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The Honorable Cynthia T. Brown
Chief, Section of Administration, Office of Proceedings
Surface Transportation Board
395 E Street, S.W.
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ENTERED
Office of Proceedings
June 7, 2012
Part of
Public Record

Re: Ex Parte No. 290 (Sub-No. 5) (2012-3),
Quarterly Rail Cost Adjustment Factor

Dear Ms. Brown:

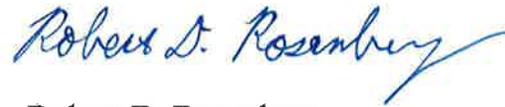
The Western Coal Traffic League ("WCTL") writes to respond to the submission that the Association of American Railroads ("AAR") made in Ex Parte No. 290 (Sub-No. 5) (2012-3), *Quarterly Rail Cost Adjustment Factor*, dated June 5, 2012.

The AAR's submission indicates that the AAR has discovered that the 2Q12 All-Inclusive Index ("AII") and RCAF-U values it previously submitted were overstated by 0.1 index points. Indeed, the percentage change calculations in the AAR's cover letter for its June 5, 2012 submission use the earlier "as filed" values (e.g., 120.7 for the 2Q12 AII), whereas the calculation on page 3 uses the corrected value (120.6 for the 2Q12 AII). The 2.4% and the 1.1% decrease in the AII and RCAF-U shown in the cover letter reflect the corrected values, and not the "as filed" values.

WCTL understands that errors have occurred previously in the Materials & Supplies component and that the AAR's approach here -- correcting the values going forward, but with no restatement for the error -- follows past practice. The practice may well be reasonable, but if so, it should be followed consistently. However, the STB earlier this year ordered restatement of past values for its own "technical error" in calculating productivity. Ex Parte Nos. 290 (Sub-No. 4) and 290 (Sub-No. 5), (2010-2), *Railroad Cost Recovery Procedures--Productivity Adjustment, et al.* (STB served Jan. 20, 2012). The STB should explain why restatement (following notice for public comment) is appropriate for one type of technical error, but not another, or, alternatively and preferably, adopt a consistent practice.

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Respectfully submitted,

A handwritten signature in blue ink that reads "Robert D. Rosenberg". The signature is fluid and cursive, with a long horizontal stroke at the end.

Robert D. Rosenberg
An Attorney for the Western
Coal Traffic League

cc: Louis P. Warchot, Esq., Association of American Railroads