

FR-4915-01-P

DEPARTMENT OF TRANSPORTATION

SURFACE TRANSPORTATION BOARD

Indexing the Annual Operating Revenues of Railroads

The Surface Transportation Board (STB) is publishing the annual inflation-adjusted index factors for 2008. These factors are used by the railroads to adjust their gross annual operating revenues for classification purposes. This indexing methodology insures that railroads are classified based on real business expansion and not from the affects of inflation. Classification is important because it determines the extent to which individual railroads must comply with STB reporting requirements.

The STB's annual inflation-adjusted factors are based on the annual average Railroad's Freight Price Index which is developed by the Bureau of Labor Statistics (BLS). The STB's deflator factor is used to deflate revenues for comparison with established revenue thresholds.

The base year for railroads is 1991. The inflation index factors are presented as follows:

STB Railroad Inflation-Adjusted Index and Deflator Factor Table

Year	Index	Deflator
1991	409.50	100.00 <sup>1</sup>
1992	411.80	99.45
1993	415.50	98.55
1994	418.80	97.70
1995	418.17	97.85
1996	417.46	98.02
1997	419.67	97.50

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STB Railroad Inflation-Adjusted Index and Deflator Factor Table  
(continued)

1998	424.54	96.38
1999	423.01	96.72
2000	428.64	95.45
2001	436.48	93.73
2002	445.03	91.92
2003	454.33	90.03
2004	473.41	86.40
2005	522.41	78.29
2006	567.34	72.09
2007	588.27	69.52
2008	656.78	62.28

Effective Date: January 1, 2008

For Further Information Contact: Scott Decker 202-245-0330. [Federal Information  
Relay Service (FIRS) for the hearing impaired: 1-800-877-8339]

By the board, Leland L. Gardner, Director, Office of Economics, Environmental  
Analysis, and Administration

Anne K. Quinlan  
Acting Secretary

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<sup>1</sup> Ex Parte No. 492, Montana Rail Link, Inc., and Wisconsin Central Ltd., Joint Petition For Rulemaking With Respect To 49 CFR 1201, 8 I.C.C. 2d 625 (1992), raised the revenue classification level for Class I railroads from \$50 million (1978 dollars) to \$250 million (1991 dollars), effective for the reporting year beginning January 1, 1992. The Class II threshold was also raised from \$10 million (1978 dollars) to \$20 million (1991 dollars).