI/LO	% CHG	STOCK	SYM	52-WK HI/LO	% CHG
JTHldgCIA	TAX	22.20	0.9	Pozen	POZN	7.91	1.4	VanguardRuss3000	VTHR	83.91	0.1
JackHenry	JKHY	57.51	-0.2	Priceline	PCLN	1165.58	...	VanguardRuss2000	VTWO	90.18	...
JazzPharma	JAZZ	118.80	1.5	PvtBcp	PVTB	27.32	1.0	VangrdRss2000Grwth	VTWG	95.76	-0.2
JohnsOutdrs	JOUT	28.55	0.3	ProShrUltNdbTh	BIB	147.49	2.3	VangrdRss2000Val	VTWV	84.59	...
KSCityLf	KCLJ	48.89	0.5	PrShrUltPrQQQ	TQQQ	108.98	0.7	VeriSign	VRSH	57.03	-0.5
KellySvcA	KELYA	22.79	1.3	Prothena	PRTA	27.79	-0.7	Vicor	VICR	9.71	-1.4
KewneeSci	KEQU	18.00	1.1	QAD CIA	QADA	15.89	0.7	ViewpointFnl	VPFG	23.98	-0.5
Kimballnt	KBALB	14.42	3.9	QltyDistr	QLTY	11.80	0.3	VA ComrcBcp	VCBI	17.36	0.6
Kirklands	KIRK	26.15	3.9	Qualys	QLYS	24.47	0.5	Vistaprint	VPRT	58.20	-1.1
LakelandBcp	LBAI	12.33	1.8	RFIndustries	RFLS	13.26	3.5	WD40	WDFC	75.69	-2.4
LakelandFnl	LKFN	37.99	1.4	RTTechnologiesWt	RITW	0.70	-24.0	WashBkng	WBKO	17.68	1.1
LibertyGblPLCCIB	LBTYB	83.36	4.4	RavenInd	RAVN	39.15	-0.6	WestBcp	WBAC	15.67	7.5
LibertyGlobalCIA	LBTYA	83.52	1.6	ReadingA	RDI	7.30	1.0	WestMarine	WMAR	13.25	1.2
LibertyGblPLCCIC	LBTYK	79.25	1.6	Relypsa	RLYP	14.40	7.5	WestamBcp	WABC	55.78	0.1
Lionbridge	LIOX	6.25	6.0	RemyInternational	REMY	23.15	0.8	WilshrBcp	WIBC	10.18	0.6
Logitech	LOGI	11.23	2.2	Renasant	RNST	30.00	-0.3	Winmark	WINA	84.26	0.6
MAM Software	MAMS	5.06	...	ResConninc	RECN	14.00	0.7	WintstrFnl	WTFC	45.16	0.4
MB Fnl	MBFI	32.02	1.2	RuthsHospitly	RUTH	14.69	-2.4	WisdmTreeGermanHdg	DXGE	26.22	0.3
MDC A	MDCA	33.50	1.5	SVB Fin	SVB	102.68	-1.0	Yahoo	YHOO	36.85	-0.5
MTS Sys	MTSC	68.24	0.3	SY Bcp	SYBT	31.71	0.5				
MWI VetSupply	MWIV	178.28	...	SndySorg	SASR	29.45	3.0				
Maiden7.25%PrfB	MHLD0	51.97	0.5	ScanSource	SCSC	42.75	1.5				
ManhAssoc	MANH	18.75	0.5	SearsHldgs	SHLD	67.50	7.3				
MartnTrmpt	MRTN	18.91	0.1	SelectVlns	SIGI	27.45	0.4				
MicronTch	MU	20.50	-1.6	SharpsCompl	SIGM	5.24	0.6				
MillerHrm	MLHR	31.94	...	ShiloHld	SHLO	22.70	7.3				
MomntaPharm	MNTA	18.15	1.5	SkyWest	SKYW	16.85	2.9				
Mylan											

RCAF Lump Sum Amortization
2014/Q1

	Quarter of Payment	Quarter Amortization Began	Annual Amount	Annual Per ST Hour	1 Quarter Per ST Hour	U.S. ST Hours	
CSX - BLET	2013Q1	2013Q2				312,795,753	2012
CSX - UTU-CSRA	2010Q2	2013Q2				312,795,753	2012
NS - BLET & ATDA	2012Q1	2013Q2				312,795,753	2012
CNGT - 6 unions ¹	various	2013Q2				312,795,753	2012
DH - IBEW	2012Q2	2013Q3				312,795,753	2012
GTW - BRS	2013Q3	2013Q4				312,795,753	2012
CSX - ATDA-East	2013Q1	2014Q1				312,795,753	2012
CSX - Huntington Shop	2013Q4	2014Q1				312,795,753	2012
Total			\$67,013,708	0.21424			

Should be slightly less than amortized amount.

Fell out							
CNGT - 18 unions ²	2012Q4	2013Q1				312,795,753	2012
CSX - ATDA-East	2012Q1	2013Q1				312,795,753	2012

Interest Rate

2012/Q1	0.030
2012/Q2	0.115
2012/Q3	0.085
2012/Q4	0.105
2013/Q1	0.100
2013/Q2	0.125
2013/Q3	0.045
2013/Q4	0.040
2014/Q1	0.080
2014/Q2	
2014/Q3	
2014/Q4	

Lump Sum Adjustment for 2014/Q1	→ 0.214340
	or
	0.214

¹ BLE UTU&BLET; GTW TCU-CAR; WC-GTW-IC ATDA

² BLE IBEW, TCU-CAR; CCP TCU-CAR; DMIR IBEW, TCU-CAR; DWP IBEW; GTW IBEW, TCU; IC/CCP BRS, IBEW, TCU; IC TCU-CAR; and WC IBEW, TCU, TCU-CAR

**RCAF Back Pay Amortization
2014/Q1**

	Quarter of Payment	Quarter Amortization Began	Annual Per ST Hour	1 Quarter Per ST Hr.	U.S. ST Hours	
CSX - UTU-CSRA	2010Q2	2013Q2			312,795,753	2012
CNGT - 3 unions ¹	various	2013Q2			312,795,753	2012
DME - BMW	2013Q1	2013Q2			312,795,753	2012
DME - all unions	2013Q3	2013Q3			312,795,753	2012
CNGT - 4 unions ²	various	2013Q3			312,795,753	2012
SLC - 4 unions ³	various	2013Q3			312,795,753	2012
EJE - UTU-YMD	2012Q4	2013Q4			312,795,753	2012
GTW - BRS	2013Q3	2013Q4			312,795,753	2012
Total					(\$23,998,172)	-0.07672154
Fell out						
CNGT - 18 unions ⁴	2012Q4	2013Q1			312,795,753	2012

Should be slightly less than amortized amount.

Interest Rate

2012/Q1	0.030
2012/Q2	0.115
2012/Q3	0.085
2012/Q4	0.105
2013/Q1	0.100
2013/Q2	0.125
2013/Q3	0.045
2013/Q4	0.040
2014/Q1	0.080
2014/Q2	
2014/Q3	
2014/Q4	

Back Pay Adjustment for 2014/Q1 → -0.07676
or
-0.077

¹ BLE UTU&BLET; GTW TCU-CAR

² EJE UTU; GTW ATDA; IC ATDA; WC BRS

³ DH IBEW; DME IBEW, NCFO, TCU-CAR

⁴ BLE IBEW, TCU-CAR; CCP TCU-CAR; DMIR IBEW, TCU-CAR; DWP IBEW; GTW IBEW, TCU; IC/CCP BRS, IBEW, TCU; IC TCU-CAR; and WC IBEW, TCU, TCU-CAR

Health and Welfare

	Employees Receiving		Total 2012 Avg.	Total 2014	
	Pay	Monthly Contribution			
	2012	2012 Avg. 2014			
1. All Employees					
a. Group health	168,738	\$1,349.77	\$1,285.74	\$227,757,490.26	\$216,953,196.12
b. Group dental	168,738	55.90	53.00	9,432,454.20	8,943,114.00
c. Early retirement major medical	168,738	154.49	127.92	26,068,333.62	21,584,964.96
d. Group vision	168,738	10.71	8.39	1,807,183.98	1,415,711.82
2. Supplemental Sickness					
a. Signalmen	7,595	25.62	30.74	194,583.90	233,470.30
b. Shopcrafts	25,012	48.28	48.28	1,207,579.36	1,207,579.36
c. MOW	25,936	36.52	32.87	947,182.72	852,516.32
d. Yardmasters	2,021	34.95	34.96	70,633.95	70,654.16
3. Short-Term Disability					
a. Engineers (CSX, KCS, SOO, UP)	13,895	40.00	40.00	555,800.00	555,800.00
4. Monthly Total Premiums				268,041,241.99	251,817,007.04
5. Monthly Employee Contributions To H&W					
a. National BLET (BNSF, CSX, KCS, NS, SOO, UP)	26,136	(\$199.00)	(\$198.00)	(\$5,201,064.00)	(\$5,174,928.00)
b. National BMWE (BNSF, CSX, KCS, NS, SOO, UP)	24,199	(\$199.00)	(\$198.00)	(\$4,815,601.00)	(4,791,402.00)
c. National BRS (BNSF, CSX, KCS, NS, SOO, UP)	7,213	(\$199.00)	(\$198.00)	(\$1,435,387.00)	(1,428,174.00)
d. National IAM (BNSF, CSX, KCS, NS, SOO, UP)	6,831	(\$199.00)	(\$198.00)	(\$1,359,369.00)	(1,352,538.00)
e. National IBBM (BNSF, CSX, KCS, NS, SOO, UP)	1,166	(\$199.00)	(\$198.00)	(\$232,034.00)	(230,868.00)
f. National IBEW (BNSF, CSX, KCS, NS, SOO, UP)	5,520	(\$199.00)	(\$198.00)	(\$1,098,480.00)	(1,092,960.00)
g. National NCFO (BNSF, CSX, KCS, NS, SOO, UP)	2,379	(\$199.00)	(\$198.00)	(\$473,421.00)	(471,042.00)
h. National SMW (BNSF, CSX, KCS, NS, SOO, UP)	1,010	(\$199.00)	(\$198.00)	(\$200,990.00)	(199,980.00)
i. National TCU (BNSF, CSX, KCS, NS, SOO, UP)	5,939	(\$199.00)	(\$198.00)	(\$1,181,861.00)	(1,175,922.00)
j. National TCU-CAR (BNSF, CSX, KCS, NS, SOO, UP)	9,444	(\$199.00)	(\$198.00)	(\$1,879,356.00)	(1,869,912.00)
k. National UTU (BNSF, CSX, KCS, NS, SOO, UP)	40,207	(\$199.00)	(\$198.00)	(\$8,001,193.00)	(7,960,986.00)
l. Yardmasters (BNSF, CSX, KCS, NS, SOO, UP)	1,878	(\$199.00)	(\$198.00)	(\$373,722.00)	(371,844.00)
m. National ATDA (wt. avg. BNSF, CSX, KCS, NS, SOO)	1,881	(\$199.00)	(\$198.00)	(\$374,319.00)	(372,438.00)
n. Independent CNGT (wt avg all union categories)	6,069	(\$141.03)	(\$162.65)	(\$855,911.07)	(987,122.85)
o. Independent SLC (wt avg all DH & DME union categories)	1,387	(\$170.74)	(\$166.43)	(\$236,816.38)	(230,838.41)
p.					
Total Major Union	141,259			(\$27,719,524.45)	(\$27,710,955.26)
All Other Employee Contributions*				(\$2,540,103.13)	(\$2,540,103.13)
6. Net Employer Monthly Payments				\$237,781,614.41	\$221,565,948.65
7. Ratio Projected Year to Base Year, Based on Net Monthly Payments					0.93180
8. H&W hourly rate for base year 2012 (see Note)				\$8.181	
9. H&W hourly rate for projected quarter					\$7.623

Note: Following STB's direction served September 20, 2013, H&W hourly rate for base year 2012 was revised to reflect 2 railroads' revisions to their R-1.

* Non-union employee contributions net of opt-outs. The \$27,719,524.45 in major union contributions, plus \$2,540,103.13 in all other employee contributions, totals to the 12-month average of the total employee contributions reported to the AAR in its WF survey.

Railroad Retirement and Medicare for RCAF

Inputs:

RRB Earnings Distribution Year	2011	Tier I Maximum Taxable Earnings for 2014	117,000
Wage Statistics Year	2012	Tier II Maximum Taxable Earnings for 2014	87,000
Current Year	2014	Medicare Maximum Taxable Earnings for 2014	no limit
Employees Receiving Pay*	168,738	Tier I Employer Tax Rate for 2014	6.20%
* from 2012 wage statistics		Tier II Employer Tax Rate for 2014	12.60%
		Medicare Employer Tax Rate for 2014	1.45%

USA RCAF	Wage Rate	Update Factor	Railroad Retirement Tax	Hourly Rate	
2011	\$34.752				
2012	\$36.269	1.04365	\$597,921,143	\$7.191	hourly rate from SUPPL2012.xlsx
1Q/2014	\$37.908	1.09081	\$643,271,525	\$7.736	Rate = Taxable Rate
2Q/2014		0.00000	--	\$0.000	
3Q/2014		0.00000	--	\$0.000	
4Q/2014		0.00000	--	\$0.000	

Railroad Retirement & Medicare, U.S.

From 2011 Earnings Distribution			1Q/2014 Updated Using Earnings Distribution & Wage Statistics, plus Current Wage Rates with Current Tax Info									
Earnings Groups	Avg Ann. Earnings	% of Total Employees	Employees Recvng. Pay	Annual Earnings	Avg Qlty Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)			
									Tier I	Tier II	Medicare	
\$0 - 41,699	\$33,375	3.646 %	6,152	\$36,406	\$9,101	\$9,101	\$9,101	\$9,101	\$55,994,054	\$55,994,054	\$55,994,054	
41,700 - 43,699	\$42,514	0.999	1,686	46,375	11,594	11,594	11,594	11,594	19,543,459	19,543,459	19,543,459	
43,700 - 45,699	\$44,810	1.399	2,361	48,879	12,220	12,220	12,220	12,220	28,846,733	28,846,733	28,846,733	
45,700 - 47,699	\$46,792	1.698	2,865	51,041	12,760	12,760	12,760	12,760	36,560,596	36,560,596	36,560,596	
47,700 - 49,699	\$48,727	2.448	4,131	53,152	13,288	13,288	13,288	13,288	54,888,968	54,888,968	54,888,968	
49,700 - 51,699	\$50,786	4.745	8,007	55,398	13,850	13,850	13,850	13,850	110,887,910	110,887,910	110,887,910	
51,700 - 53,699	\$52,645	4.745	8,007	57,426	14,356	14,356	14,356	14,356	114,946,915	114,946,915	114,946,915	
53,700 - 55,699	\$54,730	4.595	7,754	59,700	14,925	14,925	14,925	14,925	115,721,735	115,721,735	115,721,735	
55,700 - 57,699	\$56,656	4.645	7,838	61,801	15,450	15,450	15,450	15,450	121,097,618	121,097,618	121,097,618	
57,700 - 59,699	\$58,651	3.447	5,816	63,977	15,994	15,994	15,994	15,994	93,029,498	93,029,498	93,029,498	
59,700 - 61,699	\$60,693	4.695	7,922	66,205	16,551	16,551	16,551	16,551	131,122,788	131,122,788	131,122,788	
61,700 - 63,699	\$62,782	3.447	5,816	68,484	17,121	17,121	17,121	17,121	99,581,899	99,581,899	99,581,899	
63,700 - 65,699	\$64,658	4.146	6,996	70,530	17,632	17,632	17,632	17,632	123,354,654	123,354,654	123,354,654	
65,700 - 67,699	\$66,749	3.447	5,816	72,811	18,203	18,203	18,203	18,203	105,874,171	105,874,171	105,874,171	
67,700 - 69,699	\$68,665	3.097	5,226	74,901	18,725	18,725	18,725	18,725	97,854,455	97,854,455	97,854,455	
69,700 - 71,699	\$70,790	3.197	5,395	77,219	19,305	19,305	19,305	19,305	104,140,228	104,140,228	104,140,228	
71,700 - 73,699	\$72,701	3.097	5,226	79,303	19,826	19,826	19,826	19,826	103,606,157	103,606,157	103,606,157	
73,700 - 75,699	\$74,838	2.547	4,298	81,634	20,409	20,409	20,409	20,409	87,711,208	87,711,208	87,711,208	
75,700 - 77,699	\$76,812	2.947	4,973	83,788	20,947	20,947	20,947	20,947	104,162,929	104,162,929	104,162,929	
77,700 - 79,699	\$78,753	2.697	4,551	85,905	21,476	21,476	21,476	21,476	97,735,430	97,735,430	97,735,430	
79,700 - 81,699	\$80,646	3.197	5,395	87,970	21,992	21,992	21,750	21,992	118,639,537	117,331,546	118,639,537	
81,700 - 83,699	\$82,834	2.547	4,298	90,357	22,589	22,589	21,750	22,589	97,082,634	93,476,212	97,082,634	
83,700 - 85,699	\$84,875	2.747	4,635	92,583	23,146	23,146	21,750	23,146	107,285,844	100,816,315	107,285,844	
85,700 - 87,699	\$86,750	2.498	4,215	94,628	23,657	23,657	21,750	23,657	99,716,239	91,677,886	99,716,239	
87,700 - 89,699	\$88,679	2.198	3,709	96,732	24,183	24,183	21,750	24,183	89,691,740	80,667,732	89,691,740	
89,700 - 91,699	\$90,740	1.948	3,287	98,981	24,745	24,745	21,750	24,745	81,337,665	71,492,603	81,337,665	
91,700 - 93,699	\$92,712	1.648	2,781	101,132	25,283	25,283	21,750	25,283	70,306,768	60,482,449	70,306,768	
93,700 - 95,699	\$94,599	1.499	2,529	103,190	25,798	25,798	21,750	25,798	65,251,748	55,014,072	65,251,748	
95,700 - 97,699	\$96,752	1.548	2,612	105,539	26,385	26,385	21,750	26,385	68,918,352	56,812,397	68,918,352	
97,700 - 99,699	\$98,551	1.249	2,108	107,501	26,875	26,875	21,750	26,875	56,640,548	45,838,943	56,640,548	
99,700 - 101,699	\$100,739	1.099	1,854	109,888	27,472	27,472	21,750	27,472	50,944,734	40,333,866	50,944,734	
101,700 - 103,699	\$102,678	1.049	1,770	112,003	28,001	28,001	21,750	28,001	49,562,918	38,498,840	49,562,918	
103,700 - 105,699	\$104,824	0.649	1,095	114,344	28,586	28,586	21,750	28,586	31,304,689	23,818,634	31,304,689	
105,700 - 107,699	\$106,759	1.249	2,108	116,454	29,114	29,114	21,750	29,114	61,357,960	45,838,943	61,357,960	
107,700 - 109,699	\$108,567	0.849	1,433	118,427	29,607	29,607	21,750	29,607	41,903,129	31,158,737	42,414,026	
109,700 - 111,699	\$110,850	0.999	1,686	120,917	30,229	30,229	21,750	30,229	49,306,509	36,663,814	50,957,153	
111,700 - 113,699	\$112,999	0.599	1,011	123,261	30,815	30,815	21,750	30,815	29,564,163	21,983,608	31,146,224	
113,700 - 115,699	\$114,334	0.450	759	124,717	31,179	31,179	21,750	31,179	22,210,139	16,515,232	23,675,103	
\$115,700 - over	\$197,340	6.294	10,620	215,261	53,815	29,250	21,750	53,815	<u>310,645,814</u>	<u>230,993,041</u>	<u>571,538,955</u>	
TOTAL	\$77,679	100.000	168,738						Total Taxable Earnings	3,308,332,538	3,066,076,279	3,574,434,245
									Employer Tax Rate	6.20%	12.60%	1.45%
									Quarterly Payment	\$205,116,617	\$386,325,611	\$51,829,297

Total Tier I, Tier II, and Medicare Paid this Quarter

\$643,271,525

Railroad Retirement & Medicare, U.S.

From 2011 Earnings Distribution			2Q/2014 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 Qtly Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)				
									Tier I	Tier II	Medicare		
\$0 - 41,699	\$33,375	3.646 %	6,152	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
41,700 - 43,699	\$42,514	0.999	1,686	0	0	0	0	0	0	0	0	0	
43,700 - 45,699	\$44,810	1.399	2,361	0	0	0	0	0	0	0	0	0	
45,700 - 47,699	\$46,792	1.698	2,865	0	0	0	0	0	0	0	0	0	
47,700 - 49,699	\$48,727	2.448	4,131	0	0	0	0	0	0	0	0	0	
49,700 - 51,699	\$50,786	4.745	8,007	0	0	0	0	0	0	0	0	0	
51,700 - 53,699	\$52,645	4.745	8,007	0	0	0	0	0	0	0	0	0	
53,700 - 55,699	\$54,730	4.595	7,754	0	0	0	0	0	0	0	0	0	
55,700 - 57,699	\$56,656	4.645	7,838	0	0	0	0	0	0	0	0	0	
57,700 - 59,699	\$58,651	3.447	5,816	0	0	0	0	0	0	0	0	0	
59,700 - 61,699	\$60,693	4.695	7,922	0	0	0	0	0	0	0	0	0	
61,700 - 63,699	\$62,782	3.447	5,816	0	0	0	0	0	0	0	0	0	
63,700 - 65,699	\$64,658	4.146	6,996	0	0	0	0	0	0	0	0	0	
65,700 - 67,699	\$66,749	3.447	5,816	0	0	0	0	0	0	0	0	0	
67,700 - 69,699	\$68,665	3.097	5,226	0	0	0	0	0	0	0	0	0	
69,700 - 71,699	\$70,790	3.197	5,395	0	0	0	0	0	0	0	0	0	
71,700 - 73,699	\$72,701	3.097	5,226	0	0	0	0	0	0	0	0	0	
73,700 - 75,699	\$74,838	2.547	4,298	0	0	0	0	0	0	0	0	0	
75,700 - 77,699	\$76,812	2.947	4,973	0	0	0	0	0	0	0	0	0	
77,700 - 79,699	\$78,753	2.697	4,551	0	0	0	0	0	0	0	0	0	
79,700 - 81,699	\$80,646	3.197	5,395	0	0	0	242	0	0	1,307,990	0	0	
81,700 - 83,699	\$82,834	2.547	4,298	0	0	0	839	0	0	3,606,423	0	0	
83,700 - 85,699	\$84,875	2.747	4,635	0	0	0	1,396	0	0	6,469,529	0	0	
85,700 - 87,699	\$86,750	2.498	4,215	0	0	0	1,907	0	0	8,038,353	0	0	
87,700 - 89,699	\$88,679	2.198	3,709	0	0	0	2,433	0	0	9,024,008	0	0	
89,700 - 91,699	\$90,740	1.948	3,287	0	0	0	2,995	0	0	9,845,062	0	0	
91,700 - 93,699	\$92,712	1.648	2,781	0	0	0	3,533	0	0	9,824,319	0	0	
93,700 - 95,699	\$94,599	1.499	2,529	0	0	0	4,048	0	0	10,237,676	0	0	
95,700 - 97,699	\$96,752	1.548	2,612	0	0	0	4,635	0	0	12,105,954	0	0	
97,700 - 99,699	\$98,551	1.249	2,108	0	0	0	5,125	0	0	10,801,605	0	0	
99,700 - 101,699	\$100,739	1.099	1,854	0	0	0	5,722	0	0	10,610,868	0	0	
101,700 - 103,699	\$102,678	1.049	1,770	0	0	0	6,251	0	0	11,064,077	0	0	
103,700 - 105,699	\$104,824	0.649	1,095	0	0	0	6,836	0	0	7,486,055	0	0	
105,700 - 107,699	\$106,759	1.249	2,108	0	0	0	7,364	0	0	15,519,016	0	0	
107,700 - 109,699	\$108,567	0.849	1,433	0	0	357	7,857	0	510,897	11,255,289	0	0	
109,700 - 111,699	\$110,850	0.999	1,686	0	0	979	8,479	0	1,650,644	14,293,339	0	0	
111,700 - 113,699	\$112,999	0.599	1,011	0	0	1,565	9,065	0	1,582,060	9,162,615	0	0	
113,700 - 115,699	\$114,334	0.450	759	0	0	1,929	9,429	0	1,464,964	7,159,872	0	0	
\$115,700 - over	\$197,340	6.294	10,620	0	0	24,565	21,750	0	260,893,141	230,993,041	0	0	
TOTAL		100.000	168,738							266,101,707	398,805,093	0	
										Employer Tax Rate	6.20%	12.60%	1.45%
										Quarterly Payment	\$16,498,306	\$50,249,442	\$0

Total Tier I, Tier II, and Medicare Paid this Quarter

\$66,747,748

Railroad Retirement & Medicare, U.S.

From 2011 Earnings Distribution			3Q/2014 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 Qtly Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)				
									Tier I	Tier II	Medicare		
\$0 - 41,699	\$33,375	3.646 %	6,152	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
41,700 - 43,699	\$42,514	0.999	1,686	0	0	0	0	0	0	0	0	0	
43,700 - 45,699	\$44,810	1.399	2,361	0	0	0	0	0	0	0	0	0	
45,700 - 47,699	\$46,792	1.698	2,865	0	0	0	0	0	0	0	0	0	
47,700 - 49,699	\$48,727	2.448	4,131	0	0	0	0	0	0	0	0	0	
49,700 - 51,699	\$50,786	4.745	8,007	0	0	0	0	0	0	0	0	0	
51,700 - 53,699	\$52,645	4.745	8,007	0	0	0	0	0	0	0	0	0	
53,700 - 55,699	\$54,730	4.595	7,754	0	0	0	0	0	0	0	0	0	
55,700 - 57,699	\$56,656	4.645	7,838	0	0	0	0	0	0	0	0	0	
57,700 - 59,699	\$58,651	3.447	5,816	0	0	0	0	0	0	0	0	0	
59,700 - 61,699	\$60,693	4.695	7,922	0	0	0	0	0	0	0	0	0	
61,700 - 63,699	\$62,782	3.447	5,816	0	0	0	0	0	0	0	0	0	
63,700 - 65,699	\$64,658	4.146	6,996	0	0	0	0	0	0	0	0	0	
65,700 - 67,699	\$66,749	3.447	5,816	0	0	0	0	0	0	0	0	0	
67,700 - 69,699	\$68,665	3.097	5,226	0	0	0	0	0	0	0	0	0	
69,700 - 71,699	\$70,790	3.197	5,395	0	0	0	0	0	0	0	0	0	
71,700 - 73,699	\$72,701	3.097	5,226	0	0	0	0	0	0	0	0	0	
73,700 - 75,699	\$74,838	2.547	4,298	0	0	0	0	0	0	0	0	0	
75,700 - 77,699	\$76,812	2.947	4,973	0	0	0	0	0	0	0	0	0	
77,700 - 79,699	\$78,753	2.697	4,551	0	0	0	0	0	0	0	0	0	
79,700 - 81,699	\$80,646	3.197	5,395	0	0	0	0	0	0	0	0	0	
81,700 - 83,699	\$82,834	2.547	4,298	0	0	0	0	0	0	0	0	0	
83,700 - 85,699	\$84,875	2.747	4,635	0	0	0	0	0	0	0	0	0	
85,700 - 87,699	\$86,750	2.498	4,215	0	0	0	0	0	0	0	0	0	
87,700 - 89,699	\$88,679	2.198	3,709	0	0	0	0	0	0	0	0	0	
89,700 - 91,699	\$90,740	1.948	3,287	0	0	0	0	0	0	0	0	0	
91,700 - 93,699	\$92,712	1.648	2,781	0	0	0	0	0	0	0	0	0	
93,700 - 95,699	\$94,599	1.499	2,529	0	0	0	0	0	0	0	0	0	
95,700 - 97,699	\$96,752	1.548	2,612	0	0	0	0	0	0	0	0	0	
97,700 - 99,699	\$98,551	1.249	2,108	0	0	0	0	0	0	0	0	0	
99,700 - 101,699	\$100,739	1.099	1,854	0	0	0	0	0	0	0	0	0	
101,700 - 103,699	\$102,678	1.049	1,770	0	0	0	0	0	0	0	0	0	
103,700 - 105,699	\$104,824	0.649	1,095	0	0	0	0	0	0	0	0	0	
105,700 - 107,699	\$106,759	1.249	2,108	0	0	0	0	0	0	0	0	0	
107,700 - 109,699	\$108,567	0.849	1,433	0	0	0	0	0	0	0	0	0	
109,700 - 111,699	\$110,850	0.999	1,686	0	0	0	0	0	0	0	0	0	
111,700 - 113,699	\$112,999	0.599	1,011	0	0	0	0	0	0	0	0	0	
113,700 - 115,699	\$114,334	0.450	759	0	0	0	0	0	0	0	0	0	
\$115,700 - over	\$197,340	6.294	10,620	0	0	0	10,315	0	0	109,552,873	0	0	
TOTAL		100.000	168,738							0	109,552,873	0	
										Employer Tax Rate	6.20%	12.60%	1.45%
										Quarterly Payment	\$0	\$13,803,662	\$0

Total Tier I, Tier II, and Medicare Paid this Quarter

\$13,803,662

Railroad Retirement & Medicare, U.S.

From 2011 Earnings Distribution			4Q/2014 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 Qtly Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Total Taxable Earnings (Taxable x Employees)				
									Tier I	Tier II	Medicare		
\$0 - 41,699	\$33,375	3.646 %	6,152	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
41,700 - 43,699	\$42,514	0.999	1,686	0	0	0	0	0	0	0	0	0	
43,700 - 45,699	\$44,810	1.399	2,361	0	0	0	0	0	0	0	0	0	
45,700 - 47,699	\$46,792	1.698	2,865	0	0	0	0	0	0	0	0	0	
47,700 - 49,699	\$48,727	2.448	4,131	0	0	0	0	0	0	0	0	0	
49,700 - 51,699	\$50,786	4.745	8,007	0	0	0	0	0	0	0	0	0	
51,700 - 53,699	\$52,645	4.745	8,007	0	0	0	0	0	0	0	0	0	
53,700 - 55,699	\$54,730	4.595	7,754	0	0	0	0	0	0	0	0	0	
55,700 - 57,699	\$56,656	4.645	7,838	0	0	0	0	0	0	0	0	0	
57,700 - 59,699	\$58,651	3.447	5,816	0	0	0	0	0	0	0	0	0	
59,700 - 61,699	\$60,693	4.695	7,922	0	0	0	0	0	0	0	0	0	
61,700 - 63,699	\$62,782	3.447	5,816	0	0	0	0	0	0	0	0	0	
63,700 - 65,699	\$64,658	4.146	6,996	0	0	0	0	0	0	0	0	0	
65,700 - 67,699	\$66,749	3.447	5,816	0	0	0	0	0	0	0	0	0	
67,700 - 69,699	\$68,665	3.097	5,226	0	0	0	0	0	0	0	0	0	
69,700 - 71,699	\$70,790	3.197	5,395	0	0	0	0	0	0	0	0	0	
71,700 - 73,699	\$72,701	3.097	5,226	0	0	0	0	0	0	0	0	0	
73,700 - 75,699	\$74,838	2.547	4,298	0	0	0	0	0	0	0	0	0	
75,700 - 77,699	\$76,812	2.947	4,973	0	0	0	0	0	0	0	0	0	
77,700 - 79,699	\$78,753	2.697	4,551	0	0	0	0	0	0	0	0	0	
79,700 - 81,699	\$80,646	3.197	5,395	0	0	0	0	0	0	0	0	0	
81,700 - 83,699	\$82,834	2.547	4,298	0	0	0	0	0	0	0	0	0	
83,700 - 85,699	\$84,875	2.747	4,635	0	0	0	0	0	0	0	0	0	
85,700 - 87,699	\$86,750	2.498	4,215	0	0	0	0	0	0	0	0	0	
87,700 - 89,699	\$88,679	2.198	3,709	0	0	0	0	0	0	0	0	0	
89,700 - 91,699	\$90,740	1.948	3,287	0	0	0	0	0	0	0	0	0	
91,700 - 93,699	\$92,712	1.648	2,781	0	0	0	0	0	0	0	0	0	
93,700 - 95,699	\$94,599	1.499	2,529	0	0	0	0	0	0	0	0	0	
95,700 - 97,699	\$96,752	1.548	2,612	0	0	0	0	0	0	0	0	0	
97,700 - 99,699	\$98,551	1.249	2,108	0	0	0	0	0	0	0	0	0	
99,700 - 101,699	\$100,739	1.099	1,854	0	0	0	0	0	0	0	0	0	
101,700 - 103,699	\$102,678	1.049	1,770	0	0	0	0	0	0	0	0	0	
103,700 - 105,699	\$104,824	0.649	1,095	0	0	0	0	0	0	0	0	0	
105,700 - 107,699	\$106,759	1.249	2,108	0	0	0	0	0	0	0	0	0	
107,700 - 109,699	\$108,567	0.849	1,433	0	0	0	0	0	0	0	0	0	
109,700 - 111,699	\$110,850	0.999	1,686	0	0	0	0	0	0	0	0	0	
111,700 - 113,699	\$112,999	0.599	1,011	0	0	0	0	0	0	0	0	0	
113,700 - 115,699	\$114,334	0.450	759	0	0	0	0	0	0	0	0	0	
\$115,700 - over	\$197,340	6.294	10,620	0	0	0	0	0	0	0	0	0	
TOTAL		100.000	168,738							0	0	0	
										6.20%	12.60%	1.45%	
										\$0	\$0	\$0	
												\$0	

**Tax Rates and Maximum Taxable Earnings Under Social Security,
Railroad Retirement and Railroad Unemployment Insurance Programs, Continued**

Period	Railroad Retirement					Railroad Unemployment Insurance				Unemployment Repayment	
	Maximum earnings base [5]		Tax rate (percent) [5]			Maximum monthly taxable earnings	Employer tax rate [7] (percent)	Surcharge or (pooled credit)	New employer tax rate (percent)	Tax [6]	
			Tier 1	Tier 2						Maximum taxable earnings	Employer tax rate (percent)
	Tier 1 [9]	Tier 2	Employer & employee each	Employer	Employee						
1991	53,400	39,600	7.65	16.1	4.9	765	5.55 - 12.0	...	8.00	765	4.0
1992	55,500	41,400	7.65	16.1	4.9	785	3.10 - 12.0	(3.12)	8.00	785	4.0
1993	57,600	42,900	7.65	16.1	4.9	810	0.65 - 12.0	(5.31)	7.30	810	4.0
1994	60,600	45,000	7.65	16.1	4.9	840	0.65 - 12.0	(0.22)	6.06		
1995	61,200	45,300	7.65	16.1	4.9	850	0.65 - 12.0	...	4.15		
1996	62,700	46,500	7.65	16.1	4.9	865	0.65 - 12.0	...	2.31		
1997	65,400	48,600	7.65	16.1	4.9	890	0.65 - 12.0	...	1.16		
1998	68,400	50,700	7.65	16.1	4.9	925	2.15 - 12.0	1.5	0.85		
1999	72,600	53,700	7.65	16.1	4.9	970	2.15 - 12.0	1.5	0.92		
2000	76,200	56,700	7.65	16.1	4.9	1,005	0.65 - 12.0	...	1.67		
2001	80,400	59,700	7.65	16.1	4.9	1,050	2.15 - 12.0	1.5	2.59		
2002	84,900	63,000	7.65	15.6	4.9	1,100	3.15 - 12.0	2.5	2.71		
2003	87,000	64,500	7.65	14.2	4.9	1,120	3.15 - 12.0	2.5	2.36		
2004	87,900	65,100	7.65	13.1	4.9	1,130	2.15 - 12.0	1.5	2.38		
2005	90,000	66,900	7.65	12.6	4.4	1,150	2.15 - 12.0	1.5	3.43		
2006	94,200	69,900	7.65	12.6	4.4	1,195	2.15 - 12.0	1.5	4.03		
2007	97,500	72,600	7.65	12.1	3.9	1,230	2.15 - 12.0	1.5	3.75		
2008	102,000	75,900	7.65	12.1	3.9	1,280	2.15 - 12.0	1.5	3.02		
2009	106,800	79,200	7.65	12.1	3.9	1,330	2.15 - 12.0	1.5	2.61		
2010	106,800	79,200	7.65	12.1	3.9	1,330	2.15 - 12.0	1.5	2.51		
2011	106,800	79,200	[2] 7.65	12.1	3.9	1,330	3.15 - 12.0	2.5	2.50		
2012	110,100	81,900	[2] 7.65	12.1	3.9	1,365	2.15 - 12.0	1.5	2.65		
2013	113,700	84,300	[3] 7.65	12.6	4.4	1,405	0.65 - 12.0	...	3.69		
2014	117,000	87,000	[3] 7.65	12.6	4.4	1,440	0.65 - 12.0	...	4.53		
≥2015 and later	[4]	[4]	[3] 7.65	[10]	[10]	[4]	[7]	[7]	[7]		

- 1 Before tax credit. Employees received a credit of 0.3 percent in 1984. The self-employed received a credit of 2.7 percent in 1984, 2.3 percent in 1985 and 2.0 percent in 1986-89. The trust funds received general revenue equivalent to the credits.
- 2 Before payroll tax holiday. In calendar years 2011 and 2012, the tax rate for employees and the self-employed is reduced 2 percentage points. The trust funds will receive general revenue equivalent to the reduction in revenue.
- 3 Beginning in 2013, employees will pay an additional 0.9 percent on earnings above \$200,000 (for those who file an individual return) or \$250,000 (for those who file a joint return). This additional HI tax rate is not reflected in the tax rates shown in the table.
- 4 Based on automatic adjustments in proportion to increases in average earnings levels.
- 5 Earnings bases are monthly through 1984 and annual for 1985 and later. October 1, 1973 was the effective date for the allocation of railroad retirement taxes by tiers, subject to a moratorium for certain railroad labor organizations. The tier 1 tax rate was set equal to the current social security tax rate.
- 6 This temporary tax applied to employers until all pre-October 1985 loans from the Railroad Retirement Account were fully repaid with interest on June 29, 1993. Earnings bases are annual through 1988 and monthly for 1989-1993.
- 7 Taxes are paid only by employer. From 1948 through 1988, the rate for a calendar year was based on a graduated schedule depending on the preceding September 30 account balance (including administration fund). Except for certain commuter railroads, the rate for 1989-1990 was fixed at 8.0 percent. Beginning in 1991, each employer's rate is experienced-based, with a minimum of 0.65 percent and a maximum of 12 percent, or 12.5 percent if a 3.5 percent surcharge applies due to a low account balance.
- 8 Taxes are paid only by employers. The supplemental annuity tax was repealed for calendar years after 2001.
- 9 Beginning in 1991, the portion of the tier 1 tax rate which does not exceed the social security HI tax rate is applied to earnings up to the HI maximum taxable amount. In 1993, a 1.45 percent tax applied to earnings up to \$135,000 and a 6.2 percent tax applied to earnings up to \$57,600.
- 10 Beginning in 2004, the tier 2 tax rate will be determined annually from a tax rate schedule based on the average account benefits ratio. The average account benefits ratio is the average for the 10 fiscal years preceding the calendar year of the ratio of the fair market value of the assets in the Railroad Retirement Account and the National Railroad Retirement Investment Trust as of the close of each fiscal year to the total benefits and administrative expenses paid from those accounts during the fiscal year. Employer tax rates can range from 8.2 percent to 22.1 percent. Employee tax rates can range from 0 percent to 4.9 percent.

RCAF Unemployment Insurance Tax

	Unemployment Ins.		Hourly Earnings	RRB Sample Year	Factor To Update RRB Sample	Avg. Ann. Taxable Earnings	Un. Ins. Hourly Rate
	Tax Rate	Earnings Base					
			\$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	\$0.607
2Q/11	7.09%	\$15,960	\$35.143		1.080093	\$14,954.33	\$0.607
3Q/11	7.09%	\$15,960	\$35.422		1.088668	\$14,957.95	\$0.607
			\$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	0.67%	\$16,860	\$37.771		1.113762	\$15,978.07	\$0.059
2Q/13	0.67%	\$16,860	\$37.144		1.095273	\$15,969.12	\$0.059
3Q/13	0.67%	\$16,860	\$37.532		1.106714	\$15,974.73	\$0.059
			\$34.752	(2011)			
2012 Avg.	5.00%	\$16,380	\$36.269		1.043652	\$15,446.41	\$0.411
3Q/13 reb.	0.67%	\$16,860	\$37.587		1.081578	\$15,902.69	\$0.057
4Q/13	0.67%	\$16,860	\$37.545		1.080369	\$15,902.09	\$0.057
1Q/14	0.68%	\$17,280	\$37.908		1.090815	\$16,289.96	\$0.059
2Q/14					0.000000		\$0.000
3Q/14					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

Variable	N	Sum	Mean
ANUAL_US	2665	41164687.60	15446.41
QTRLY_US	2665	43412752.44	16289.96

The MEANS Procedure

Variable	N	Sum	Mean
FactorA	2665	2781.33	1.0436520
FactorQ	2665	2907.02	1.0908150
Capa	2665	43652700.00	16380.00
Capq	2665	46051200.00	17280.00

**Tax Rates and Maximum Taxable Earnings Under Social Security,
Railroad Retirement and Railroad Unemployment Insurance Programs, Continued**

Period	Railroad Retirement					Railroad Unemployment Insurance				Unemployment Repayment	
	Maximum earnings base [5]		Tax rate (percent) [5]			Maximum monthly taxable earnings	Employer tax rate [7] (percent)	Surcharge or (pooled credit)	New employer tax rate (percent)	Tax [6]	
			Tier 1	Tier 2						Maximum taxable earnings	Employer tax rate (percent)
	Tier 1 [9]	Tier 2	Employer & employee each	Employer	Employee						
1991	53,400	39,600	7.65	16.1	4.9	765	5.55 - 12.0	...	8.00	765	4.0
1992	55,500	41,400	7.65	16.1	4.9	785	3.10 - 12.0	(3.12)	8.00	785	4.0
1993	57,600	42,900	7.65	16.1	4.9	810	0.65 - 12.0	(5.31)	7.30	810	4.0
1994	60,600	45,000	7.65	16.1	4.9	840	0.65 - 12.0	(0.22)	6.06		
1995	61,200	45,300	7.65	16.1	4.9	850	0.65 - 12.0	...	4.15		
1996	62,700	46,500	7.65	16.1	4.9	865	0.65 - 12.0	...	2.31		
1997	65,400	48,600	7.65	16.1	4.9	890	0.65 - 12.0	...	1.16		
1998	68,400	50,700	7.65	16.1	4.9	925	2.15 - 12.0	1.5	0.85		
1999	72,600	53,700	7.65	16.1	4.9	970	2.15 - 12.0	1.5	0.92		
2000	76,200	56,700	7.65	16.1	4.9	1,005	0.65 - 12.0	...	1.67		
2001	80,400	59,700	7.65	16.1	4.9	1,050	2.15 - 12.0	1.5	2.59		
2002	84,900	63,000	7.65	15.6	4.9	1,100	3.15 - 12.0	2.5	2.71		
2003	87,000	64,500	7.65	14.2	4.9	1,120	3.15 - 12.0	2.5	2.36		
2004	87,900	65,100	7.65	13.1	4.9	1,130	2.15 - 12.0	1.5	2.38		
2005	90,000	66,900	7.65	12.6	4.4	1,150	2.15 - 12.0	1.5	3.43		
2006	94,200	69,900	7.65	12.6	4.4	1,195	2.15 - 12.0	1.5	4.03		
2007	97,500	72,600	7.65	12.1	3.9	1,230	2.15 - 12.0	1.5	3.75		
2008	102,000	75,900	7.65	12.1	3.9	1,280	2.15 - 12.0	1.5	3.02		
2009	106,800	79,200	7.65	12.1	3.9	1,330	2.15 - 12.0	1.5	2.61		
2010	106,800	79,200	7.65	12.1	3.9	1,330	2.15 - 12.0	1.5	2.51		
2011	106,800	79,200	[2] 7.65	12.1	3.9	1,330	3.15 - 12.0	2.5	2.50		
2012	110,100	81,900	[2] 7.65	12.1	3.9	1,365	2.15 - 12.0	1.5	2.65		
2013	113,700	84,300	[3] 7.65	12.6	4.4	1,405	0.65 - 12.0	...	3.69		
2014	117,000	87,000	[3] 7.65	12.6	4.4	1,440	0.65 - 12.0	...	4.53		
≥2015 and later	[4]	[4]	[3] 7.65	[10]	[10]	[4]	[7]	[7]	[7]		

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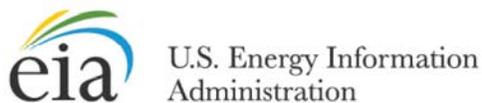


ASSOCIATION OF AMERICAN RAILROADS

MEMORANDUM

TO: File
FROM: Shou-Lien Liu
cc: Clyde Crimmel
DATE: November 4, 2013
RE: Unemployment Insurance Tax Rate for 2014

Unemployment Insurance rates for 2014 can range from a minimum of 0.65 percent to a maximum of 12 percent on monthly earnings up to \$1,440. No surcharge will be in effect for 2014. Marla Huddleston, Chief, Division of Benefit and Employment Analysis at the Railroad Retirement Board, said in her November 4 e-mail that the weighted average 2014 Unemployment Insurance rate for Class I railroads is **0.68 percent** which includes Delaware and Hudson Railway (D&H) and Dakota, Minnesota & Eastern Railroad Corporation (DME).



PETROLEUM & OTHER LIQUIDS

OVERVIEW DATA ANALYSIS & PROJECTIONS

GLOSSARY FAQs

This Week In Petroleum

Complete History XLS
PADD Definitions

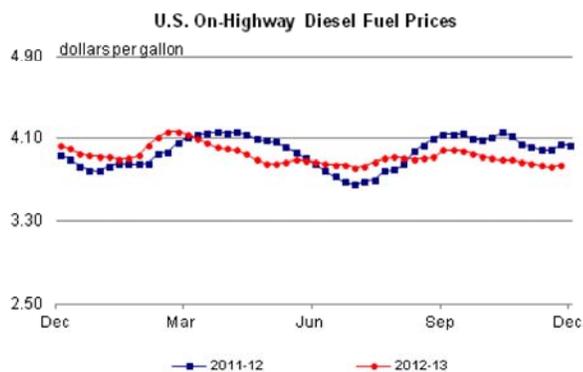
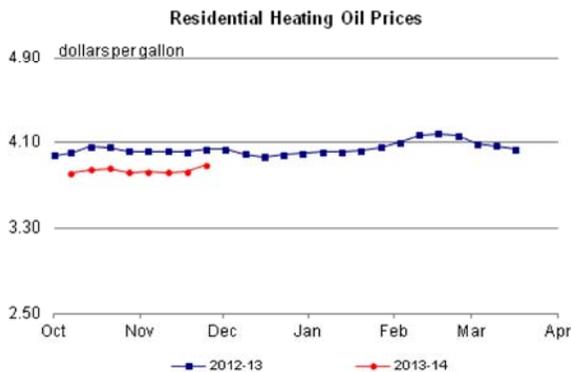
Summary Crude Oil Gasoline Distillate Propane
Prices Stocks Production Imports Demand

Residential Heating Oil Prices (Dollars per Gallon)

Residential Heating Oil Prices more data								
Note: Due to updated weighting methodology, national and regional residential heating oil and propane prices from October 2009 to March 2013 have been revised since they were first published. We have created an excel file that shows the differences between the original and revised published data for your convenience.								
	Most Recent							Year Ago
	10/14/13	10/21/13	10/28/13	11/04/13	11/11/13	11/18/13	11/25/13	11/26/12
Average	3.842	3.855	3.819	3.824	3.815	3.822	3.889	4.030
East Coast (PADD 1)	3.845	3.857	3.821	3.827	3.817	3.825	3.891	4.034
New England (PADD 1A)	3.767	3.785	3.757	3.768	3.766	3.773	3.839	3.942
Central Atlantic (PADD 1B)	3.908	3.916	3.873	3.875	3.859	3.867	3.935	4.106
Lower Atlantic (PADD 1C)	3.643	3.632	3.634	3.623	3.633	3.627	3.642	3.784
Midwest (PADD 2)	3.539	3.533	3.501	3.517	3.489	3.465	3.521	3.837

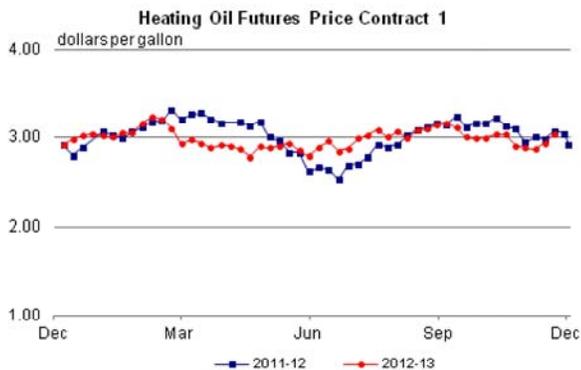
On-Highway Diesel Fuel Prices (Dollars per Gallon)

On-Highway Diesel Fuel Prices more data								
	Most Recent							Year Ago
	10/14/13	10/21/13	10/28/13	11/04/13	11/11/13	11/18/13	11/25/13	11/26/12
U.S.	3.886	3.886	3.870	3.857	3.832	3.822	3.844	4.034
East Coast (PADD 1)	3.904	3.905	3.889	3.878	3.855	3.841	3.870	4.092
New England (PADD 1A)	4.032	4.032	4.020	4.008	3.991	3.981	4.003	4.203
Central Atlantic (PADD 1B)	3.963	3.961	3.951	3.938	3.903	3.890	3.919	4.203
Lower Atlantic (PADD 1C)	3.837	3.840	3.818	3.808	3.793	3.779	3.808	3.990
Midwest (PADD 2)	3.854	3.853	3.837	3.826	3.798	3.794	3.829	4.023
Gulf Coast (PADD 3)	3.797	3.800	3.783	3.769	3.752	3.745	3.753	3.902
Rocky Mountain (PADD 4)	3.889	3.875	3.865	3.857	3.836	3.836	3.837	4.057
West Coast (PADD 5)	4.047	4.049	4.036	4.015	3.976	3.954	3.954	4.115
California	4.139	4.129	4.117	4.092	4.055	4.022	4.023	4.153



Heating Oil Futures Prices (Dollars per Gallon)

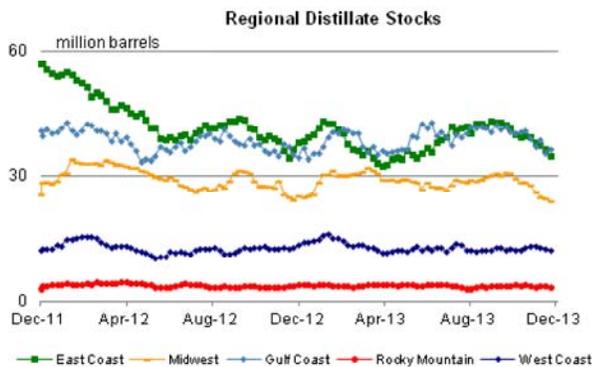
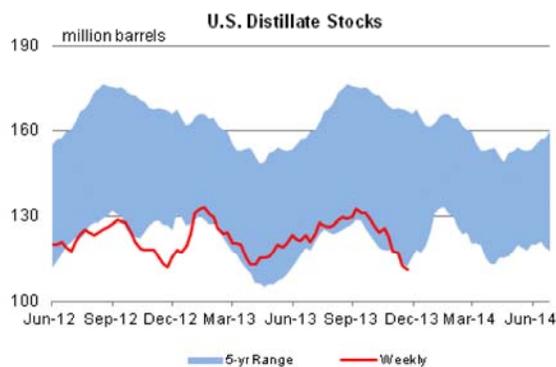
Heating Oil Futures Prices more data								
	Most Recent							Year Ago
	10/11/13	10/18/13	10/25/13	11/01/13	11/08/13	11/15/13	11/22/13	11/23/12
Contract 1	3.035	3.035	2.910	2.882	2.872	2.939	3.041	3.077
Contract 2	3.032	3.032	2.909	2.886	2.876	2.941	3.039	3.086
Contract 3	3.030	3.030	2.914	2.886	2.878	2.943	3.037	3.086
Contract 4	3.027	3.025	2.916	2.884	2.877	2.941	3.029	3.075

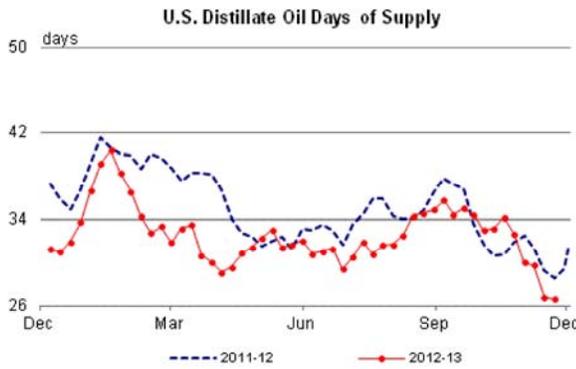


Distillate Stocks (Million Barrels) and Days of Supply

Total Distillate Stocks more data									
	Most Recent							Year Ago	
	10/11/13	10/18/13	10/25/13	11/01/13	11/08/13	11/15/13	11/22/13	11/23/12	
U.S.	124.2	125.8	122.7	117.8	117.3	112.5	110.9	112.0	
East Coast (PADD 1)	39.2	39.6	39.1	37.8	37.2	36.3	34.6	36.4	
New England (PADD 1A)	6.3	6.5	7.0	7.4	7.4	7.1	7.4	6.6	
Central Atlantic (PADD 1B)	21.9	21.2	20.8	18.8	18.4	18.0	17.1	20.9	
Lower Atlantic (PADD 1C)	11.0	12.0	11.3	11.5	11.4	11.2	10.1	8.9	
Midwest (PADD 2)	28.4	28.5	27.8	26.3	25.1	24.7	24.2	24.4	
Gulf Coast (PADD 3)	40.5	40.9	39.1	37.0	38.5	35.5	36.4	34.9	
Rocky Mountain (PADD 4)	3.7	3.9	3.5	3.2	3.5	3.4	3.4	3.5	
West Coast (PADD 5)	12.4	12.8	13.2	13.4	13.0	12.7	12.2	12.9	
15 ppm sulfur and Under Stocks more data									
	Most Recent							Year Ago	
	10/11/13	10/18/13	10/25/13	11/01/13	11/08/13	11/15/13	11/22/13	11/23/12	
U.S.	100.8	101.7	99.5	94.6	94.4	90.4	88.1	79.6	
East Coast (PADD 1)	26.0	25.5	25.2	24.2	23.6	23.6	22.0	16.6	
New England (PADD 1A)	1.8	1.8	1.9	1.9	1.9	2.1	2.1	1.7	
Central Atlantic (PADD 1B)	14.4	13.5	13.3	12.1	11.7	11.7	11.4	7.7	
Lower Atlantic (PADD 1C)	9.7	10.2	9.9	10.2	10.0	9.8	8.5	7.2	
Midwest (PADD 2)	27.2	27.2	26.5	25.0	23.8	23.3	22.9	22.5	
Gulf Coast (PADD 3)	33.1	34.0	32.7	30.4	31.8	29.0	29.4	26.5	
Rocky Mountain (PADD 4)	3.4	3.5	3.2	2.9	3.2	3.1	3.1	3.2	
West Coast (PADD 5)	11.1	11.4	11.8	12.1	11.9	11.4	10.8	10.7	
Greater than 15 ppm to 500 ppm sulfur Stocks more data									
	Most Recent							Year Ago	
	10/11/13	10/18/13	10/25/13	11/01/13	11/08/13	11/15/13	11/22/13	11/23/12	
U.S.	4.8	4.3	4.5	3.9	3.7	3.9	3.3	6.1	
East Coast (PADD 1)	1.7	1.6	1.9	1.4	1.3	1.3	1.0	0.9	
New England (PADD 1A)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Central Atlantic (PADD 1B)	1.4	1.2	1.5	1.0	0.9	0.8	0.6	0.5	
Lower Atlantic (PADD 1C)	0.3	0.3	0.4	0.4	0.4	0.4	0.3	0.4	
Midwest (PADD 2)	0.6	0.6	0.5	0.6	0.6	0.7	0.6	1.1	
Gulf Coast (PADD 3)	2.1	1.6	1.6	1.5	1.4	1.5	1.3	3.2	
Rocky Mountain (PADD 4)	0.2	0.2	0.1	0.1	0.1	0.1	0.1	0.2	
West Coast (PADD 5)	0.2	0.3	0.4	0.3	0.2	0.3	0.2	0.8	
Greater than 500 ppm sulfur Stocks more data									
	Most Recent							Year Ago	
	10/11/13	10/18/13	10/25/13	11/01/13	11/08/13	11/15/13	11/22/13	11/23/12	
U.S.	18.6	19.7	18.8	19.3	19.2	18.3	19.4	26.4	
East Coast (PADD 1)	11.5	12.5	12.1	12.2	12.3	11.5	11.6	18.9	
New England (PADD 1A)	4.5	4.7	5.1	5.5	5.5	5.0	5.3	4.9	
Central Atlantic (PADD 1B)	6.1	6.5	6.0	5.8	5.8	5.4	5.1	12.7	
Lower Atlantic (PADD 1C)	1.0	1.4	1.0	0.9	1.0	1.0	1.3	1.3	
Midwest (PADD 2)	0.6	0.7	0.7	0.7	0.6	0.7	0.7	0.8	
Gulf Coast (PADD 3)	5.3	5.3	4.7	5.2	5.3	5.0	5.7	5.2	
Rocky Mountain (PADD 4)	0.1	0.1	0.2	0.2	0.2	0.2	0.2	0.1	
West Coast (PADD 5)	1.0	1.1	1.0	1.1	0.9	1.0	1.3	1.4	
Days of Supply (number of days) more data									
	Most Recent							Year Ago	
	10/11/13	10/18/13	10/25/13	11/01/13	11/08/13	11/15/13	11/22/13	11/23/12	
U.S.	33.2	34.2	32.6	30.0	29.7	26.8	26.6	28.5	

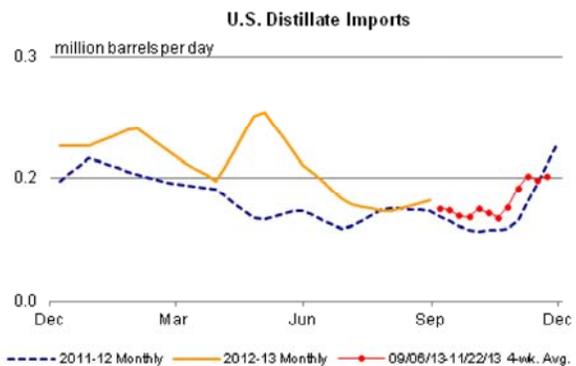
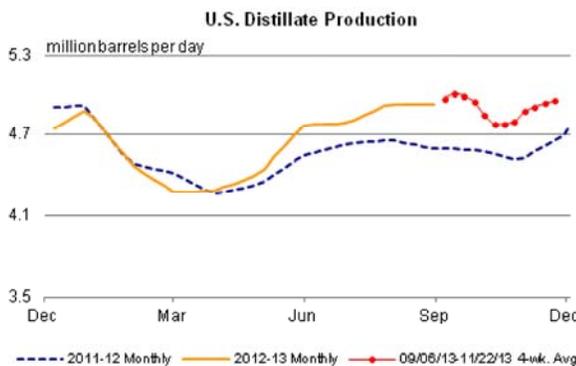
Note: Days of Supply calculated as: U.S. Total Distillate Stocks / Four-Week Average U.S. Distillate Fuel Oil Demand

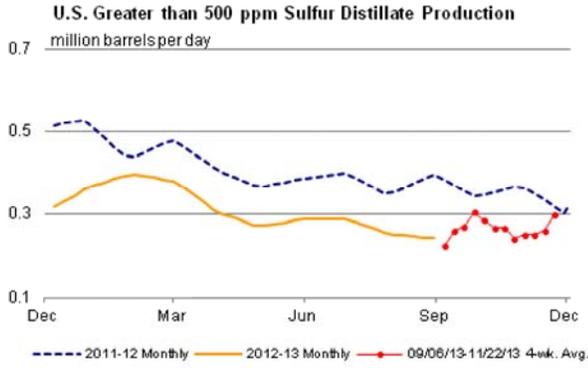
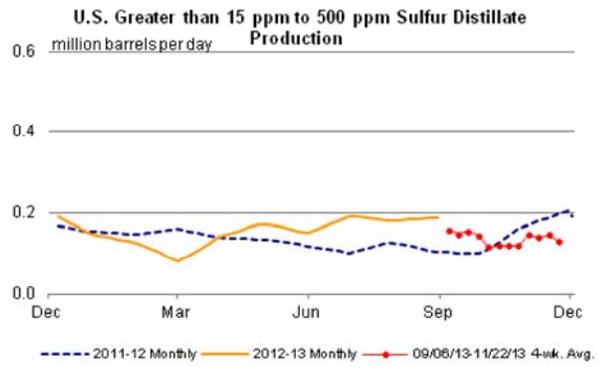
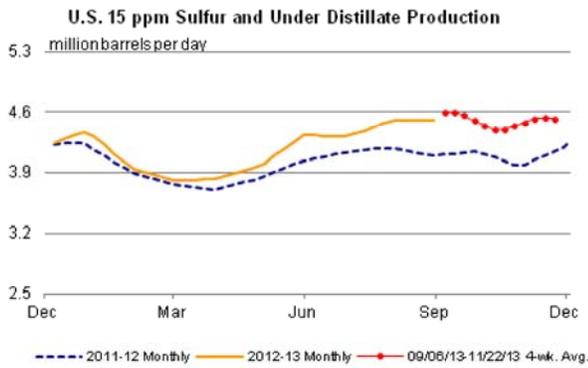




Distillate Production and Imports (Million Barrels per Day)

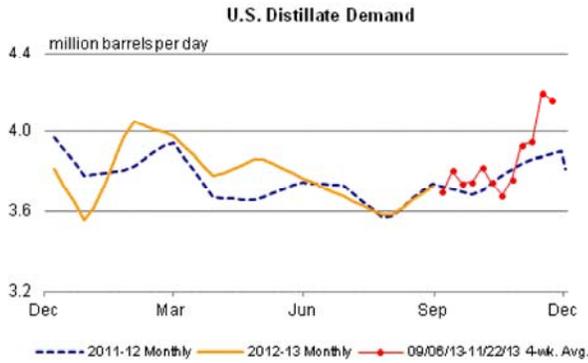
Total Distillate Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	11/08/13	11/15/13	11/22/13		11/08/13	11/15/13	11/22/13		11/23/12
U.S.	4.911	4.933	4.955	4.590	4.947	4.907	5.022	4.561
East Coast (PADD 1)	0.309	0.300	0.286	0.278	0.276	0.300	0.272	0.304
Midwest (PADD 2)	1.084	1.086	1.098	0.996	1.095	1.092	1.121	0.981
Gulf Coast (PADD 3)	2.724	2.764	2.799	2.606	2.838	2.785	2.828	2.565
Rocky Mountain (PADD 4)	0.165	0.167	0.172	0.181	0.149	0.166	0.192	0.178
West Coast (PADD 5)	0.629	0.616	0.600	0.529	0.590	0.565	0.610	0.533
15 ppm sulfur and Under Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	11/08/13	11/15/13	11/22/13		11/08/13	11/15/13	11/22/13		11/23/12
U.S.	4.522	4.527	4.525	4.123	4.577	4.413	4.553	4.152
East Coast (PADD 1)	0.261	0.260	0.246	0.188	0.247	0.246	0.231	0.196
Midwest (PADD 2)	1.086	1.086	1.099	1.008	1.101	1.073	1.124	1.004
Gulf Coast (PADD 3)	2.403	2.422	2.447	2.266	2.499	2.404	2.476	2.245
Rocky Mountain (PADD 4)	0.165	0.166	0.169	0.175	0.150	0.162	0.182	0.173
West Coast (PADD 5)	0.607	0.593	0.562	0.486	0.580	0.528	0.541	0.533
Greater than 15 ppm to 500 ppm sulfur Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	11/08/13	11/15/13	11/22/13		11/08/13	11/15/13	11/22/13		11/23/12
U.S.	0.139	0.146	0.132	0.158	0.100	0.184	0.093	0.166
East Coast (PADD 1)	0.015	0.017	0.008	0.011	0.006	0.011	-0.011	0.016
Midwest (PADD 2)	0.004	0.008	0.006	0.004	0.004	0.014	0.003	-0.010
Gulf Coast (PADD 3)	0.118	0.118	0.113	0.119	0.092	0.145	0.089	0.138
Rocky Mountain (PADD 4)	0.001	0.001	0.003	0.006	0.000	0.003	0.009	0.007
West Coast (PADD 5)	0.002	0.003	0.002	0.018	-0.002	0.010	0.003	0.015
Greater than 500 ppm sulfur Production more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	11/08/13	11/15/13	11/22/13		11/08/13	11/15/13	11/22/13		11/23/12
U.S.	0.250	0.261	0.298	0.309	0.270	0.310	0.375	0.243
East Coast (PADD 1)	0.034	0.023	0.032	0.079	0.023	0.042	0.053	0.091
Midwest (PADD 2)	-0.006	-0.007	-0.007	-0.016	-0.010	0.004	-0.007	-0.013
Gulf Coast (PADD 3)	0.204	0.225	0.238	0.221	0.246	0.235	0.262	0.182
Rocky Mountain (PADD 4)	0.000	-0.001	-0.001	0.000	-0.001	0.001	0.002	-0.002
West Coast (PADD 5)	0.019	0.021	0.035	0.025	0.012	0.027	0.065	-0.015
Distillate Imports more data								
	Four-Week Averages			Year Ago	Week Ending			Year Ago
	11/08/13	11/15/13	11/22/13		11/08/13	11/15/13	11/22/13		11/23/12
Total Distillate	0.152	0.148	0.153	0.155	0.130	0.097	0.158	0.188
15 ppm sulfur and Under	0.102	0.099	0.108	0.090	0.057	0.087	0.127	0.083
Greater than 15 ppm to 500 ppm sulfur	0.000	0.000	0.000	0.010	0.000	0.000	0.000	0.000
Greater than 500 ppm to 2000 ppm sulfur	0.051	0.049	0.044	0.055	0.073	0.010	0.030	0.105
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			Week Ending				
	11/08/13	11/15/13	11/22/13	Year Ago	11/08/13	11/15/13	11/22/13	Year Ago
Distillate Fuel Oil	3.947	4.198	4.165	3.933	3.790	4.333	4.024	3.837



NA = Not Available.
W = Data Withheld.

AAR MATERIALS AND SUPPLIES INDEX
Region By Composition
Fourth Quarter 2013
November 25, 2013

United States by Composition Category - Summary

Composition Category -----	Weight -----	Previous Quarter Index -----	Current Quarter Index -----	Relative Of Change -----
Forest Products	.1089	256.04	268.18	1.0474
Metal Products	.6173	197.94	196.59	.9932
Miscellaneous Products	.2738	347.44	360.92	1.0388
U.S. By Composition	--	245.20	249.38	1.0170
U.S. By Composition (Linked)	--	246.40	250.59	1.0170
United States (1977=100) Linking Factor: 1.423	--	350.63	356.59	1.0170
United States (1980=100) Linking Factor: 1.061	--	261.43	265.88	1.0170

Car Hire for RCAF

RCAF (Forecast)

	1980	June 3Q/13	Sept. 4Q/13	Dec. 1Q/14	Mar. 2Q/14	June 3Q/14
RATE						
RR-OWNED TIME	31.00	63.00	64.00	63.00	--	--
RR-OWNED MILEAGE	4.69	6.70	6.70	6.80	--	--
PRIVATELY-OWNED CARS	25.47	45.49	45.53	46.09	--	--
AUTORACKS	47.00	46.61	51.28	56.00	--	--
INDEX						
RR-OWNED TIME	100.0	203.2	206.5	203.2	--	--
RR-OWNED MILEAGE	100.0	142.9	142.9	145.0	--	--
PRIVATELY-OWNED CARS	100.0	178.6	178.8	181.0	--	--
AUTORACKS	100.0	99.2	109.1	119.1	--	--
CAR HIRE INDEX (old wts) 2011	100.0	178.9	--	--	--	--
CAR HIRE INDEX (new wts) 2012	100.0	178.4	179.2	180.7	--	--
CAR HIRE INDEX (LINKED)	100.0	178.3	179.1	180.6	--	--

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

	2013 (first day of month)						2014 (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)	7,972	8,031	8,052	8,104	8,105	8,096								
Rate (in cents)														
Superstructures #3 - Auto Rack	46.0	45.0	47.0	50.0	50.0	50.0								
All other #1 - Time	63.0	64.0	64.0	63.0	63.0	63.0								
All other #2 - Mileage	6.7	6.7	6.7	6.7	6.7	6.8								
Private Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	47,135	47,454	47,836	48,042	48,308	48,580								
Covered Hoppers	328,551	329,350	330,108	330,617	331,558	332,747								
Tank Cars	319,558	321,555	324,039	326,402	328,854	331,419								
Others	286,245	287,176	287,547	288,000	287,910	288,030								
Rate (in cents)														
Superstructures #1 - Time	80.0	80.0	80.0	80.0	80.0	80.0								
Superstructures #2 - Mileage	1.4	1.6	1.6	1.6	1.6	1.6								
Superstructures #3 - Auto Rack	50.0	51.0	52.0	53.0	55.0	57.0								
Covered Hoppers #2 - Mileage	44.3	44.4	44.4	44.5	44.5	44.6								
Tank Cars #2 - Mileage	70.9	71.0	70.2	70.4	70.6	70.8								
Others #1 - Time	74.0	73.0	73.0	73.0	74.0	74.0								
Others #2 - Mileage	7.0	7.0	7.0	7.0	7.1	7.3								
AVERAGE RATES														
Private Superstructures	20.20	20.40	20.40	20.40	20.40	20.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private Others	23.43	23.21	23.21	23.21	23.53	23.73	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private Total	45.72	45.75	45.53	45.67	45.89	46.09	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Autoracks	49.42	50.13	51.28	52.57	54.28	56.00	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!

WEIGHTS	"Old Wts"	"New Wts"
	2011	2012
For RCAF & RCR		
RR-owned Time	0.170	0.148
RR-owned Mileage	0.078	0.071
Privately-owned Cars	0.738	0.764
Autoracks	0.014	0.017
----- Check sum	1.000	1.000

Weights for Equipment Rents (not used in Car Hire calculation)		
	2011	2012
Car Hire - U.S.	0.486	0.482
Lease Rentals - U.S.	0.514	0.518
----- 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 12/2013

Ownership	Car Group	Car Count	Time Rate (cents/hour)	Mileage Rate (\$/mile)	Auto Rack Rate (cents/hour)
Railroad	Vehicular Flats	8,096	119	0.080	50
Railroad	Number of Zero-Rated Vehicular Flats	19	.	.	.
Railroad	All Other Cars	477,150	63	0.068	.
Railroad	Number of Zero-Rated Other Cars	19,320	.	.	.
Railroad	Total Railroad Equipment	504,585	.	.	.
	
Private	Vehicular Flats	48,580	80	0.016	57
Private	Number of Zero-Rated Vehicular Flats	13	.	.	.
Private	Covered Hoppers	332,747	0	0.446	.
Private	Number of Zero-Rated Covered Hoppers	9,466	.	.	.
Private	Tanks	331,419	0	0.708	.
Private	Number of Zero-Rated Tanks	7,706	.	.	.
Private	All Other Cars	288,030	74	0.073	.
Private	Number of Zero-Rated Other Cars	29,474	.	.	.
Private	Total Private Equipment	1,047,435	.	.	.

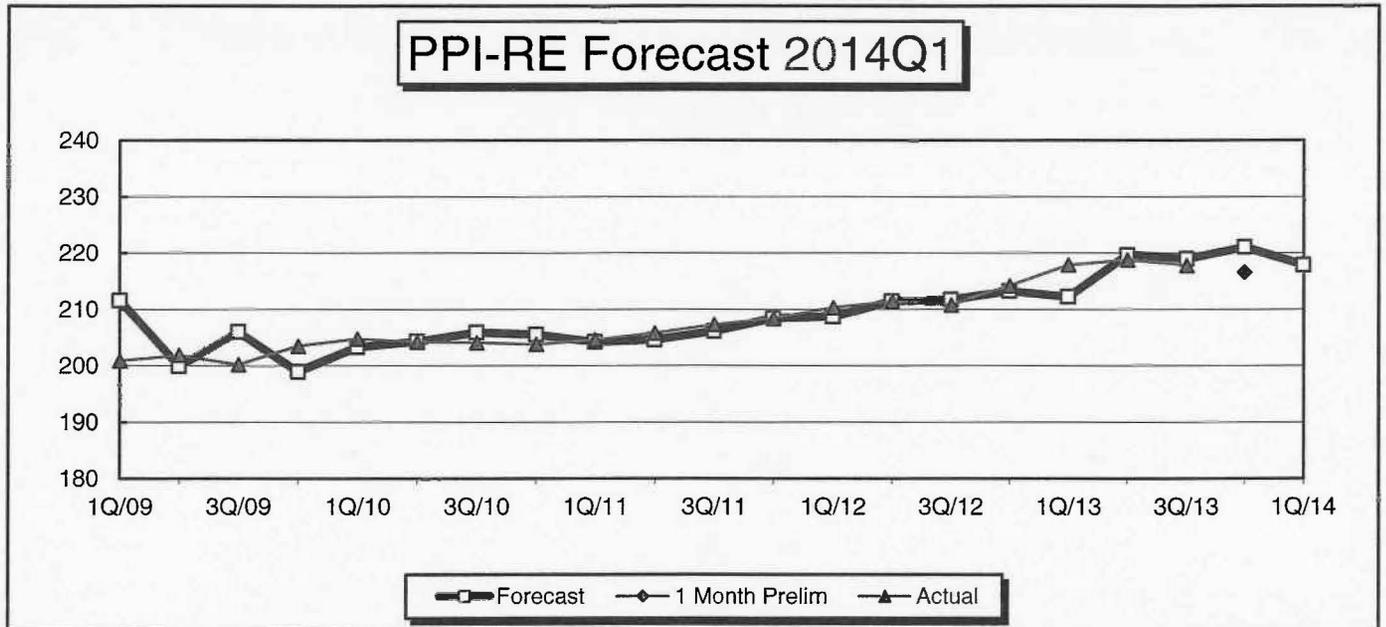
Notes
This report excludes these car types: D (Locomotives), M (MoW, EOTs, etc.), U (Containers), Z (Trailers).
All TTX equipment (including ABOX, RBOX, GONX) is contained in the Private section of report.
Equipment can be zero rated due to owners supplying incorrect or insufficient information to the 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
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	210.8	
4Q/12	213.2	214.2	
1Q/13	212.2	217.9	
2Q/13	219.6	218.8	
3Q/13	218.9	217.8	
4Q/13	221.0		216.6
1Q/14	217.8		

1980 Base

	PPI-RE Forecast		Percent Change			
	(82=100)	(80=100)	Yr Ago Actual	Latest Month Actual	2nd Prev Qtr Actual	Previous Forecast
2014Q1						
Low	193.4	213.9	-1.8%			
Midpoint	196.9	217.8	0.0%	0.6%	0.0%	-1.4%
High	200.4	221.7	1.7%			



Forecast Pro Version 4.3 Standard Edition

Database I:\Indexes2\RCAF\2014Q1\5Deprec\FPre_ppi.xls is open and ready for use.

Expert data exploration of dependent variable PPIRE

Length 72 Minimum 177.500 Maximum 198.400
 Mean 186.432 Standard deviation 5.788

Classical decomposition (multiplicative)

Trend-cycle: 95.75% Seasonal: 0.21% Irregular: 4.04%

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

Exponential smoothing outperforms Box-Jenkins by 1.288 to 1.590 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	0.64314	195.98
Trend	0.01644	0.23504

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 186.4	Standard deviation 5.788
R-square 0.9619	Adjusted R-square 0.9614
Durbin-Watson 1.99	Ljung-Box(18)=21.18 P=0.7296
Forecast error 1.138	BIC 1.19
MAPE 0.003988	RMSE 1.122
MAD 0.7466	

Forecast Report

Thu Nov 21 09:47:51 2013

Exponential Smoothing model for PPIRE

Analysis of Historic Fit Set

Date	Historic
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

re_ppi.txt

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	191.800
2012-05	191.600
2012-06	191.500
2012-07	192.000
2012-08	190.400
2012-09	190.900
2012-10	194.900
2012-11	193.900
2012-12	194.100
2013-01	196.000
2013-02	195.200
2013-03	195.800
2013-04	195.200
2013-05	198.100
2013-06	196.300
2013-07	198.400
2013-08	197.200
2013-09	195.100
2013-10	195.800

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2013-11	193.884	196.217	198.551
2013-12	193.665	196.452	199.240
2014-01	193.510	196.687	199.865
2014-02	193.398	196.923	200.447
2014-03	193.317	197.158	200.998
2014-04	193.260	197.393	201.525
2014-05	193.223	197.628	202.032
2014-06	193.201	197.863	202.524
2014-07	193.193	198.098	203.002
2014-08	193.196	198.333	203.469
2014-09	193.210	198.568	203.926
2014-10	193.232	198.803	204.374

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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
2012	190.1	190.1	190.6	191.8	191.6	191.5	192.0	190.4	190.9	194.9	193.9	194.1	191.8
2013	196.0	195.2	195.8	195.2	198.1	196.3	198.4(P)	197.2(P)	195.1(P)	195.8(P)			

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

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Calculation of Interest Rate for RCAF (with UP & BNSF revisions)

UP&BNSF Revised	
2012	
Sch. 210	Col. b.
L. 42	1,007,973
L. 44	7,731
-L. 22	7,283
Tot. Interest	1,008,421

Sch. 200	(close of year) Col b.	(beg. of year) Col c.	Avg.
L. 30	200,000	104,901	
L. 39	603,268	633,826	
L. 41	2,582,458	2,619,557	
L. 42	940,431	1,071,419	
L. 43	2,616,647	2,805,633	
L. 44	0	0	
L. 45	10,251,067	9,045,321	
L. 46	26,415	46,280	
Tot. Debt	17,220,286	16,326,937	16,773,611.5 6.01%

Index (1980=100)

76.6

Sch. 210	1980 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%

Calculation of Interest Rate for RCAF (with UP & BNSF revisions)

UP&BNSF Revised	
2011	
Sch. 210	Col. b.
L. 42	1,144,870
L. 44	7,598
-L. 22	3,353
Tot. Interest	1,149,115

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	2,619,557	2,768,679	
L. 42	1,071,419	1,230,221	
L. 43	2,805,633	3,009,866	
L. 44	0	0	
L. 45	8,965,888	9,365,141	
L. 46	46,280	59,313	
Tot. Debt	16,247,504	17,295,085	16,771,294.5

6.85%

Index (1980=100)

87.3

Sch. 210	1980 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%

Calculation of Interest Rate for RCAF (with UP & BNSF revisions)

Sch. 210	UP&BNSF Revised 2010 Col. b.
L. 42	1,255,292
L. 44	7,625
-L. 22	4,123
Tot. Interest	1,258,794

Sch. 200	(close of year) Col b.	(beg. of year) Col c.	Avg.
L. 30	110,606	108,512	
L. 39	751,259	797,917	
L. 41	2,768,679	2,779,616	
L. 42	1,230,221	1,311,458	
L. 43	3,009,866	3,385,858	
L. 44	0	0	
L. 45	9,365,141	9,405,947	
L. 46	59,313	72,891	
Tot. Debt	17,295,085	17,862,199	17,578,642.0
			7.16%

Index (1980=100)

91.2

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

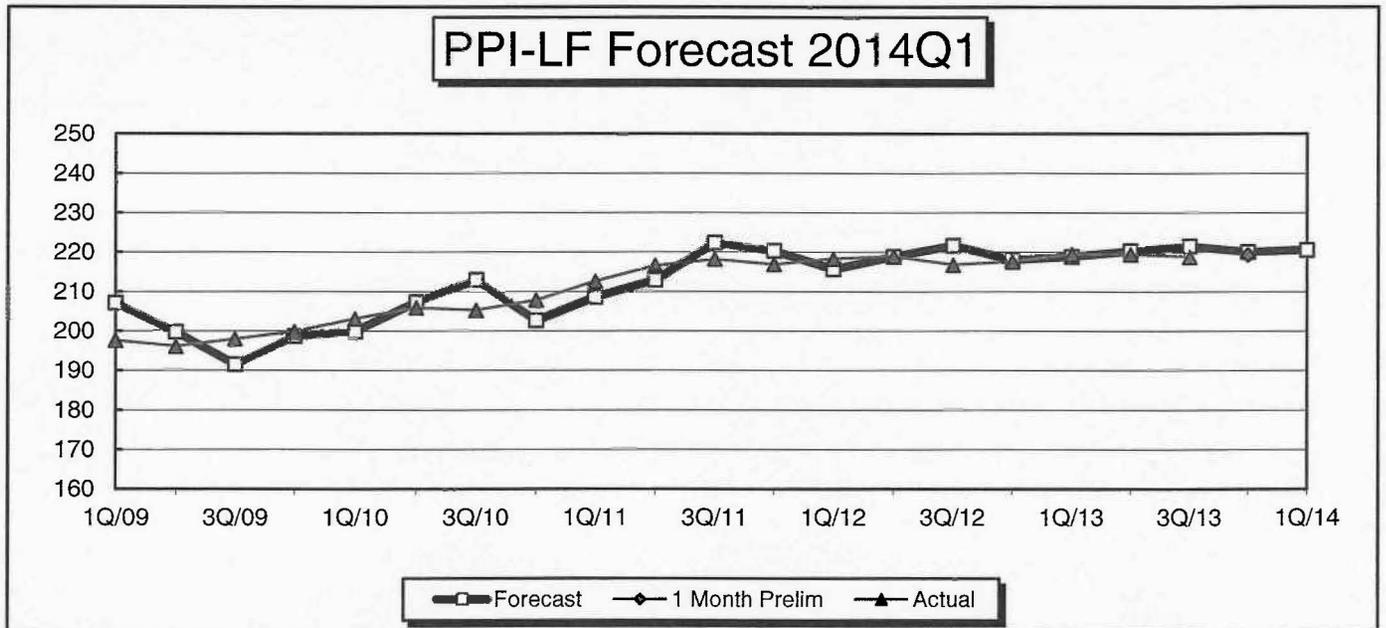
Sch. 200	Col b.	Col c.	
L. 26	56,047	40,480	
L. 34	975,151	1,016,289	
L. 36	4,459,060	4,230,627	
L. 37	6,110,818	5,461,765	
L. 38	1,477,000	1,519,719	
L. 39	207,142	207,142	
L. 40	393,362	279,509	
L. 41	(54,679)	(24,481)	
Tot. Debt	13,623,901	12,731,050	7.85%

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

	Forecast	Actual	1 Month Prelim
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	216.8	
4Q/12	218.0	217.6	
1Q/13	218.8	219.5	
2Q/13	220.2	219.4	
3Q/13	221.4	218.8	
4Q/13	220.0		219.3
1Q/14	220.5		

1980 Base

	PPI-LF Forecast		Percent Change			
	(82=100)	(80=100)	Yr Ago Actual	Latest Month Actual	2nd Prev Qtr Actual	Previous Forecast
2014Q1						
Low	192.1	215.4	-1.9%			
Midpoint	196.7	220.5	0.5%	0.5%	0.8%	0.2%
High	201.2	225.6	2.8%			



Forecast Pro Version 4.3 Standard Edition

Database I:\Indexes2\RCAF\2014Q1\70ther\FPIf_ppi.xls is open and ready for use.

Expert data exploration of dependent variable PPILF

 Length 72 Minimum 173.100 Maximum 196.100
 Mean 186.636 Standard deviation 7.836

Classical decomposition (multiplicative)

Trend-cycle: 90.85% Seasonal: 1.99% Irregular: 7.15%

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

Exponential smoothing outperforms Box-Jenkins by 0.838 to 1.546 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	195.60
Trend	0.01616	0.26505

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 186.6	Standard deviation 7.836
R-square 0.9806	Adjusted R-square 0.9803
Durbin-watson 0.544	** Ljung-Box(18)=89.76 P=1
Forecast error 1.1	BIC 1.151
MAPE 0.004301	RMSE 1.084
MAD 0.7952	

Forecast Report

Thu Nov 21 09:56:47 2013

Exponential Smoothing model for PPILF

Analysis of Historic Fit Set

Date	Historic
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
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

1f_ppi.txt

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	195.800
2012-05	195.400
2012-06	193.700
2012-07	193.300
2012-08	193.300
2012-09	193.700
2012-10	193.900
2012-11	194.000
2012-12	194.200
2013-01	195.300
2013-02	196.100
2013-03	196.100
2013-04	195.900
2013-05	195.500
2013-06	195.400
2013-07	195.100
2013-08	195.300
2013-09	195.200
2013-10	195.600

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2013-11	193.610	195.865	198.121
2013-12	192.914	196.130	199.346
2014-01	192.446	196.395	200.344
2014-02	192.094	196.660	201.226
2014-03	191.817	196.925	202.034
2014-04	191.591	197.190	202.790
2014-05	191.405	197.455	203.506
2014-06	191.251	197.720	204.190
2014-07	191.122	197.985	204.849
2014-08	191.014	198.251	205.487
2014-09	190.925	198.516	206.106
2014-10	190.852	198.781	206.710

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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
2012	193.8	194.7	195.7	195.8	195.4	193.7	193.3	193.3	193.7	193.9	194.0	194.2	194.3
2013	195.3	196.1	196.1	195.9	195.5	195.4	195.1(P)	195.3(P)	195.2(P)	195.6(P)			

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

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Forecast Error Calculation

The forecast in this case is **corrected** as if revised data had been available at the time of the filing. Should the Surface Transportation Board decide to correct past RCAF filings (to account for data revised by 2 railroads) instead of keeping the original filings and using a special forecast error adjustment in future filings, this would be the correct forecast error calculation.

	2011r Weight	Third Quarter 2013r		Pct. Diff.
		2013Q3r Forecast	2013Q3r Actual	
Labor	31.4%	391.3	391.3	0.0
Fuel	22.6%	375.6	376.0	0.4
M&S	5.1%	264.2	264.2	0.0
Equip Rents	5.6%	208.0	207.6	-0.4
Depreciation	11.5%	218.9	217.8	-1.1
Interest	2.3%	87.3	87.3	0.0
Other	21.5%	221.4	218.8	-2.6
Weighted Avg	100.0%			
1980 = 100		307.7	307.0	
1980 = 100 (linked)		294.4	293.1	
4Q12 = 100	2.976	98.9	98.5	
4Q07 = 100	2.459	119.7	119.2	
4Q02 = 100	1.921	153.3	152.6	
4Q97 = 100	1.732	170.0	169.2	
4Q92 = 100	1.569	187.6	186.8	

* actual=forecast
from 1st month of quarter

* actual=forecast
from Equipment Rents below

PPI-RE	198.40	197.20	195.10	0.9040
--------	--------	--------	--------	--------

* actual=forecast

PPI-LF	195.10	195.30	195.20	0.8920
--------	--------	--------	--------	--------

calculated
calculated
calculated
calculated
calculated
calculated

Forecast Error → **-0.4**

calculated **-0.004 = RCAF adj.**

Prior Quarter

1980 = 100	312.1	304.7 **
1980 = 100 (linked)	298.6	290.9
4Q12 = 100	100.3	97.7
4Q07 = 100	121.4	118.3
4Q02 = 100	155.4	151.4
4Q97 = 100	172.4	168.0
4Q92 = 100	190.3	185.4

calculated
calculated
calculated
calculated
calculated

Equipment Rents

Car Hire	48.7%	178.3	179.7
Lease Rentals	51.3%	221.4	218.8
Weighted Average		200.4	199.8
Linked		208.0	207.6

from Equipment Rents/CHARM
(equals PPI-LF from above)
calculated
calculated

Prior Quarter

Weighted Average	199.4	199.2 **
Linked	207.0	207.0

Sum of Weights **ok**
Sum of ER Wt. **ok**

** if fourth quarter, weighted avg for prior needs to use new weights, linked is ok

All-Inclusive Index (Actual)

	11 Wts	3Q/12 10 Wts	3Q/12 11 Wts	% Chg.	4Q/12 11 Wts	% Chg.	1Q/13 11 Wts	% Chg.	2Q/13 11 Wts	% Chg.	3Q/13 11 Wts	% Chg.
Restated to account for revisions by UP and BNSF												
Labor	31.4%	392.3	392.3	0.0%	391.5	-0.2%	390.7	-0.2%	385.9	-1.2%	391.3	1.4%
Fuel	22.6%	359.0	359.0	0.0%	410.6	14.4%	378.8	-7.7%	373.1	-1.5%	376.0	0.8%
M&S	5.1%	274.8	274.8	0.0%	266.1	-3.2%	263.4	-1.0%	261.0	-0.9%	264.2	1.2%
Equipment Rents	5.6%	203.7	203.7	0.0%	206.1	1.2%	207.6	0.7%	207.0	-0.3%	207.6	0.3%
Depreciation	11.5%	210.8	210.8	0.0%	214.2	1.6%	217.9	1.7%	218.8	0.4%	217.8	-0.5%
Interest	2.3%	91.2	91.2	0.0%	87.3	-4.3%	87.3	0.0%	87.3	0.0%	87.3	0.0%
Other	21.5%	216.8	216.8	0.0%	217.6	0.4%	219.5	0.9%	219.4	0.0%	218.8	-0.3%
	1.0000											
Weighted Avg.		298.8	302.7	1.3%	314.3	3.8%	307.6	-2.1%	304.7	-0.9%	307.0	0.8%
Linked		289.0			300.1	3.8%	293.7	-2.1%	290.9	-1.0%	293.1	0.8%
10/1/80	1.027	281.4			292.2	3.8%	286.0	-2.1%	283.3	-0.9%	285.4	0.7%
10/1/82	1.209	239.0			248.2	3.8%	242.9	-2.1%	240.6	-0.9%	242.4	0.7%
4Q/87	1.322	218.6			227.0	3.8%	222.2	-2.1%	220.0	-1.0%	221.7	0.8%
4Q/92	1.569	184.2			191.3	3.9%	187.2	-2.1%	185.4	-1.0%	186.8	0.8%
4Q/97	1.732	166.9			173.3	3.8%	169.6	-2.1%	168.0	-0.9%	169.2	0.7%
4Q/02	1.921	150.4			156.2	3.9%	152.9	-2.1%	151.4	-1.0%	152.6	0.8%
4Q/07	2.459	117.5			122.0	3.8%	119.4	-2.1%	118.3	-0.9%	119.2	0.8%
4Q/12	2.976				100.8		98.7	-2.1%	97.7	-1.0%	98.5	0.8%
Equipment Rents												
Car Hire	48.7%	174.3	174.3	0.0%	178.1	2.2%	179.1	0.6%	178.0	-0.6%	179.7	1.0%
Lease Rentals	51.3%	216.8	216.8	0.0%	217.6	0.4%	219.5	0.9%	219.4	0.0%	218.8	-0.3%
	1.0000											
ER Weighted Avg		197.3	196.1	-0.6%	198.4	1.2%	199.8	0.7%	199.2	-0.3%	199.8	0.3%
ER Linked		203.7			206.1	1.2%	207.6	0.7%	207.0	-0.3%	207.6	0.3%

During July 2013 Union Pacific Railroad made revisions to its interest expense for years 2010 through 2012, and the Surface Transportation Board ordered BNSF Railway to restate its annual report for years 2010 through 2012. The BNSF restatements became available on October 23, 2013. While the UP revisions caused a lower Interest Index and slightly lower weights for the Interest Index (with slight increases in the weights for other indices), the BNSF restatement caused more changes. In combination with UP, the BNSF changes caused changes in the external weights, internal weights for Equipment Rents (Car Hire and Lease Rentals), internal weights for Labor (Wages and Supplements), the interest index, and the benchmark for Health & Welfare.

This sheet has the indices calculated as if the revisions were part of the original data.

RCAF Fuel (Actual All-Inclusive Index)

July 2013

Monthly Report

	July 2013 Price (cents) (1)	1/1/81 Price (cents) (2)	1/91 New Method Linking Factors (3)	July 2013 Index 1/1/81=100 (4)	Linking Factor 1980=100 (5)	July 2013 1980=100 Current Index (6)
U.S.	307.67	89.34	99.415	342.37	1.096	375.23
				(4) = (1) / (2) x (3)		(6) = (4) x (5)

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

	July 2013 1980=100 Current Index	Adjustment Factor	July 2013 1980=100 Linked Index
U.S.	375.23	1.00192	375.95 ←

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

Car Hire for RCAF

RCAF (Actual)

		1980	Aug 3Q/13	Nov 4Q/13	Feb 1Q/14	May 2Q/14	Aug 3Q/14
RATE							
RR-OWNED TIME		31.00	64.00 ✓	--	--	--	--
RR-OWNED MILEAGE		4.69	6.70 ✓	--	--	--	--
PRIVATELY-OWNED CARS		25.47	45.75 ✓	--	--	--	--
AUTORACKS		47.00	50.13 ✓	--	--	--	--
INDEX							
RR-OWNED TIME		100.0	206.5	--	--	--	--
RR-OWNED MILEAGE		100.0	142.9	--	--	--	--
PRIVATELY-OWNED CARS		100.0	179.6	--	--	--	--
AUTORACKS		100.0	106.7	--	--	--	--
CAR HIRE INDEX (old wts)	2011	100.0	180.3 ✓	--	--	--	--
CAR HIRE INDEX (new wts)	2012	100.0	179.7	--	--	--	--
CAR HIRE INDEX (LINKED)		100.0	179.7 ✓	--	--	--	--

Note: Indexes are rounded, rates are full float.

Equipment Rents Data From CHARM

	2013 (first day of month)						2014 (first day of month)							
	Jul	Aug	Sep	Oct	Novr	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug
Railroad Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	7,972	8,031	8,052											
Rate (in cents)														
Superstructures #3 - Auto Rack	46.0	45.0	47.0											
All other #1 - Time	63.0	64.0	64.0											
All other #2 - Mileage	6.7	6.7	6.7											
Private Equipment														
No. of Cars (cars with rates only)														
Superstructures (Vehicular Flats)	47,135	47,454	47,836											
Covered Hoppers	328,551	329,350	330,108											
Tank Cars	319,558	321,555	324,039											
Others	286,245	287,176	287,547											
Rate (in cents)														
Superstructures #1 - Time	80.0	80.0	80.0											
Superstructures #2 - Mileage	1.4	1.6	1.6											
Superstructures #3 - Auto Rack	50.0	51.0	52.0											
Covered Hoppers #2 - Mileage	44.3	44.4	44.4											
Tank Cars #2 - Mileage	70.9	71.0	70.2											
Others #1 - Time	74.0	73.0	73.0											
Others #2 - Mileage	7.0	7.0	7.0											
AVERAGE RATES														
Private Superstructures	20.20	20.40	20.40	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private Others	23.43	23.21	23.21	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private Total	45.72	45.75	45.53	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!	#DIV/0!
Autoracks	49.42	50.13	51.28	#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"
	2011	2012
For RCAF & RCR		
RR-owned Time	0.170	0.148
RR-owned Mileage	0.078	0.071
Privately-owned Cars	0.738	0.764
Autoracks	0.014	0.017
----- Check sum	1.000	1.000

Weights for Equipment Rents (not used in Car Hire calculation)		
	2011	2012
Car Hire - U.S.	0.486	0.482
Lease Rentals - U.S.	0.514	0.518
----- 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 08/2013

Ownership	Car Group	Car Count	Time Rate (cents/hour)	Mileage Rate (\$/mile)	Auto Rack Rate (cents/hour)
Railroad	Vehicular Flats	8,031	119	0.080	45
Railroad	Number of Zero-Rated Vehicular Flats	21	.	.	.
Railroad	All Other Cars	483,492	64	0.067	.
Railroad	Number of Zero-Rated Other Cars	20,925	.	.	.
Railroad	Total Railroad Equipment	512,469	.	.	.
	
Private	Vehicular Flats	47,454	80	0.016	51
Private	Number of Zero-Rated Vehicular Flats	9	.	.	.
Private	Covered Hoppers	329,350	0	0.444	.
Private	Number of Zero-Rated Covered Hoppers	9,685	.	.	.
Private	Tanks	321,555	0	0.710	.
Private	Number of Zero-Rated Tanks	7,859	.	.	.
Private	All Other Cars	287,176	73	0.070	.
Private	Number of Zero-Rated Other Cars	29,901	.	.	.
Private	Total Private Equipment	1,032,989	.	.	.

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 2014 As reported at end of month 82=100

		Nov.	Feb.	May	Aug.
For Forecast	→	14Q1	14Q2	14Q3	14Q4
For Actual	→	13Q3	13Q4	14Q1	14Q2
January	2013	196.0	196.0	196.0	196.0
February	2013	195.2	195.2	195.2	195.2
March	2013	195.8	195.8	195.8	195.8
April	2013	195.2	195.2	195.2	195.2
May	2013	198.1	198.1	198.1	198.1
June	2013	196.3	196.3	196.3	196.3
July	2013	198.4			
August	2013	197.2			
September	2013	195.1			
October	2013	195.8			
November	2013				
December	2013				
January	2014				
February	2014				
March	2014				
April	2014				
May	2014				
June	2014				
July	2014				
Actual Qtr.		196.9	NA	NA	NA

1980=100

Actual Qtr.	217.8	NA	NA	NA
First Mo. next qtr.	216.6	NA	NA	NA

0.904 =1980

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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
2012	190.1	190.1	190.6	191.8	191.6	191.5	192.0	190.4	190.9	194.9	193.9	194.1	191.8
2013	196.0	195.2	195.8	195.2	198.1	196.3	198.4(P)	197.2(P)	195.1(P)	195.8(P)			

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

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RCAF - Other

Series ID : wpu03t15m05

Not Seasonally Adjusted

Group : Industrial Commodities less fuels

Item : Industrial commodities less fuels

Forecast Year 2014

As reported at end of month 82=100

		Nov.	Feb.	May	Aug.
For Forecast	→	14Q1	14Q2	14Q3	14Q4
For Actual	→	13Q3	13Q4	14Q1	14Q2
January	2013	195.3 ✓	195.3	195.3	195.3
February	2013	196.1 ✓	196.1	196.1	196.1
March	2013	196.1 ✓	196.1	196.1	196.1
April	2013	195.9 ✓	195.9	195.9	195.9
May	2013	195.5 ✓	195.5	195.5	195.5
June	2013	195.4 ✓	195.4	195.4	195.4
July	2013	195.1 ✓			
August	2013	195.3 ✓			
September	2013	195.2 ✓			
October	2013	195.6 ✓			
November	2013				
December	2013				
January	2014				
February	2014				
March	2014				
April	2014				
May	2014				
June	2014				
July	2014				
Actual Qtr.		195.2	NA	NA	NA

1980=100

Actual Qtr.

First Mo. next qtr.

218.8	NA	NA	NA
219.3	NA	NA	NA

0.892 =1980

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Producer Price Index-Commodities

Series Id: WPU03T15M05
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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
2012	193.8	194.7	195.7	195.8	195.4	193.7	193.3	193.3	193.7	193.9	194.0	194.2	194.3
2013	195.3	196.1	196.1	195.9	195.5	195.4	195.1(P)	195.3(P)	195.2(P)	195.6(P)			

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

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