



John T. Gray
Senior Vice President - Policy & Economics

The Honorable Anne K. Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20423-0001

224118

ENTERED
Office of Proceedings
DEC - 5 2008
Part of
Public Record

Dear Ms. Quinlan:

This submission is the AAR forecast of the first quarter 2009 All-Inclusive Index and Rail Cost Adjustment Factor, filed in Ex Parte No. 290 (Sub-No 5) (2009-1) *Quarterly Rail Adjustment Factor*. The versions of RCAF-related indices covered in this filing are the All-Inclusive Index (initiated in the second quarter 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 2009 results on the fourth quarter 2007 base, and shows the percentage changes from the previous quarter.

	<u>2008Q4</u>	<u>2009Q1</u>	<u>% Change</u>
All-Inclusive Index	115.5	100.8	-12.7
Preliminary RCAF	1.155	1.008	-12.7
Forecast Error Adjustment	0.044	0.014	
RCAF (Unadjusted)	1.199	1.022	-14.8
Productivity Adjustment Factor	2.1813	2.1878	
RCAF (Adjusted)	0.550	0.467	-15.1
PAF-5	2.3051	2.3120	
RCAF-5	0.520	0.442	-15.0

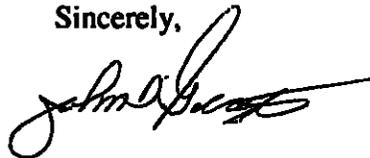
Page 2

December 5, 2008

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.

Two copies of the quarterly non-proprietary workpapers underlying this submission are filed herewith, in accordance with the ICC's order in Ex Parte No. 290 (Sub-No. 2), *Railroad Cost Recovery Procedures*, served February 8, 1990. A third copy of the working papers has been delivered to Paul Aguiar in the STB office handling this proceeding. All workpapers are available for STB inspection. Questions should be directed to me or Clyde Crimmel (202 639-2309) of this office.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Gray", with a long horizontal flourish extending to the right.

John T. Gray

Attachments

**First Quarter 2009
All-Inclusive Index**

Ex Parte No. 290 (Sub-No. 5) (2009-1)

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

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

December 5, 2008

Table of Contents

Subject	Page
Introduction	1
Index Weights	2
All-Inclusive Index - First Quarter 2009 ..	3
Forecast vs Actual All Inclusive Index - Third Quarter 2008	4
Productivity	5
Rail Cost Adjustment Factor - First Quarter 2009 .	6
Appendices	
A Labor	
B Fuel	
C Materials & Supplies	
D Equipment Rents	
E Depreciation	
F Interest	
G Other Expenses	
H Railroad and Union Abbreviations	

Introduction

On January 2, 1985, the Interstate Commerce Commission (ICC) [now the Surface Transportation Board (STB)] adopted the All-Inclusive Index of Railroad Costs as the basis for the Rail Cost Adjustment Factor (RCAF). The quarterly projection of railroad costs, as documented herein, 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 2009.

Index Weights

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

The 2007 (current) and 2006 (previous) weights are shown below. The previous (2006) weights were used for the fourth quarter of 2007 through the third quarter of 2008. Beginning with the fourth quarter of 2008, the 2007 weights are used. The weight for Fuel continued to go up as expected, increasing from 19.2 to 20.3 percent. Labor had the biggest change (possibly related to the downturn in traffic), decreasing 1.7 percentage points to 32.8 percent. All other changes were by less than 1 percentage point.

RCAF Weights		
	Previous 2006	Current 2007
Labor	34.5 %	32.8 %
Fuel	19.2	20.3
Materials & Supplies	5.0	5.0
Equipment Rents	7.8	7.2
Depreciation	10.6	11.0
Interest	2.7	2.7
Other	20.2	21.0

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

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

All-Inclusive Index First Quarter 2009

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.

	2007 Weights	Forecast		Percent Change
		Previous 2008Q4	Current 2009Q1	
1. Labor	32.8%	330.6	337.0	1.9 %
2. Fuel	20.3%	423.6	237.3	-44.0
3 M&S	5.0%	252.2	258.8	2.6
4 Equipment Rents	7.2%	207.4	201.0	-3.1
5. Depreciation	11.0%	204.8	211.6	3.3
6 Interest	2.7%	88.0	88.0	0.0
7 Other	21.0%	217.8	207.0	-5.0
8. Weighted Average				
a. 1980 = 100		292.6	255.2	
b. 1980 = 100 (linked)		284.1	247.8 ¹	
c. 4Q07 = 100		115.5	100.8 ²	-12.7

¹ To calculate the 1980 = 100 Linked Index

$$\begin{aligned} \text{Index}_{80} &= (\text{Current Index} / \text{Previous Index}) * \text{the Previous Quarter Linked Index} \\ &= 255.2 \quad \text{divided by} \quad 292.6 \quad \text{times} \quad 284.1 \\ &= 247.8 \end{aligned}$$

² To calculate the 4Q07 = 100 index

$$\begin{aligned} \text{Index}_{4Q07} &= (\text{Current Linked Index} / 4Q07 Linking Factor) * 100 \\ &= 247.8 \quad \text{divided by} \quad 245.9 \quad \text{times} \quad 100 \\ &= 100.8 \end{aligned}$$

Indexes based on other periods

4Q02 based index	= 247.8 / 192.1 x 100 = 129.0
4Q97 based index	= 247.8 / 173.2 x 100 = 143.1
4Q92 based index	= 247.8 / 156.9 x 100 = 157.9
4Q87 based index	= 247.8 / 132.2 x 100 = 187.4

Forecast vs. Actual All-Inclusive Index Third Quarter 2008

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 117.0 is 1.4 index points above the forecast value of 115.6. Therefore, the forecast error adjustment for first quarter 2009 is 1.4 index points.

	2006 Weights	Third Quarter 2008		Amt Difference
		Forecast	Actual	
1. Labor	34.5%	317.2	317.2	
2. Fuel	19.2%	472.8	481.0	
3. M&S	5.0%	228.3	228.3	
4. Equipment Rents ¹	7.8%	199.5	202.7	
5. Depreciation	10.6%	197.9	202.8	
6. Interest	2.7%	90.2	90.2	
7. Other	20.2%	203.8	209.2	
8. Weighted Average				
a. 1980 = 100		291.8	295.2	
b. 1980 = 100 (linked)		284.3	287.8 ²	
c. 4Q07 = 100 ³		115.6	117.0	1.4

Forecast error \longrightarrow **1.4 Index points**

1	2006 Weights	Third Quarter 2008	
		Forecast	Actual
Car-Hire	46.3%	182.3	182.2
Lease Rentals	53.7%	203.8	209.2
Weighted Average		193.8	196.7
Weighted Average (linked)		199.5	202.7

² Linked actual index = (actual index / previous actual index) x previous linked actual index.
 $287.8 = 295.2 / 278.6 \times 271.6$

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

Productivity

On March 28, 2008, the Surface Transportation Board (STB) served a decision in Ex Parte 290 (Sub-No. 4) which added the year 2006 to the Productivity Adjustment Factor (PAF) and deleted the year 2001. This creates a geometric average annual productivity change for 2002 through 2006 of 1.2 percent – a 0.5 percentage point decrease from the 2001 through 2005 average of 1.7 percent. The components of this average annual value are shown on the following table in ratio format – therefore, 1.012 is the same as an increase of 1.2 percent. Productivity changes are calculated by dividing the output index by the input index. The average annual rate is calculated by multiplying each of the five productivity changes together and taking the result to the one fifth power. The quarterly 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 average annual growth rate. The difference between the PAF and the PAF-5 is the timing of the 5-year productivity trend.

Comparison of Output, Input, & Productivity			
2002 - 2006			
Year	Output Index (1)	Input Index (2)	Productivity ¹ Changes (3)
2002	1.012	1.006	1.006
2003	1.039	1.020	1.019
2004	1.033	1.057	0.977
2005	1.021	0.956	1.068
2006	1.018	1.024	0.994
Average			1.012
Previous Average (2001-2005)			1.017

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 2002-2006, use fourth root of avg. productivity change = 1.0030			
For 2001-2005, use fourth root of avg. productivity change = 1.0042			
Quarter	Year	PAF	PAF-5
Q1	2008	2.1618	2.2763
Q2	2008	2.1683	2.2859
Q3	2008	2.1748	2.2955
Q4	2008	2.1813	2.3051
Q1	2009	2.1878	2.3120

2001-2005

2002-2006

Rail Cost Adjustment Factor First Quarter 2009

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

	Previous 2008Q4	Current 2009Q1	Percent Change
All-Inclusive Index ¹	115.5	100.8	-12.7
Preliminary RCAF ²	1.155	1.008	-12.7
Forecast Error Adjustment ³	0.044	0.014	
RCAF (Unadjusted) ⁴	1.199	1.022	-14.8
Productivity Adjustment Factor ⁵	2.1813	2.1878	
RCAF (Adjusted) ⁶	0.550	0.467	-15.1
PAF-5 ⁷	2.3051	2.3120	
RCAF-5 ⁸	0.520	0.442	-15.0

¹ See All-Inclusive Index on page 3

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

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

⁴ Preliminary RCAF plus the forecast error adjustment.

⁵ See Productivity on page 5.

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

⁷ See Productivity on page 5.

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

Appendixes

Labor First Quarter 2009

The first quarter 2009 Labor Index is forecast to increase 1.9 percent. Non-union wage increases, one new national agreement, and new health & welfare premiums were major contributors to the increase.

Wage Index

The Wage Index portion of the Labor Index increased 1.1 percent from the previous quarter.

New National Agreement: The International Association of Machinists and Aerospace Workers (IAM) signed a new national labor agreement on October 1, 2008. The agreement included retroactive wage increases back to 2006, and changed employee health & welfare contribution rates. Although the agreement was signed October 1, it was not added to the fourth quarter index because of its September 5 filing date. [See Appendix H for common railroad and union abbreviations.]

Wage Increases: In addition to the new national agreement, a small number of independent wage increases and new contracts were also added to the index. Following past index procedure, non-union employees were assigned a January 1 wage increase (4 percent) equal to the amount that most unions received last July.

Lump Sums: The lump sum rate increased by 7.2 cents. Almost all of this increase was caused by one railroad's new independent agreement with its BLET employees. The new agreement included a signing bonus plus a lump sum payment to be paid on January 1, 2009.

Back Pay: The back pay rate fell 9.0 cents, mostly because of an amount for three national unions that was completely amortized and removed. Five additional independent agreements that were new last year were also completely amortized and removed from the index. Partially offsetting the decrease were new back pay amounts added for the new IAM national agreement and some independent agreements.

Other: Other wages contains the amortization of profit sharing payments that the BNSF Railway makes each year to its dispatchers, yardmasters, and engineers. This amount was unchanged.

Supplements Index

New health & welfare premiums and higher Railroad Retirement costs caused most of the 3.3 percent increase in Supplements.

Health & Welfare: New health & welfare premiums (see pages 4 and 5 of this Appendix) become effective on January 1. Despite a small increase in employee health & welfare cost sharing rates, health & welfare costs increased 4.6 percent.

Labor

First Quarter 2009

Railroad Retirement: Wage increases combined with higher maximum taxable earnings, effective January 1, caused the increase in the Railroad Retirement rate (see page 4 of this appendix). Tier I and II tax rates did not change.

Unemployment Insurance: The unemployment insurance hourly rate increased 0.7 cents, mostly as a result of the higher maximum taxable earnings. Railroad unemployment insurance rates are experienced-rated by employer and will range from 2.15 (0.65 plus a 1.5 percent surcharge for 2008) to 12 percent. For 2009, the Class I railroads will have an average tax rate of 2.47 percent – which is not much different from the 2.48 percent rate for 2008. The maximum taxable earnings on monthly employee compensation increased to \$1,330 for 2009. Page 4 of this appendix contains average tax rates and maximum taxable earnings for the three most recent years.

Other: The "Other" category is a reflection of all other fringe benefits, and currently contains employer contributions to employee 401(k) accounts, plus employer contributions to employee stock plans that are recorded as fringe benefits. The increase of 1.7 cents was caused by higher employer contributions.

Labor Index Calculation

As shown in Table A-1 on the next page, the 1.1 percent increase in the Wage Index and the 3.3 percent increase in the Supplements Index had a combined effect of a 1.9 percent increase in the Labor Index. The linked first quarter 2009 index is 337.0.

Labor
First Quarter 2009

Supplement Comparisons

Health and Welfare Rates

Plan	Railroad Contribution Per Employee Per Month				
	2007	2008	2009	Change	
				'07-'08	'08-'09
Group Health & Life	\$1,097.66	\$1,076.61	\$1,112.21	-1.9%	3.3%
Early Retirement Major Medical	89.06	110.98	117.56	24.6%	5.9%
Group Dental	47.14	45.72	56.31	-3.0%	23.2%
Group Vision	10.70	10.16	10.16	-5.0%	0.0%
Supplemental Sickness					
Maintenance of Way	36.06	14.89	14.89	-58.7%	0.0%
Shop Crafts	61.06	30.04	30.04	-50.8%	0.0%
Signalmen	32.06	8.55	8.55	-73.3%	0.0%
Yardmasters	41.13	33.21	28.89	-19.3%	-13.0%

Railroad Retirement and Medicare

	Earnings Base			Employer Rate		
	2007	2008	2009	2007	2008	2009
Tier I	\$97,500	\$102,000	\$106,800	6.20%	6.20%	6.20%
Tier II	72,600	75,900	79,200	12.10%	12.10%	12.10%
Medicare	no limit	no limit	no limit	1.45%	1.45%	1.45%

Unemployment Insurance

Monthly Taxable Earnings Base			Weighted Avg. Class I Rate		
2007	2008	2009	2007	2008	2009
\$1,230	\$1,280	\$1,330	2.47%	2.48%	2.47%

Labor
First Quarter 2009

NATIONAL RAILWAY LABOR CONFERENCE
EMPLOYEE BENEFITS DEPARTMENT

1901 L STREET, N.W., WASHINGTON, D.C. 20036-3514 PHONE: (202) 862-7200 FAX: (202) 862-7253
DAVID B. MARCUS
Director Employee Benefits
(202) 862-7244
E-mail: sparks@nrlc.org

SUSAN E. PARKS, CEBS
Benefits Administrator
(202) 862-7225
E-mail: sparks@nrlc.org

October 31, 2008

Mr Clyde Crimmel
Director Statistical Information
Policy & Communications Department
AAR-5th Floor
50 F Street N W
Washington, D C 20009

Dear Mr Crimmel

The revised employer Payment Rates which are effective January 1, 2009 are as follows

Table with 2 columns: Plan Name and Amount. Rows include Aetna - Supplemental Sickness Plans (ShopCrafts, Signalmen, Maintenance of Way), Trustmark - Supplemental Sickness Plans (Yardmasters), Railroad Employees National Health & Welfare Plan & National Railway Carriers/United Transportation Union H&W Plan (Non-Hospital Road), Railroad Employees National Early Retirement (Major Medical Benefit Plan, Non-Hospital Road), Aetna - National Dental Plan, and VSP - National Vision Plan.

If you have any questions or need clarification, please contact me

Very truly yours,
[Signature]
Susan E Parks

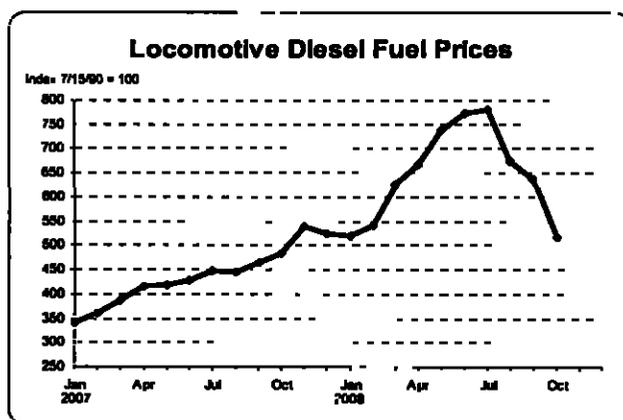
cc Glen Williams

Fuel First Quarter 2009

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

West Texas Intermediate crude oil* spot prices peaked on July 3, 2008, and then began a descent that continues today. The monthly average price fell 43 percent from July to October, and the daily average spot price for December 2 is 39 percent below the average for the month of October Heating oil** spot prices followed a pattern similar to crude oil, falling 40 percent from July to October, and falling 30 percent from October to December 2. However, the Energy Information Administration noted (December 3) that "Residential heating oil prices applied the brakes to their freefall...." The cause of the decline in fuel prices is related to lack of demand, as worldwide economic activity continues to be slow In the U S., the National Bureau of Economic Research recently declared that the country has been in a recession since December 2007.

Locomotive diesel fuel prices (available through October) followed a pattern similar to crude oil, falling 34 percent from July to October Railroads believe prices for January 2009 (Q1) will be 44 percent below the fourth quarter forecast, or 26 percent below the average price actually experienced in October



Forecast Fuel Index	237.3
Change from previous quarter forecast	-44.0%
Change from previous quarter actual	-25.7%

* Diesel fuel used by locomotives is made from refined crude oil, and therefore 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 2009

The Materials & Supplies index increased a relatively moderate 2.6 percent, but that does not adequately tell the story behind materials prices. Prices for metal products, which were up 13 percent in the previous quarter, were down 4 percent for the current quarter. Prices for the other two broad categories, Forest Products and Miscellaneous Products, increased 9 and 13 percent, respectively. The net result of these changes is an overall increase that falls between 2008Q2 increase of 3.0 percent and the 2008Q3 increase of 1.4 percent.

2009Q1 Materials & Supplies Index = 258.8

2008Q4 Materials & Supplies Index = 252.2

Difference	6.6 basis points
	or
	2.6 %

Equipment Rents First Quarter 2009

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 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 Rent Index Calculation

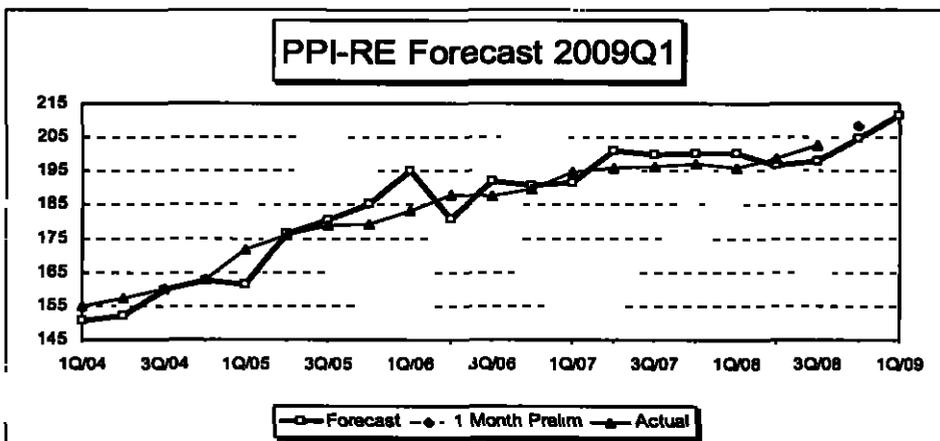
The table below calculates the Equipment Rent Index, which decreased 3.1 percent. The Car Hire portion of the Index decreased slightly because of lower rates for privately-owned cars. A 5.0 percent decrease for the PPI-LF (See Appendix G) used as a proxy for changes in Lease Rentals, combined with the 0.1 percent decrease for Car Hire, caused the Equipment Rent Index to decrease 3.1 percent.

	2007 Weight	2008Q4	2009Q1	Percent Change
Car Hire	43.2%	181.7	181.5	-0.1 %
Lease Rentals	56.8%	217.8	207.0	-5.0
Weighted Average		202.2	196.0	-3.1
Weighted Average (Linked)		207.4	201.0	-3.1

Depreciation First Quarter 2009

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 have continued to climb.

Forecast of Depreciation Index (1982=100)	191.3
Forecast of Depreciation Index (1980=100)	211.6
Change from previous quarter forecast	3.3%
Change from actual first month of previous quarter	1.5%
Change from same quarter of prior year (actual)	7.9%



Depreciation First Quarter 2009

**PPI INDUSTRIAL COMMODITIES LESS FUEL
AND RELATED PRODUCTS AND POWER**

Recommended model Exponential Smoothing
 Forecast Model for PPIRE
 Holt exponential smoothing Linear trend, No seasonality
 Confidence limits proportional to level

Component	Smoothing Weight	Final Value
Level	0.99999	188.40
Trend	0.02027	0.72964

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 160	Standard deviation 16.91
R-square 0.9923	Adjusted R-square 0.9921
Durbin-Watson 1.692	Ljung-Box(18)=17.01 P=0.4779
Forecast error 1.498	BIC 1.568
MAPE 0.005973	RMSE 1.478
MAD 0.98	

Actual Values for the Most Recent 6 Periods:

Date	Actual
2008-05	178.000
2008-06	181.200
2008-07	184.700
2008-08	182.400
2008-09	182.800
2008-10	188.400

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2008-11	185.640	189.130	192.620
2008-12	184.873	189.859	194.845
2009-01	184.462	190.589	196.716
2009-02	184.232	191.319	198.405
2009-03	184.117	192.048	199.979
QTR AVG	184.270	191.319	198.367

Interest First Quarter 2009

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 2008, the Interest Index is based on data for 2007.

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 Obligations - Non-Current
44	Debt in Default - Non-Current
45	Accounts Payable: Affiliated Companies - Non-Current
46	Unamortized Debt Premium - Non-Current

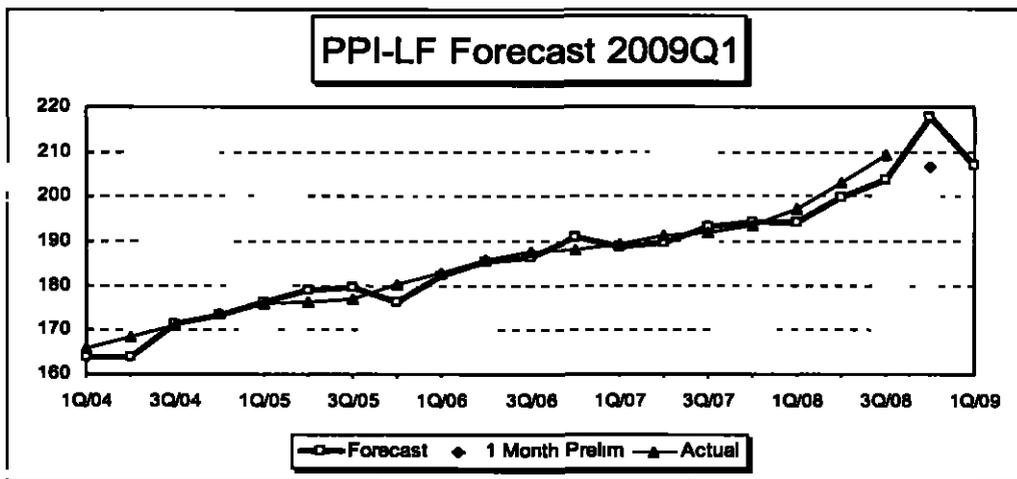
2007	Interest Rate	6.91%
1980	Interest Rate	7.85%
2009Q1	Interest Index	88.0
2008Q4	Interest Index	88.0
	Percent Change	0.0%

Other Expenses First Quarter 2009

The Producer Price Index for Industrial Commodities less Fuel 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 have been decreased in the last two months.

Forecast of Other Expense Index (1982=100)	184.6
Forecast of Other Expense Index (1980=100)	207.0
Change from previous quarter forecast	-5.0%
Change from actual first month of previous quarter	0.1%
Change from same quarter of prior year (actual)	5.0%



Other Expenses First Quarter 2009

**PPI INDUSTRIAL COMMODITIES LESS FUEL
AND RELATED PRODUCTS AND POWER**

Recommended model Box-Jenkins
Forecast Model for PPILI
ARIMA(0,1,1)*(1,1,0)

Term	Coefficient	Std. Error	t-Statistic	Significance
b[1]	-0.6421	0.1012	-6.3443	1.0000
Λ[12]	-0.9382	0.0826	-11.3562	1.0000

Within-Sample Statistics

Sample size	72	Number of parameters	2
Mean	161.2	Standard deviation	12.42
R-square	0.9982	Adjusted R-square	0.9982
Durbin-Watson	1.629	Ljung-Box(18)	=15.69 P=0.3856
Forecast error	0.5253	BIC	0.5496
MAPE	0.00198	RMSE	0.5179
MAD	0.3373		

Actual Values for the Most Recent 6 Periods:

Date	Actual
2008-05	181,800
2008-06	183,200
2008-07	185,700
2008-08	187,500
2008-09	186,600
2008-10	184,400

Forecasted Values

Date	2.5 Lower	Forecast	97.5 Upper
2009-01	181,212	184,047	186,882
2009-02	181,116	184,496	187,877
2009-03	181,490	185,340	189,190
QTR AVG	181.273	184.628	187.983

Railroad and Union Abbreviations First Quarter 2009

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 1 railroad Soo Line)
CSX	CSX Transportation
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)
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 (Canadian Pacific Railway's western 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 Division 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 UTC-YMD)

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

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

Workpapers Sent to STB for 2009 Q1 RCAF

December 5, 2008



1. Index Calculation Spreadsheet (index_calc.xls, 2 pages)
2. Summary (of ST and PFTNW Hourly Rates)
3. Taxable wages adjustment calculation
4. National Contracts spreadsheet, 2 sections (2 and 5 pages)
5. IAM new contract calculations for national contracts spreadsheet
6. National Increase Applicability and U.S. 2007 Benchmark spreadsheets
7. Wall Street Journal - 3 month Treasury Bill Rate
8. 2009/Q1 RCAF Lump Sum Amortization (4 pages)
9. 2009/Q1 RCAF Back Pay Amortization (7 pages)
10. Summary of IAM National Back Pay
11. Back pay calculation for IAM national agreement
12. Health & Welfare worksheet (3 pages)
13. Notice from NRLC with new H&W employer payment rates for 2009
14. NRLC circular with employee H&W cost sharing rates effective January 1, 2009
15. Railroad Retirement spreadsheet (5 pages)
16. Page from Railroad Retirement Board with Tier I & II maximum earnings and tax rates
17. Unemployment Insurance worksheet
18. Page from RR Retirement Board with unemployment insurance maximum earnings and tax rate ranges
19. Memo with Class I rate based on information provided by Railroad Retirement Board
20. 2-page SAS runs for Unemployment Insurance
21. Seven pages of information on oil prices: Monthly and Daily Spot prices, EIA's *Week in Petroleum*
22. Summary of Materials & Supplies
23. Car Hire Spreadsheet (2 pages) plus source data (2 pages)
24. 5 pages of PPI-RE for Depreciation including graph, input/output, and BLS source data
25. 5 pages of PPI-LF for Other (and Lease Rentals) incl graph, input/output, BLS source data
26. Forecast Error calculation and workpapers (11 pages)

ENTERED
Office of Proceedings

DEC - 5 2008

Part of
Public Record

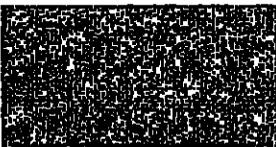
Labor agreement pages used for wages, back pay, lump sums, and employee cost sharing.

1. New national IAM (6 pages)
2. 1 page from WC BRS (independent Jan 1 G.W.I.)
3. 1 page from GTW UTU-YMD (independent Jan 1 G W.I.)
4. 1 page from GTW BMWED (independent Jan 1 G W.I.)
5. 3 pages from new NS BLET (signing bonus and Jan 1 lump sum)
6. 2 pages from new DMIR IBEW (back pay, update wage rate with retro G.W.I.)
7. 4 pages from new IC & CCP TCU (back pay, update wage rate with retro G.W.I., bonus)
8. 2 pages from new SOO UTU (back pay, update wage rate with retro G W.I.)

RCAF All-Inclusive Index's Labor Index Based on 2007 Benchmarks

	3Q/08 Original	3Q/08 Rebench	% Chg	4Q/08	% Chg fr. Org	1Q/09	% Chg	2Q/09	% Chg	3Q/09	% Chg
07 Wts.											
Straight Time	\$25.601	\$26.465	3.4%	\$26.873	5.0%	\$27.239	1.4%				
PFTNW	\$6.099	\$6.003	-1.6%	\$6.143	0.7%	\$6.173	0.5%				
Total	\$31.700	\$32.468	2.4%	\$33.016	4.2%	\$33.412	1.2%	\$0.000	--	\$0.000	--
Adjustments											
Lump Sum	\$0.116	\$0.120		\$0.122		\$0.194					
Back Pay	\$0.664	\$0.687		\$1.010		\$0.920					
Other	\$0.079	\$0.079		\$0.079		\$0.079					
Total Wages	\$32.559	\$33.354	2.4%	\$34.227	5.1%	\$34.605	1.1%	\$0.000	--	\$0.000	--
Pre-Tax Reduction	(\$0.965)	(\$1.027)		(\$1.020)		(\$1.044)					
Taxable Wages	\$31.594	\$32.327		\$33.207		\$33.561		\$0.000		\$0.000	
H & W	\$5.500	\$5.611	2.0%	\$5.617	2.1%	\$5.873	4.6%				
RR Ret & Medicare	\$6.609	\$6.774	2.5%	\$6.906	4.5%	\$7.044	2.0%				
Unemp. Insurance	\$0.195	\$0.201	3.1%	\$0.201	3.1%	\$0.208	3.5%				
Other	\$0.136	\$0.141	3.7%	\$0.078	-42.6%	\$0.095	21.8%				
Total	\$12.440	\$12.727	2.3%	\$12.802	2.9%	\$13.220	3.3%	\$0.000	--	\$0.000	--
Adjustments											
Total Suppl.	\$12.440	\$12.727	2.3%	\$12.802	2.9%	\$13.220	3.3%	\$0.000	--	\$0.000	--
Total Labor	\$44.999	\$46.081	2.4%	\$47.029	4.5%	\$47.825	1.7%	\$0.000	--	\$0.000	--
Wage Rate Index	0.7130	278.6	2.4%	292.9	5.1%	296.1	1.1%	0.0	--	0.0	--
Suppl Index	0.2870	459.7	2.3%	473.1	2.9%	488.5	3.3%	0.0	--	0.0	--
Total Labor Index '06 Wts.		329.1									
Total Labor Index '07 Wts.		330.6	2.4%	344.6	4.2%	351.3	1.9%	0.0	--	0.0	--
Labor Index (Linked)		317.2		330.6	4.2%	337.0	1.9%	0.0	#####	#DIV/0!	--

All Inclusive Index and RCAF

	07 Wts	3Q/08	3Q/08 07 Wts	% Chg	4Q/08	% Chg	1Q/09	% Chg	2Q/09	% Chg	3Q/09	% Chg
Labor	0.328	317.20	317.2	0.0%	330.6	4.2%	337.0	1.9%	0.0 #####	0.0 #####	#DIV/0!	--
Fuel	0.203	472.80	472.8	0.0%	423.6	-10.4%	237.3	-44.0%	--	--	--	--
M&S	0.050	228.30	228.3	0.0%	252.2	10.5%	258.8	2.6%	--	--	--	--
Equip. Rents	0.072	199.50	199.5	0.0%	207.4	4.0%	201.0	-3.1%	0.0 #####	0.0 #####	#DIV/0!	--
Depreciation	0.110	197.90	197.9	0.0%	204.8	3.5%	211.6	3.3%	--	--	--	--
Interest	0.027	90.20	90.2	0.0%	88.0	-2.4%	88.0	0.0%	88.0	0.0%	88.0	0.0%
Other	0.210	203.80	203.8	0.0%	217.8	6.9%	207.0	-5.0%	--	--	--	--
Weighted Avg.	1.000	291.80	292.8	0.3%	292.6	-0.1%	255.2	-12.8%	2.4	-99.1%	#DIV/0!	--
Linked		284.30			284.1	-0.1%	247.8	-12.8%	2.3	-99.1%	#DIV/0!	--
	Scaling Factor											
10/1/80 basis	102.7	276.80			276.6	-0.1%	241.3	-12.8%	2.2	-99.1%	#DIV/0!	--
10/1/82	120.9	235.20			235.0	-0.1%	205.0	-12.8%	1.9	-99.1%	#DIV/0!	--
4Q/87	132.2	215.10			214.9	-0.1%	187.4	-12.8%	1.7	-99.1%	#DIV/0!	--
4Q/92	156.9	181.20			181.1	-0.1%	157.9	-12.8%	1.5	-99.1%	#DIV/0!	--
4Q/97	173.2	164.10			164.0	-0.1%	143.1	-12.7%	1.3	-99.1%	#DIV/0!	--
4Q/02	192.1	148.00			147.9	-0.1%	129.0	-12.8%	1.2	-99.1%	#DIV/0!	--
4Q/07 basis	245.9	115.60			115.5	-0.1%	100.8	-12.7%	0.9	-99.1%	#DIV/0!	--
Car Hire	0.432	182.30	182.3	0.0%	181.7	-0.3%	181.5	-0.1%	--	--	--	--
Lease Rents	0.568	203.80	203.8	0.0%	217.8	6.9%	207.0	-5.0%	0.0	--	0.0	--
Wghted Avg Eq Rents		193.80	194.5	0.4%	202.2	4.0%	196.0	-3.1%	0.0	--	0.0	--
Linked Equipment Rents		199.50			207.4	4.0%	201.0	-3.1%	0.0	0.0 #####	#DIV/0!	--
Preliminary RCAF		1.156			1.155	-0.09%	1.008	-12.7%	0.009	-99.1%	#DIV/0!	--
Forecast Error Adj. RCAF Unadjusted		(0.009) 1.147			0.044 1.199	4.53%	0.014 1.022	-14.8%	0.009	-99.1%	#DIV/0!	--
PAF		2.1748			2.1813	0.30%	2.1878	0.30%	--	--	--	--
RCAF Adjusted		0.527			0.550	4.36%	0.467	-15.1%	#DIV/0!	--	#DIV/0!	--
PAF-5		2.2955			2.3051	0.42%	2.3120	0.30%	--	--	--	--
RCAF-5		0.500			0.520	4.00%	0.442	-15.0%	#DIV/0!	--	#DIV/0!	--

Hourly Rate for 2009 Q1

Straight Time and Time Paid For But Not Worked

2009Q1 Straight Time Hourly Rate (from national spreadsheet) **\$27.107**
 national IAM new agreement, 4 percent gwi for non-union

Adjustments to 2007 base:

Adjustments added 2008 Q1

CN Railroads	New ICA/CCP BRS 4% for WC BRS, 3% for non-unions, \$0.16 COLA for some CCP, DMIR, IC	0.004
Dispatcher 4 (BNSF, CSX, KCS, NS)	No change	0.000
MISC Independent BLET, Yardmasters, Dispatchers	\$0.16 COLA for CSX and UP UTU-YMD 3% for UP ATDA (non-union)	0.005
SOO	New ATDA, IAM, IBBM and TCU contracts, \$0.16 COLA for rest except BLET	0.001

Adjustments added 2008 Q2

CN Railroads	New GTW TCU-Carmen with retroactive G W I	0.001
Dispatcher 4 (BNSF, CSX, KCS, NS)	No change	0.000
MISC Independent BLET, Yardmasters, Dispatchers	No change	0.000
SOO	No change	0.000

Adjustments added 2008 Q3

CN Railroads	New GTW & IC IBEW, IC SMW, DMIR carmen, ICA/CCP UTU w/retro GWI, rest various GWI	0.027
Dispatcher 4 (BNSF, CSX, KCS, NS)	4% G W I for BNSF, CSX and KCS	0.007
MISC Independent BLET, Yardmasters, Dispatchers	New UP YMD with retro G W I, 4% for BNSF BLET \$0.26 COLA for CSX YMD	0.045
SOO	New BRS, IBEW, NCFD and SMW with retro G W I	0.008

Adjustments added 2008 Q4

CN Railroads	New GTW BMW & BLE TCU Adj to account for Aug G W I for GTW BLET and UTU for CCP, GTW, IC, & WC	0.006
Dispatcher 4 (BNSF, CSX, KCS, NS)	No change	0.000
MISC Independent BLET, Yardmasters, Dispatchers	No change	0.000
SOO	New TCU-Carmen and UTU-YMD with retro G W I	0.002

Adjustments added 2009 Q1

CN Railroads	New CCP&IC TCU, DMIR IBEW COLA for WC&DMIR&DWP BMW, 4% for non-unions	0.008
Dispatcher 4 (BNSF, CSX, KCS, NS)	No change	0.000
MISC Independent BLET, Yardmasters, Dispatchers	CSX participates in new (2008) national UTU-YMD, 4% for UP ATDA as non-union	0.013
SOO	New UTU with retro G W I, IAM becomes nat'l-like from interim BMW COLA	0.005

Adjusted STHR Total **\$27.239**

Pay For Time Not Worked

PFTNW (from national spread sheet)	\$6.143
Ratio Adj STHR to Nat STHR	27.239 / 27.107 = 1.00487

Adjusted Pay For Time Not Worked **\$6.173**

Notes:

1. CN Railroads includes B&LE, CC&P, DMIR, DW&P, GTW, IC, and WC
2. "Dispatcher 4" was benchmarked based on 2007 Wage Statistics as independent, even though the new national ATDA contract was signed September 1, 2007.

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/2009

U.S ST Hours = 331,135,912

Wage Statistics are for 2007

Union Group	Employees	Mo. Rate	Annual \$
National BLET (BNSF, CSX, KCS, NS, UP)	28,594	(\$170.96)	(\$58,661,162.88)
National BMW (BNSF, CSX, KCS, NS, UP)	24,164	(\$170.96)	(\$49,572,929.28)
National BRS (BNSF, CSX, KCS, NS, UP)	6,189	(\$170.96)	(\$12,696,857.28)
National IAM (BNSF, CSX, KCS, NS, UP)	6,771	(\$170.96)	(\$13,890,841.92)
National IBBM (BNSF, CSX, KCS, NS, UP)	1,025	(\$170.96)	(\$2,102,808.00)
National IBEW (BNSF, CSX, KCS, NS, UP)	5,039	(\$170.96)	(\$10,337,609.28)
National NCFO (BNSF, CSX, KCS, NS, UP)	2,461	(\$170.96)	(\$5,048,790.72)
National SMW (BNSF, CSX, KCS, NS, UP)	1,069	(\$170.96)	(\$2,193,074.88)
National TCU (BNSF, CSX, KCS, NS, UP)	7,835	(\$170.96)	(\$16,073,659.20)
National TCU-CAR (BNSF, CSX, KCS, NS, UP)	10,617	(\$170.96)	(\$21,780,987.84)
National UTU (BNSF, CSX, KCS, NS, UP)	43,923	(\$170.96)	(\$90,108,912.96)
National UTU-Yardmasters (BNSF, CSX, KCS, NS)	1,715	(\$170.96)	(\$3,518,356.80)
Indep Dispatchers (wt avg BNSF, CSX, KCS, NS)	1,835	(\$170.96)	(\$3,764,539.20)
Independent CNGT (wt avg all 104 union categories)	5,780	(\$92.31)	(\$6,402,621.60)
Independent SOO (wt avg all 13 unions)	2,416	(\$134.31)	(\$3,893,915.52)
Independent UP (Yardmasters only)	262	(\$170.96)	(\$537,498.24)
Total Union	149,695		(\$300,584,565.60)
All Other @ \$3,762,880.60 total per month			(\$45,154,567.20)
Total			(\$345,739,132.80)

Reduction in Wage Rate Per ST Hour	-\$1.04410038
Deduct this amount from the Wage Rate	-\$1.044

National Contracts U.S.

Straight Time Hourly Rate														Check Sum	
Weight	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	1.00000
2007 Avg.	21.431	22.684	23.955	22.664	24.422	21.293	22.136	18.421	21.996	20.503	23.040	32.822	27.352	42.237	344.956
12/31/07	21.488	23.002	24.126	22.994	24.776	21.600	22.455	18.689	22.057	20.805	23.367	33.032	27.400	42.237	348.028
1/1/08	21.640	23.002	24.126	22.994	24.776	21.600	22.455	18.689	22.209	20.805	23.367	33.032	27.476	43.504	
4/1/08	21.640	23.002	24.126	22.994	24.776	21.600	22.455	18.689	22.209	20.805	23.367	33.032	27.476	43.504	
7/1/08	21.887	23.832	24.463	23.895	25.717	22.401	23.290	19.406	22.458	21.587	24.256	33.032	27.601	43.504	
10/1/08	23.374	23.832	24.463	23.895	25.717	22.401	23.290	19.406	22.458	21.587	24.256	33.032	28.707	43.504	
1/1/09	23.374	23.832	24.463	23.895	25.717	22.401	23.290	19.406	24.321	21.587	24.256	33.032	28.707	45.244	
4/1/09	23.374	23.832	24.463	23.895	25.717	22.401	23.290	19.406	24.321	21.587	24.256	33.032	28.707	45.244	
7/1/09	23.374	23.832	24.463	23.895	25.717	22.401	23.290	19.406	24.321	21.587	24.256	33.032	28.707	45.244	

Weighted Straight Time Hourly Rate

Weight	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Total
2007 Avg.	5.589	1.022	4.424	0.133	0.891	2.965	1.372	0.253	0.844	0.123	0.667	0.443	0.299	6.523	25.548
12/31/07	5.604	1.037	4.455	0.135	0.904	3.007	1.392	0.256	0.846	0.125	0.676	0.446	0.300	6.523	25.707
1/1/08	5.624	1.037	4.455	0.135	0.904	3.007	1.392	0.256	0.852	0.125	0.676	0.446	0.300	6.719	25.949
4/1/08	5.624	1.037	4.455	0.135	0.904	3.007	1.392	0.256	0.852	0.125	0.676	0.446	0.300	6.719	25.949
7/1/08	5.708	1.074	4.518	0.140	0.938	3.119	1.443	0.266	0.862	0.130	0.702	0.446	0.302	6.719	26.367
10/1/08	6.096	1.074	4.518	0.140	0.938	3.119	1.443	0.266	0.862	0.130	0.702	0.446	0.314	6.719	26.767
1/1/09	6.096	1.074	4.518	0.140	0.938	3.119	1.443	0.266	0.933	0.130	0.702	0.446	0.314	6.988	27.107
4/1/09	6.096	1.074	4.518	0.140	0.938	3.119	1.443	0.266	0.933	0.130	0.702	0.446	0.314	6.988	27.107
7/1/09	6.096	1.074	4.518	0.140	0.938	3.119	1.443	0.266	0.933	0.130	0.702	0.446	0.314	6.988	27.107

Note. The 2007 Average and 12/31/07 Straight Time Hourly Rates are the Industry Rates, and include all Class 1 railroad employees. The rates for 1/1/08 through 7/1/09 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 2007 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	Weight
2007 Avg.	7.462	5.320	9.862	4.216	5.857	3.914	4.056	3.218	3.966	2.846	4.333	6.394	7.534	1.701	1.00000
12/31/07	7.482	5.394	9.932	4.278	5.942	3.970	4.114	3.264	3.977	2.888	4.394	6.435	7.547	1.701	
1/1/08	7.535	5.394	9.932	4.278	5.942	3.970	4.114	3.264	4.005	2.888	4.394	6.435	7.568	1.752	
4/1/08	7.535	5.394	9.932	4.278	5.942	3.970	4.114	3.264	4.005	2.888	4.394	6.435	7.568	1.752	
7/1/08	7.621	5.589	10.071	4.445	6.168	4.117	4.267	3.390	4.049	2.996	4.562	6.435	7.602	1.752	
10/1/08	8.139	5.589	10.071	4.445	6.168	4.117	4.267	3.390	4.049	2.996	4.562	6.435	7.907	1.752	
1/1/09	8.139	5.589	10.071	4.445	6.168	4.117	4.267	3.390	4.385	2.996	4.562	6.435	7.907	1.822	
4/1/09	8.139	5.589	10.071	4.445	6.168	4.117	4.267	3.390	4.385	2.996	4.562	6.435	7.907	1.822	
7/1/09	8.139	5.589	10.071	4.445	6.168	4.117	4.267	3.390	4.385	2.996	4.562	6.435	7.907	1.822	

Pay For Time Not Worked Hourly Rate

	UTU	TCU	BLET	SMWIA	BRS	BMWE	TCU-CAR	NCFO	IAM	IBBM	IBEW	ATDA	YDMSTR	OTHER	Total
2007 Avg.	1.946	0.240	1.821	0.025	0.214	0.545	0.251	0.044	0.152	0.017	0.125	0.086	0.082	0.263	5.812
12/31/07	1.951	0.243	1.834	0.025	0.217	0.553	0.255	0.045	0.153	0.017	0.127	0.087	0.083	0.263	5.852
1/1/08	1.965	0.243	1.834	0.025	0.217	0.553	0.255	0.045	0.154	0.017	0.127	0.087	0.083	0.271	5.875
4/1/08	1.965	0.249	1.834	0.025	0.217	0.553	0.255	0.045	0.154	0.017	0.127	0.087	0.083	0.271	5.875
7/1/08	1.988	0.252	1.860	0.026	0.225	0.573	0.264	0.046	0.155	0.018	0.132	0.087	0.083	0.271	5.981
10/1/08	2.123	0.252	1.860	0.026	0.225	0.573	0.264	0.046	0.155	0.018	0.132	0.087	0.086	0.271	6.119
1/1/09	2.123	0.252	1.860	0.026	0.225	0.573	0.264	0.046	0.168	0.018	0.132	0.087	0.086	0.281	6.143
4/1/09	2.123	0.252	1.860	0.026	0.225	0.573	0.264	0.046	0.168	0.018	0.132	0.087	0.086	0.281	6.143
7/1/09	2.123	0.252	1.860	0.026	0.225	0.573	0.264	0.046	0.168	0.018	0.132	0.087	0.086	0.281	6.143

U.S. National Contract

UTU

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg.				21.43136	7.46235
12/31/07 Industry Rate				21.48796	7.48205
1/1/08		0.16000	95.081%	21.64009	7.53503
4/1/08			95.081%	21.64009	7.53503
7/1/08		0.26000	95.081%	21.88730	7.62110
10/1/08			95.081%	23.37436	8.13890
1/1/09			95.081%	23.37436	8.13890
4/1/09			95.081%	23.37436	8.13890
7/1/09			95.081%	23.37436	8.13890

New contract removes COLAs beginning 7/1/05 and adds four retro G W I

TCU

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg.				22.68401	5.31991
12/31/07 Industry Rate				23.00206	5.39450
1/1/08			90.200%	23.00206	5.39450
4/1/08			90.200%	23.00206	5.39450
7/1/08	4.00%		90.200%	23.83197	5.58913
10/1/08			90.200%	23.83197	5.58913
1/1/09			90.200%	23.83197	5.58913
4/1/09			90.200%	23.83197	5.58913
7/1/09			90.200%	23.83197	5.58913

BLET

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg.				23.95489	9.86184
12/31/07 Industry Rate				24.12555	9.93210
1/1/08			34.962%	24.12555	9.93210
4/1/08			34.962%	24.12555	9.93210
7/1/08	4.00%		34.962%	24.46294	10.07100
10/1/08			34.962%	24.46294	10.07100
1/1/09			34.962%	24.46294	10.07100
4/1/09			34.962%	24.46294	10.07100
7/1/09			34.962%	24.46294	10.07100

SMWIA

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg				22.66428	4 21647
12/31/07 Industry Rate				22.99380	4.27778
1/1/08			97.958%	22.99380	4.27778
4/1/08			97.958%	22.99380	4.27778
7/1/08	4.00%		97.958%	23 89478	4.44540
10/1/08			97.958%	23.89478	4.44540
1/1/09			97.958%	23.89478	4.44540
4/1/09			97.958%	23 89478	4.44540
7/1/09			97.958%	23.89478	4.44540

BRS

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg				24.42212	5 85744
12/31/07 Industry Rate				24.77623	5.94237
1/1/08			94.910%	24.77623	5.94237
4/1/08			94.910%	24.77623	5.94237
7/1/08	4.00%		94.910%	25.71684	6.16797
10/1/08			94.910%	25.71684	6.16797
1/1/09			94.910%	25.71684	6.16797
4/1/09			94.910%	25.71684	6 16797
7/1/09			94.910%	25.71684	6.16797

BMWE

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg				21.29321	3.91372
12/31/07 Industry Rate				21.60038	3.97018
1/1/08			92.688%	21.60038	3.97018
4/1/08			92.688%	21.60038	3.97018
7/1/08	4.00%		92.688%	22.40121	4.11738
10/1/08			92.688%	22.40121	4.11738
1/1/09			92.688%	22.40121	4.11738
4/1/09			92.688%	22.40121	4.11738
7/1/09			92.688%	22.40121	4.11738

U.S. National Contract

TCU-Carmen

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg.				22 13635	4.05604
12/31/07 Industry Rate				22.45538	4.11449
1/1/08			92.958%	22.45538	4.11449
4/1/08			92.958%	22.45538	4.11449
7/1/08	4.00%		92.958%	23 29035	4.26748
10/1/08			92.958%	23 29035	4.26748
1/1/09			92.958%	23.29035	4.26748
4/1/09			92.958%	23.29035	4.26748
7/1/09			92.958%	23.29035	4.26748

NCFO

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg.				18.42081	3.21755
12/31/07 Industry Rate				18.68946	3.26448
1/1/08			95.848%	18.68946	3 26448
4/1/08			95.848%	18.68946	3.26448
7/1/08	4.00%		95.848%	19.40599	3.38963
10/1/08			95.848%	19.40599	3.38963
1/1/09			95.848%	19.40599	3.38963
4/1/09			95.848%	19.40599	3 38963
7/1/09			95.848%	19.40599	3.38963

IAM

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg.				21.99565	3.96598
12/31/07 Industry Rate				22.05664	3.97698
1/1/08		0.16000	95.500%	22.20944	4.00453
4/1/08			95.500%	22.20944	4.00453
7/1/08		0.26000	95.500%	22.45774	4.04930
10/1/08			95.500%	22.45774	4.04930
1/1/09			95.500%	24.32065	4.38520
4/1/09			95.500%	24.32065	4.38520
7/1/09			95 500%	24.32065	4.38520

New contract removes COLAs beginning 7/1/08 and adds three retro G W I and \$0.38 rate adjustment on 10/1/08

IBBM

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg				20.50257	2.84564
12/31/07 Industry Rate				20.80499	2.88762
1/1/08			93.924%	20.80499	2.88762
4/1/08			93.924%	20.80499	2.88762
7/1/08	4.00%		93.924%	21.58662	2.99611
10/1/08			93.924%	21.58662	2.99611
1/1/09			93.924%	21.58662	2.99611
4/1/09			93.924%	21.58662	2.99611
7/1/09			93.924%	21.58662	2.99611

IBEW

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg				23.03968	4.33287
12/31/07 Industry Rate				23.36668	4.39437
1/1/08			95.185%	23.36668	4.39437
4/1/08			95.185%	23.36668	4.39437
7/1/08	4.00%		95.185%	24.25634	4.56168
10/1/08			95.185%	24.25634	4.56168
1/1/09			95.185%	24.25634	4.56168
4/1/09			95.185%	24.25634	4.56168
7/1/09			95.185%	24.25634	4.56168

ATDA

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg				32.82204	6.39405
12/31/07 Industry Rate				33.03246	6.43505
1/1/08			0.000%	33.03246	6.43505
4/1/08			0.000%	33.03246	6.43505
7/1/08			0.000%	33.03246	6.43505
10/1/08			0.000%	33.03246	6.43505
1/1/09			0.000%	33.03246	6.43505
4/1/09			0.000%	33.03246	6.43505
7/1/09			0.000%	33.03246	6.43505

Each railroad has been benchmarked as independent even though a national agreement was signed 9/1/07

YDMSTRS

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg.				27.35210	7.53365
12/31/07 Industry Rate				27.39953	7.54672
1/1/08		0.16000	47.905%	27.47617	7.56783
4/1/08			47.905%	27.47617	7.56783
7/1/08		0.26000	47.905%	27.60073	7.60213
10/1/08			47.905%	28.70696	7.90683
1/1/09			47.905%	28.70696	7.90683
4/1/09			47.905%	28.70696	7.90683
7/1/09			47.905%	28.70696	7.90683

New contract removes COLAs beginning 7/1/05 and adds four retro G W I

OTHER

	Percentage Increase	Cents Increase	Applicable	ST HR	PFTNW HR
2007 Industry Avg.				42.23703	1.70106
12/31/07 Industry Rate				42.23703	1.70106
1/1/08	3.00%		100.000%	43.50414	1.75209
4/1/08			100.000%	43.50414	1.75209
7/1/08			100.000%	43.50414	1.75209
10/1/08			100.000%	43.50414	1.75209
1/1/09	4.00%		100.000%	45.24431	1.82217
4/1/09			100.000%	45.24431	1.82217
7/1/09			100.000%	45.24431	1.82217

Check Sums

	Increase	Applicable	ST HR	PFTNW HR
2007 AVG			344.95611	70.67859
12/31/07			348.02814	
		1127.119%		
		ok matches	ok matches	ok matches
			ok matches	

Should match check sum on National Increase Applicability for U.S. Total page

All three should match check sums on U S Benchmark page.

IAM Straight Time Hourly Rate

National IAM Agreement Includes BNSF, CSX, KCS, NS & UP

ST Hours

Nat'l IAM ST Hrs Pd	12,135,527	from 2007 wage statistics
BLE IAM ST Hrs Pd	10,561	from 2007 wage statistics
CCP IAM ST Hrs Pd	7,511	from 2007 wage statistics
DMIR IAM ST Hrs Pd	40,554	from 2007 wage statistics
DWP IAM ST Hrs Pd	3,634	from 2007 wage statistics
GTW IAM ST Hrs Pd	22,918	from 2007 wage statistics
IC IAM ST Hrs Pd	268,044	from 2007 wage statistics
SOO IAM ST Hrs Pd	169,513	from 2007 wage statistics
WC IAM ST Hrs Pd	<u>49,046</u>	from 2007 wage statistics
Total	12,707,308	matches total for IAM

ST Hourly Rate (YearEnd2007_final.xls)

Nat'l IAM 1/1/09 STHR	\$24.41098	see BackpaySum tab
BLE IAM 12/31/07 STHR	\$21.60831	copied from YearEnd2007_final, USCalcu2 tab
CCP IAM 12/31/07 STHR	\$22.89297	copied from YearEnd2007_final, USCalcu2 tab
DMIR IAM 12/31/07 STHR	\$22.48297	copied from YearEnd2007_final, USCalcu2 tab
DWP IAM 12/31/07 STHR	\$23.12265	copied from YearEnd2007_final, USCalcu2 tab
GTW IAM 12/31/07 STHR	\$22.94153	copied from YearEnd2007_final, USCalcu2 tab
IC IAM 12/31/07 STHR	\$22.97602	copied from YearEnd2007_final, USCalcu2 tab
SOO IAM 12/31/07 STHR	\$22.80678	copied from YearEnd2007_final, USCalcu2 tab
WC IAM 12/31/07 STHR	\$17.60648	copied from YearEnd2007_final, USCalcu2 tab

ST Compensation

Nat'l IAM 1/1/09 ST\$	\$296,240,153.77	calculated using ST Hourly Rate x ST hours
BLE IAM 12/31/07 ST\$	\$228,205.38	calculated using ST Hourly Rate x ST hours
CCP IAM 12/31/07 ST\$	\$171,949.11	calculated using ST Hourly Rate x ST hours
DMIR IAM 12/31/07 ST\$	\$911,774.27	calculated using ST Hourly Rate x ST hours
DWP IAM 12/31/07 ST\$	\$84,027.70	calculated using ST Hourly Rate x ST hours
GTW IAM 12/31/07 ST\$	\$525,773.90	calculated using ST Hourly Rate x ST hours
IC IAM 12/31/07 ST\$	\$6,158,583.10	calculated using ST Hourly Rate x ST hours
SOO IAM 12/31/07 ST\$	\$3,866,045.41	calculated using ST Hourly Rate x ST hours
WC IAM 12/31/07 ST\$	<u>\$863,527.65</u>	calculated using ST Hourly Rate x ST hours
Total	\$309,050,040.29	

Total ST HR 1/1/09 **\$24.32065** **Total ST\$ divided by Total ST Hours Paid**

This is the figure that goes into the NatWage spreadsheet beginning with 2009Q1. They include the new national contract wage rates for IAM as of 2009Q1. Non-national agreements are at the 12/31/2007 level, and are updated independently elsewhere.

Check Nat'l 1/1/09 Rate	IAM
12/31/2007 ST HR	\$22.04030
less COLA on 7/1/06	-\$0.01000
less COLA on 1/1/07	-\$0.15000
less COLA on 7/1/07	-\$0.10000
plus 3.0% on 7/1/06	\$22.43370
plus 3.0% on 7/1/07	\$23.10672
plus 4.0% on 7/1/08	\$24.03098
plus Rate Adj. on 10/1/08	\$24.41098

National Increase Applicability for U.S. Total

Year 2007	Not Part of National Agreements*																	U S				
	Union	ST Hours Pd	CSX (E)	BLE (E)	DMIR (E)	GTW (E)	IC (E)	CCP (E)	DWP (E)	SSAM (E)	WC (E)	NS (E)	BNSF (W)	KCS (W)	SCO (W)	UP (W)	ST Hours Pd	National Increase	Percent National Contract			
U.S. Total																						
	UTU	86,357,895	--	32,871	125,089	534,861	1,381,466	144,252	75,045	652,185	--	--	--	1,302,037	--	--	82,110,289	95.081%				
	TCU	14,922,715	--	13,486	128,915	249,531	512,157	1,792	27,436	114,963	--	--	--	414,190	--	--	13,480,245	90.200%				
	BLET	61,150,821	11,055,703	18,569	66,117	392,869	898,334	109,763	72,215	566,881	9,863,226	15,627,322	--	1,100,472	--	--	21,379,350	34.962%				
	SMRW	1,940,955	--	0	1,752	0	34,385	0	0	0	0	--	--	3,485	--	--	1,901,323	97.958%				
	BRS	12,079,365	--	9,722	0	101,668	234,021	29,276	12,890	123,788	--	--	--	103,451	--	--	11,484,549	94.910%				
	BMWE	48,101,997	--	48,982	0	382,757	971,964	169,233	0	954,290	--	--	--	843,827	--	--	42,730,944	92.686%				
	TCU-CAR	20,521,407	--	25,950	49,607	204,043	505,574	22,374	21,911	314,759	--	--	--	300,842	--	--	19,076,347	92.955%				
	IBFO	4,542,603	--	1,822	0	31,471	81,293	1,792	0	0	0	--	--	72,240	--	--	4,353,985	95.846%				
	IAM	12,707,308	--	10,561	40,554	22,918	268,044	7,511	3,634	49,046	--	--	--	169,513	--	--	12,135,527	95.500%				
	IBBM	1,992,539	--	0	1,800	0	56,747	4,033	0	0	0	--	--	58,485	--	--	1,871,464	93.924%				
	IBEW	9,594,464	--	8,371	64,181	33,143	187,180	11,278	3,680	42,359	--	--	--	111,314	--	--	9,122,948	95.185%				
	ATDA	4,469,790	716,322	0	1,944	26,656	86,330	0	7,032	55,336	890,054	1,228,228	71,279	83,642	1,302,969	0	0	0.000%				
	UTU-YMC	3,620,368	1,137,801	0	0	62,757	80,838	0	0	42,852	--	--	--	77,022	484,754	1,734,344	47.905%					
	OTHER	51,143,685	--	--	--	--	--	--	--	--	--	--	--	--	--	--	51,143,685	100.000%				
	TOTAL	331,135,912	12,909,826	170,334	479,969	2,042,474	5,288,333	501,304	223,843	0	2,918,459	10,753,280	16,855,548	71,279	4,640,540	1,767,723	272,485,000					
	Sum (for proofing)																					1127.118%

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

Statistics based on AAP's 2007 112-Class Wage Statistics and knowledge of contracts as of August 2008
 Percentages are full fiscal.

ATDA (dispatchers) are independent for each railroad. Although BNSF, CSX, and KCS are participating in a national agreement, they are benchmarked as independent. NS is participating for HAW only. UP is non-union. IC & UP dispatchers are non-union, and given same increases as non-union, but handled independently.

U.S. 2007 Benchmark

	From AAR 112-Class Wage Statistics & Survey				ST \$ Adjusted to Exclude		2007 Average Hourly Rates		12/31/2007		ST Hrs. 2007	
	ST Hrs.	ST \$	PFTNW \$		Lump Sums	ST wo LS	PFTNW		ST HR	ST HR	Weights	
			Union L. Sum	Union L. Sum			PFTNW	PFTNW				
UTU	86,357,895	\$1,852,772,963	\$644,432,559	\$2,006,022	\$1,850,766,941	\$21,431	\$7,462	\$21,488	\$21,488	0.26079		
TCU	14,922,715	342,457,005	79,387,499	3,949,964	338,507,041	22,684	5,320	23,002	23,002	0.04507		
BLET	61,150,821	1,556,216,013	603,059,765	91,354,933	1,464,861,080	23,955	9,862	24,126	24,126	0.18467		
SMWIA	1,940,955	44,000,512	8,183,988	10,161	43,990,351	22,664	4,216	22,994	22,994	0.00586		
BRS	12,079,365	295,173,634	70,754,176	169,884	295,003,750	24,422	5,857	24,776	24,776	0.03648		
BMWE	46,101,997	982,319,021	180,430,448	659,603	981,659,418	21,293	3,914	21,600	21,600	0.13922		
TCU-CAR	20,521,407	454,718,600	83,235,556	449,453	454,269,147	22,136	4,056	22,455	22,455	0.06197		
NCFO	4,542,603	83,734,823	14,616,068	56,389	83,678,434	18,421	3,218	18,689	18,689	0.01372		
IAM	12,707,308	279,543,424	50,396,963	37,868	279,505,556	21,996	3,966	22,057	22,057	0.03837		
IBBM	1,992,539	40,953,487	5,670,058	101,321	40,852,166	20,503	2,846	20,805	20,805	0.00602		
IBEW	9,584,464	220,966,214	41,528,260	143,232	220,822,982	23,040	4,333	23,367	23,367	0.02894		
ATDA	4,469,790	152,300,687	28,580,082	5,593,070	146,707,617	32,822	6,394	33,032	33,032	0.01350		
UTU-YMD	3,620,368	101,015,301	27,274,599	1,990,631	99,024,670	27,352	7,534	27,400	27,400	0.01093		
OTHER	51,143,685	2,160,157,429	86,998,315	0	2,160,157,429	42,237	1,701	42,237	42,237	0.15445		
AAR 112 Total	331,135,912	8,566,329,113	1,924,548,336	106,522,531	8,459,806,582	25,548	5,812	25,707	25,707	1.00000		
Sum (for proofing)						344,95611	70,67859	348,02814				

Year-End Figures are calculated, based on 2007 WS-112 and union contracts, in YearEnd2007_final.xls exhibited in document titled "Year-End 2007 ST Hourly Rates for U S"
The ST Hours Weights and the Hourly Rates are full float

0.150%

BORROWING BENCHMARKS

Money Rates

November 24, 2008

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 (%)	
		Sept. '08	Oct. '07
U.S. consumer price index			
All items	216.573	-1.0	3.7
Core	217.823	0.1	2.2

International rates

	Latest	Week ago	52-WEEK	
			High	Low
U.S. dollar				
Canada	4.00	4.00	6.25	4.00
Euro zone	3.25	3.25	4.25	2.25
Japan	1.675	1.675	1.75	1.575
Switzerland	2.06	2.30	4.56	12.06
Britain	5.00	3.00	5.75	3.00
Australia	5.25	5.75	7.25	5.25
Hong Kong	5.25	5.25	8.00	5.25

Overnight repurchase

	Latest	Week ago	52-WEEK High	52-WEEK Low
U.S.	0.58	0.70	4.50	0.15
U.K. (RBA)	2.58	2.62	4.20	2.52
Euro zone	2.83	2.97	4.50	2.83

U.S. government rates

	Latest	Week ago	52-WEEK	
			High	Low
Discount				
1.25	1.25	0.00	1.25	0.00
Federal funds				
Effective rate	0.48	0.44	4.69	0.23
High	1.3750	1.1900	10.0000	1.0000
Low	0.1250	0.7500	3.5000	0.0000
Bid	0.2500	0.2500	8.0000	0.0000
Offer	0.0625	1.0000	10.0000	0.0500
Treasury bill auction				
13 weeks	0.100	0.070	3.600	0.070
26 weeks	0.150	0.150	3.110	0.150
52 weeks	0.490	0.890	3.490	0.490

Secondary market

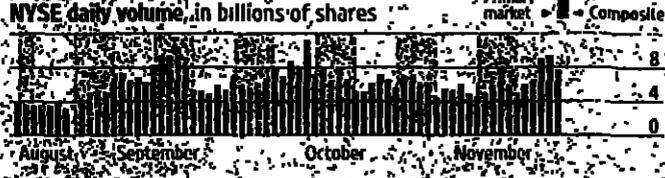
	Latest	Week ago	52-WEEK	
			High	Low
Prime rates				
Bankers' acceptance	1.50	1.60	5.30	1.50
30 days	2.00	2.25	5.25	2.00
90 days	2.33	2.48	5.23	2.33
180 days	2.51	2.66	5.20	2.51
Commercial paper				
30 to 44 days	1.05	1.10	4.95	1.05
45 to 59 days	1.35	1.40	4.95	1.35
60 to 89 days	1.55	1.60	4.95	1.55
90 to 119 days	1.60	1.65	4.95	1.60
120 to 149 days	1.75	1.80	4.95	1.75
150 to 179 days	1.80	1.85	4.95	1.80
180 to 199 days	1.90	1.95	4.95	1.90
200 to 209 days	1.75	1.80	4.95	1.75
210 to 270 days	1.70	1.75	4.95	1.70

Other short-term rates

	Latest	Week ago	52-WEEK	
			High	Low
Dealer commercial paper				
30 days	1.40	1.74	5.95	1.40
60 days	2.24	1.99	5.95	2.24
90 days	2.49	2.14	5.95	2.49
Euro commercial paper				
30 days	3.45	3.30	4.75	3.17
Two month	3.67	3.97	4.80	3.67
Three month	3.70	4.00	5.00	3.70
Four month	3.58	3.88	5.00	3.58
Five month	3.72	4.00	5.02	3.72
Six month	3.74	4.02	5.07	3.74
London interbank offered rate or Libor				
One month	4.1125	4.7775	5.2188	3.9500
Three month	2.6875	2.2375	5.1563	2.1325
Six month	2.5750	2.71375	4.6650	2.3625
One year	2.7875	2.8800	4.5525	2.1713
New York Funding Rate				
One month	4.6573	4.580	4.8273	4.4390
Three month	2.3191	2.2400	4.9000	2.2527
Libor Swaps (USD)				
Two year	2.337	2.294	4.169	2.049
Three year	2.673	2.708	4.325	2.357
Five year	3.208	3.359	4.661	2.879
Seven year	3.572	4.007	4.968	3.296
Ten year	3.880	4.039	5.200	3.247
30 year	3.413	4.015	5.248	3.165
Euro Libor				
One month	3.469	3.773	5.186	3.469
Three month	3.374	3.488	5.391	3.374
Six month	3.023	3.254	5.438	3.023
One year	3.489	3.325	5.514	3.080
Euro interbank offered rate (Eurobor)				
One month	3.684	3.777	5.197	3.484
Three month	3.570	4.191	5.393	3.970
Six month	3.820	4.262	5.448	4.070
One year	4.077	3.732	5.526	3.977
Yield				
One month	0.984	1.043	4.993	0.904
Three month	1.451	2.141	4.442	1.282
Six month	2.251	2.446	4.100	1.724
One year	2.850	2.633	3.950	1.671
Asian dollars				
One month	1.402	1.241	5.254	1.385
Three month	2.136	2.280	5.156	2.100
Six month	2.534	2.748	4.969	2.315
One year	2.496	2.726	5.406	2.113
Japanese yen				
One month	1.40	1.71	5.58	1.50
Three month	1.40	1.52	5.20	1.40
Six month	2.26	2.40	5.25	2.15
One year	2.26	2.40	5.25	2.15



NYSE daily volume, in billions of shares. Based on prev. 12 mo. (trailing) or forecast next 12 mo. (est.) earnings. Source: Buzzi Associates Inc.



STOCKS CURRENCIES

Major U.S. Stock-Market Indexes

	High	Low	Latest Close	% Chg	52-WEEK High	52-WEEK Low
Dow Jones Ind.	14,933	14,848	14,933	-0.57	15,172	13,727
Industrial Average	8,599.02	8,048.09	8,443.39	-3.96	9,725.22	6,493.13
Transportation Avg	3,346.01	3,122.75	3,300.13	-1.77	3,568.88	2,542.95
Utility Average	3,779.14	3,361.74	3,704.07	-1.06	4,111.11	2,552.74
Wilshire 5000	8,565.58	7,926.09	8,438.52	-2.14	9,647.44	6,453.11
Barron's 500	1,718.11	1,584.43	1,669.83	-1.41	1,720.44	1,326.56

Nasdaq Stock Market

Nasdaq Composite	1,480.41	1,397.19	1,477.82	-5.76	1,633.33	1,274.41
Nasdaq 100	1,163.05	1,096.55	1,154.94	-6.77	1,303.33	1,216.94

Standard & Poor's

500 Index	865.60	801.20	851.81	-5.78	964.77	615.96
MidCap 400	479.26	441.50	474.51	-3.00	577.47	397.27
SmallCap 600	236.65	220.48	228.12	-15.02	303.82	140.66

Other indexes

Russell 2000	438.98	407.46	436.80	-3.06	574.44	279.03
NYSE Composite	2,004.95	1,959.79	2,013.76	-3.53	2,104.42	1,519.75
Value Line	200.32	183.81	198.89	-15.06	219.19	149.75
Alternext Biotech	568.68	543.73	567.86	-24.13	644.44	386.57
Alternext Pharma	254.93	241.99	251.12	8.96	317.90	357.39
KBW Bank	43.93	36.92	43.65	-6.54	57.72	99.15
PHLX Gold/Silver	99.78	93.17	94.82	6.02	107.78	206.37
PHLX Oil Service	128.39	117.23	125.82	-10.19	150.80	359.61
PHLX Semiconductor	192.66	179.76	191.20	-10.98	209.09	432.25
COE Volatility	71.85	61.81	64.70	-7.97	70.97	80.86

Commodities and Currencies

Pricing trends on some raw materials or commodities and the strength of the U.S. dollar against other currencies.

	Close	Monday Net chg.	% Chg	52-WEEK		YTD % Chg
				High	Low	
DI-AIG Commodity	12,436	5.92	5.04	23,953	11,754	32.41
Reuters-Jerome CB8	145.80	-12.42	5.37	1,473.52	230.35	-31.01
Crude oil, per barrel	75.20	3.57	9.15	145.29	49.62	-44.22
Natural gas, MMBtu	6.88	0.08	8.30	13.77	0.21	-10.81
Gold, per troy oz.	1,192.00	27.70	3.50	1,003.20	704.90	0.80
U.S. Dollar Index	76.00	-2.10	-2.39	88.19	71.39	-14.94
U.S. Dollar, JPM Index	93.17	1.70	1.82	93.4	78.6	-12.63
Euro per dollar	0.751	0.0200	2.52	0.8017	0.6257	15.33
Yen per dollar	110.88	1.05	1.10	114.70	93.88	-8.58



How the Largest Mutual Funds Did

Largest fund vs. the broad market. Net TOTAL RETURN. Symbol change: YTD 52-wk.

U.S. prime rate effective October 30, 2008. Discount rate is effective October 29, 2008. U.S. prime rate is the base rate on non-secured loans posted by at least 25 of the 10 largest U.S. banks. Other prime rates...

RCAF Lump Sum Amortization
2009/Q1

	Quarter of Payment	Quarter Amortization Began	Amount	Annual Per ST Hour	1 Quarter Per ST Hour	U.S. ST Hours	
GTW - TCU-CAR	2008Q2	2008Q2	\$90,000	0.00027	0.00109	331,135,912	2007
NS - BLET & ATDA	2008Q2	2008Q2	\$18,270,799	0.05518	0.22070	331,135,912	2007
CSX - BLET	2008Q2	2008Q2	\$20,528,547	0.06199	0.24798	331,135,912	2007
CNGT - various ²	Various	2008Q3	\$48,000	0.00014	0.00058	331,135,912	2007
BLE - TCU	2008Q3	2008Q4	\$8,000	0.00002	0.00010	331,135,912	2007
CSX - ATDA-East	2008Q1	2008Q4	\$918,238	0.00277	0.01109	331,135,912	2007
IC and CCP - TCU	2008Q3	2009Q1	\$282,000	0.00085	0.00341	331,135,912	2007
NS - BLET	2008Q4	2009Q1	\$23,876,000	0.07210	0.28841	331,135,912	2007
Total			\$64,021,584	0.19334			

Should be slightly less than amortized amount

Fell out
(None)

Interest Rate

2007/Q1	4.940
2007/Q2	5.035
2007/Q3	4.775
2007/Q4	4.600
2008/Q1	3.390
2008/Q2	2.160
2008/Q3	1.870
2008/Q4	1.710
2009/Q1	0.150
2009/Q2	
2009/Q3	
2009/Q4	

Lump Sum Adjustment for 2009/Q1 → 0.194303
or
0.194

¹ DWP TCU-CAR, GTW BLET, and GTW TCU

² DMIR TCU-CAR and GTW IBEW

SCHEDULE: GTW TCU-CAR

Added 2008Q2

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 00109			
2008/Q2	4	2 160	0 5400	\$0.00082	\$0.00028	\$0.00001	\$0.00027
2008/Q3	3	1.870	0 4675	\$0.00055	\$0.00028	\$0 00000	\$0.00027
2008/Q4	2	1 710	0 4275	\$0.00027	\$0.00027	\$0.00000	\$0.00027
2009/Q1	1	0.150	0 0375	\$0.00000	\$0.00027	\$0.00000	\$0.00027

SCHEDULE: NS BLET & ATDA

Added 2008Q2

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0.22070			
2008/Q2	4	2.160	0 5400	\$0 16597	\$0.05592	\$0 00119	\$0.05473
2008/Q3	3	1.870	0 4675	\$0.11091	\$0.05584	\$0 00078	\$0.05507
2008/Q4	2	1 710	0 4275	\$0.05557	\$0 05581	\$0 00047	\$0.05534
2009/Q1	1	0.150	0 0375	\$0 00000	\$0.05559	\$0.00002	\$0.05557

SCHEDULE: CSX BLET

Added 2008Q2

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 24798			
2008/Q2	4	2.160	0 5400	\$0.18648	\$0.06283	\$0.00134	\$0.06149
2008/Q3	3	1.870	0 4675	\$0 12461	\$0 06274	\$0.00087	\$0.06187
2008/Q4	2	1.710	0.4275	\$0.06244	\$0.06271	\$0.00053	\$0.06217
2009/Q1	1	0.150	0.0375	\$0 00000	\$0.06246	\$0 00002	\$0 06244

SCHEDULE: CNGT various (DMIR TCU-CAR and GTW IBEW)

Added 2008Q3

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 00058			
2008/Q3	4	1 870	0 4675	\$0 00044	\$0.00015	\$0 00000	\$0 00014
2008/Q4	3	1.710	0.4275	\$0.00029	\$0.00015	\$0 00000	\$0.00014
2009/Q1	2	0.150	0.0375	\$0 00015	\$0.00015	\$0 00000	\$0.00015
2009/Q2	1		0.0000	\$0 00000	\$0.00015	\$0 00000	\$0.00015

SCHEDULE: BLE TCU

Added 2008Q4

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 00010			
2008/Q4	4	1.710	0 4275	\$0 00007	\$0 00002	\$0 00000	\$0.00002
2009/Q1	3	0.150	0.0375	\$0 00005	\$0.00002	\$0 00000	\$0.00002
2009/Q2	2		0.0000	\$0 00002	\$0.00002	\$0.00000	\$0 00002
2009/Q3	1		0.0000	\$0.00000	\$0 00002	\$0.00000	\$0 00002

SCHEDULE: CSX ATDA-East

Added 2008Q4

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0.01109			
2008/Q4	4	1.710	0.4275	\$0 00834	\$0.00280	\$0 00005	\$0 00276
2009/Q1	3	0.150	0.0375	\$0 00556	\$0.00278	\$0.00000	\$0.00278
2009/Q2	2		0.0000	\$0.00278	\$0.00278	\$0.00000	\$0.00278
2009/Q3	1		0.0000	\$0 00000	\$0.00278	\$0 00000	\$0.00278

SCHEDULE: IC and CCP TCU

Added 2009Q1

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0.00341			
2009/Q1	4	0.150	0.0375	\$0.00256	\$0.00085	\$0.00000	\$0.00085
2009/Q2	3		0.0000	\$0.00170	\$0.00085	\$0.00000	\$0.00085
2009/Q3	2		0.0000	\$0.00085	\$0.00085	\$0.00000	\$0.00085
2009/Q4	1		0.0000	\$0.00000	\$0.00085	\$0.00000	\$0.00085

SCHEDULE: NS BLET

Added 2009Q1

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0.28841			
2009/Q1	4	0.150	0.0375	\$0.21635	\$0.07217	\$0.00011	\$0.07206
2009/Q2	3		0.0000	\$0.14423	\$0.07212	\$0.00000	\$0.07212
2009/Q3	2		0.0000	\$0.07212	\$0.07212	\$0.00000	\$0.07212
2009/Q4	1		0.0000	\$0.00000	\$0.07212	\$0.00000	\$0.07212

**RCAF Back Pay Amortization
2009/Q1**

	Quarter of Payment	Quarter Amortization Began	Amount	Annual Per ST Hour	1 Quarter Per ST Hr.	U.S ST Hours	
UP - ATDA	2008Q2	2008Q2	\$312,309	0 00094315	0 00377	331,135,912	2007
UP - UTU-YMD	2008Q2	2008Q2	(\$21,285)	-0 00006428	-0 00026	331,135,912	2007
GTW - TCU-CAR	2008Q2	2008Q2	\$1,079,857	0 00326107	0 01304	331,135,912	2007
IC - BMW (ECS offset)	2008Q3	2008Q3	(\$236,250)	-0 00071345	-0 00285	331,135,912	2007
GTC/CN - various ²	Various	2008Q3	\$4,693,403	0 01417365	0 05669	331,135,912	2007
UP - UTU-YMD (new contract)	2008Q2	2008Q3	\$3,445,994	0 01040658	0 04163	331,135,912	2007
SOO - new BRS IBEW NCFO SMW	2008Q2	2008Q3	\$495,002	0 00149486	0 00598	331,135,912	2007
National UTU & UTU-YMD	2008Q3	2008Q4	\$248,263,064	0 74973162	2 99893	331,135,912	2007
BNSF - ATDA	2008Q3	2008Q4	\$531,401	0 00160478	0 00642	331,135,912	2007
GTC/CN - various ³	2008Q3	2008Q4	\$2,310,514	0 00697754	0 02791	331,135,912	2007
GTC/CN (ECS) - various ⁴	Various	2008Q4	\$37,288	0 00011261	0 00045	331,135,912	2007
SOO - TCU-CAR & UTU-YMD	2008Q3	2008Q4	\$1,016,782	0 00307059	0 01228	331,135,912	2007
National IAM	2008Q4	2009Q1	\$31,263,259	0 09441217	0 37765	331,135,912	2007
SOO - IAM & UTU	2008Q3	2009Q1	\$3,239,631	0 00978339	0 03913	331,135,912	2007
GTC/CN - various ⁵	Various	2009Q1	\$2,147,112	0 00648408	0 02594	331,135,912	2007
CSX - UTU-YMD (national)	2008Q3	2009Q1	\$5,362,086	0 01619301	0 06477	331,135,912	2007
Total			\$303,940,166	0 91787135			

Should be slightly less
than amortized amount

Fell out

National 3 Unions ¹	2007Q4	2008Q1	\$66,876,916	0 20196214	0 80785	331,135,912	2007
IC&CCP - BRS	2008Q1	2008Q1	\$586,106	0 00176999	0 00708	331,135,912	2007
SOO - ATDA, IAM, IBBM, TCU	2007Q4	2008Q1	\$1,236,670	0 00373463	0 01494	331,135,912	2007

Interest Rate

2007/Q1	4 940
2007/Q2	5 035
2007/Q3	4 775
2007/Q4	4 600
2008/Q1	3 390
2008/Q2	2 160
2008/Q3	1 870
2008/Q4	1 710
2009/Q1	0 150
2009/Q2	
2009/Q3	
2009/Q4	

Back Pay Adjustment for 2009/Q1	→ 0.92034 or 0.920
---------------------------------	--------------------------

¹ National IBEW, TCU and TCU-CAR² DMIR TCU-CAR; GTW IBEW, IC IBEW, SMW and UTU (including CCP)³ BLE TCU; GTW BME⁴ BLE BLET and UTU, GTW ATDA and BLET⁵ DMIR IBEW and UTU, IC and CCP TCU

SCHEDULE: UP ATDA
 Added 2008Q2

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 00377			
2008/Q2	4	2 160	0 5400	\$0.00284	\$0 00096	\$0 00002	\$0 00094
2008/Q3	3	1.870	0 4675	\$0 00190	\$0 00095	\$0 00001	\$0 00094
2008/Q4	2	1 710	0 4275	\$0 00095	\$0 00095	\$0 00001	\$0 00095
2009/Q1	1	0 150	0 0375	\$0 00000	\$0.00095	\$0 00000	\$0 00095

SCHEDULE: UP UTU-YMD
 Added 2008Q2

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				(\$0 00026)			
2008/Q2	4	2 160	0 5400	(\$0 00019)	(\$0 00007)	(\$0 00000)	(\$0 00006)
2008/Q3	3	1 870	0 4675	(\$0 00013)	(\$0 00007)	(\$0 00000)	(\$0 00006)
2008/Q4	2	1 710	0 4275	(\$0 00006)	(\$0 00007)	(\$0 00000)	(\$0 00006)
2009/Q1	1	0 150	0 0375	(\$0 00000)	(\$0.00006)	(\$0 00000)	(\$0 00006)

SCHEDULE: GTW TCU-CAR
 Added 2008Q2

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 01304			
2008/Q2	4	2 160	0 5400	\$0 00981	\$0 00331	\$0 00007	\$0 00323
2008/Q3	3	1 870	0 4675	\$0 00655	\$0 00330	\$0 00005	\$0 00325
2008/Q4	2	1 710	0 4275	\$0 00328	\$0 00330	\$0 00003	\$0 00327
2009/Q1	1	0 150	0 0375	\$0 00000	\$0.00329	\$0 00000	\$0 00328

SCHEDULE: IC BMW (ECS offset)

Added 2008Q3

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Prncipal Balance After Payment	Qtly Payment	Interest Payment	Prncipal Payment
Lump Sum				(\$0 00285)			
2008/Q3	4	1.870	0.4675	(\$0 00215)	(\$0 00072)	(\$0 00001)	(\$0 00071)
2008/Q4	3	1.710	0.4275	(\$0 00143)	(\$0 00072)	(\$0 00001)	(\$0.00071)
2009/Q1	2	0.150	0.0375	(\$0 00072)	(\$0.00072)	(\$0 00000)	(\$0 00072)
2009/Q2	1		0.0000	\$0 00000	(\$0 00072)	\$0 00000	(\$0 00072)

SCHEDULE: DMIR TCU-CAR; GTW IBEW; IC IBEW, SMW and UTU_(including CCP)

Added 2008Q3

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Prncipal Balance After Payment	Qtly Payment	Interest Payment	Prncipal Payment
Lump Sum				\$0 05669			
2008/Q3	4	1.870	0.4675	\$0 04262	\$0 01434	\$0 00027	\$0 01407
2008/Q4	3	1.710	0.4275	\$0 02847	\$0 01433	\$0 00018	\$0 01415
2009/Q1	2	0.150	0.0375	\$0 01424	\$0.01424	\$0 00001	\$0.01423
2009/Q2	1		0.0000	\$0 00000	\$0 01424	\$0 00000	\$0 01424

SCHEDULE: UP UTU-YMD (new contract)

Added 2008Q3

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Prncipal Balance After Payment	Qtly Payment	Interest Payment	Prncipal Payment
Lump Sum				\$0 04163			
2008/Q3	4	1.870	0.4675	\$0 03129	\$0 01053	\$0 00019	\$0 01033
2008/Q4	3	1.710	0.4275	\$0 02091	\$0 01052	\$0 00013	\$0 01039
2009/Q1	2	0.150	0.0375	\$0 01046	\$0.01046	\$0 00001	\$0 01045
2009/Q2	1		0.0000	\$0.00000	\$0 01046	\$0 00000	\$0 01046

SCHEDULE: SOO BRS, IBEW, NCFO, SMW (new contracts)

Added 2008Q3

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 00598			
2008/Q3	4	1 870	0 4675	\$0 00450	\$0.00151	\$0 00003	\$0 00148
2008/Q4	3	1 710	0 4275	\$0.00300	\$0 00151	\$0 00002	\$0 00149
2009/Q1	2	0 150	0 0375	\$0 00150	\$0.00150	\$0 00000	\$0 00150
2009/Q2	1		0 0000	\$0 00000	\$0 00150	\$0 00000	\$0 00150

SCHEDULE: National UTU and UTU-YMD (now contracts)

Added 2008Q4

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$2.99893			
2008/Q4	4	1 710	0 4275	\$2 25399	\$0 75776	\$0 01282	\$0 74494
2009/Q1	3	0 150	0 0375	\$1 50294	\$0.75189	\$0 00085	\$0 75105
2009/Q2	2		0 0000	\$0 75147	\$0.75147	\$0 00000	\$0 75147
2009/Q3	1		0 0000	\$0 00000	\$0.75147	\$0 00000	\$0 75147

SCHEDULE: BNSF ATDA

Added 2008Q4

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 00642			
2008/Q4	4	1 710	0 4275	\$0.00482	\$0 00162	\$0.00003	\$0 00159
2009/Q1	3	0 150	0 0375	\$0 00322	\$0.00161	\$0.00000	\$0 00161
2009/Q2	2		0 0000	\$0.00161	\$0 00161	\$0.00000	\$0 00161
2009/Q3	1		0 0000	\$0.00000	\$0 00161	\$0 00000	\$0.00161

SCHEDULE: BLE TCU and GTW BMW (new contracts)

Added 2008Q4

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 02791			
2008/Q4	4	1 710	0 4275	\$0 02098	\$0 00705	\$0 00012	\$0 00693
2009/Q1	3	0 150	0 0375	\$0 01399	\$0.00700	\$0 00001	\$0 00699
2009/Q2	2		0 0000	\$0 00699	\$0 00699	\$0 00000	\$0 00699
2009/Q3	1		0 0000	\$0 00000	\$0 00699	\$0 00000	\$0 00699

SCHEDULE: BLE BLET and UTU; GTW BLET (ECS offset)

Added 2008Q4

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 00045			
2008/Q4	4	1 710	0 4275	\$0.00034	\$0 00011	\$0 00000	\$0 00011
2009/Q1	3	0 150	0 0375	\$0 00023	\$0.00011	\$0 00000	\$0 00011
2009/Q2	2		0 0000	\$0.00011	\$0 00011	\$0 00000	\$0 00011
2009/Q3	1		0 0000	\$0 00000	\$0 00011	\$0 00000	\$0 00011

SCHEDULE: SOO TCU-CAR and UTU-YMD (new contracts)

Added 2008Q4

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 01228			
2008/Q4	4	1 710	0 4275	\$0 00923	\$0 00310	\$0 00005	\$0 00305
2009/Q1	3	0 150	0 0375	\$0 00616	\$0.00308	\$0 00000	\$0.00308
2009/Q2	2		0 0000	\$0 00308	\$0 00308	\$0 00000	\$0 00308
2009/Q3	1		0 0000	\$0 00000	\$0 00308	\$0 00000	\$0 00308

SCHEDULE: National IAM
 Added 2009Q1

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 37765			
2009/Q1	4	0 150	0 0375	\$0.28329	\$0.09450	\$0 00014	\$0 09436
2009/Q2	3		0 0000	\$0 18886	\$0 09443	\$0 00000	\$0 09443
2009/Q3	2		0 0000	\$0 09443	\$0 09443	\$0 00000	\$0 09443
2009/Q4	1		0 0000	\$0 00000	\$0.09443	\$0 00000	\$0 09443

SCHEDULE: SOO IAM (changes from Interim) and UTU
 Added 2009Q1

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 03913			
2009/Q1	4	0 150	0 0375	\$0 02936	\$0.00979	\$0.00001	\$0.00978
2009/Q2	3		0.0000	\$0.01957	\$0 00979	\$0.00000	\$0 00979
2009/Q3	2		0 0000	\$0 00979	\$0 00979	\$0.00000	\$0 00979
2009/Q4	1		0 0000	\$0 00000	\$0 00979	\$0 00000	\$0 00979

SCHEDULE: DMIR IBEW & UTU; IC and CCP TCU
 Added 2009Q1

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0.02594			
2009/Q1	4	0 150	0 0375	\$0.01946	\$0.00649	\$0.00001	\$0 00648
2009/Q2	3		0 0000	\$0 01297	\$0 00649	\$0 00000	\$0.00649
2009/Q3	2		0 0000	\$0.00649	\$0.00649	\$0 00000	\$0 00649
2009/Q4	1		0 0000	\$0 00000	\$0.00649	\$0 00000	\$0 00649

SCHEDULE: CSX UTU-UMD (national)
Added 2009Q1

	Periods Remain- ing	3 Mo Treas Bill Rate	Qtly Int Rate	Principal Balance After Payment	Qtly Payment	Interest Payment	Principal Payment
Lump Sum				\$0 06477			
2009/Q1	4	0 150	0 0375	\$0 04859	\$0.01621	\$0 00002	\$0 01618
2009/Q2	3		0 0000	\$0 03239	\$0 01620	\$0 00000	\$0 01620
2009/Q3	2		0 0000	\$0 01620	\$0 01620	\$0 00000	\$0 01620
2009/Q4	1		0 0000	\$0 00000	\$0 01620	\$0 00000	\$0 01620

**Backpay for National IAM Agreement
Added to RCAF 2009Q1**

See NewContract_IAM.xls -- BackpaySum tab

\$31,263,258.73

NOTE: National IAM was signed on 10/1/08

Back Pay for National IAM added to RCAF 2009Q1

National IAM New Contract Signed 10/1/08

ST Hours Paid	12,135,527	2007 Wage Statistics
2007 ST Hourly Rate	\$21 99030	2007 Wage Statistics
2007 PFTNW HR	\$4 01098	2007 Wage Statistics
Ratio PFTNW/STHR	0 1823978	calc. from wage statistics
STHR 12/31/2007	\$22 04030	from YearEnd2007_final including COLAs on 1/1/07 and 7/1/07
7/1/06 COLA	\$0 01000	NRLC Circular
1/1/07 COLA	\$0 15000	NRLC Circular
7/1/07 COLA	\$0 10000	NRLC Circular
1/1/08 COLA	\$0.16000	NRLC Circular
7/1/08 COLA	\$0 26000	NRLC Circular
7/1/06 G.W.I.	3.00%	new contract, Article I Section 1
7/1/07 G.W.I	3 00%	new contract, Article I Section 2
7/1/08 G.W.I	4 00%	new contract, Article I Section 3
10/1/08 Rate Adj	\$0 38	new contract, Article I Section 5
1/1/07 H&W Offset	\$122.39	NRLC Circular
7/1/07 H&W Offset	\$132.57	NRLC Circular
1/1/08 H&W Offset	\$149 04	NRLC Circular
7/1/08 H&W Offset	\$170.44	NRLC Circular
2007-2008 H&W Offset	\$166 25	new contract, Article IV Part B Section 1(e)

Qtr.	Total Hourly Rate in 2008 Contract		Total Hourly Rate Pd In Index		Difference	Wage		Offset \$	Net Back Pay \$
	ST	PFTNW	ST	PFTNW		Back Pay \$	Back Pay \$		
2006Q1	21.7803	3 9727	21.7803	3.9727	0 0000	0 0	0 00		0 00
2006Q2	21.7803	3 9727	21.7803	3.9727	0 0000	0 0	0 00		0 00
2006Q3	22 4337	4.0919	26 5256	3 9745	0.7608	2,308,071 7	2,308,071 73		2,308,071 73
2006Q4	22.4337	4.0919	26 5256	3.9745	0.7608	2,308,071.7	2,308,071 73		2,308,071 73
2007Q1	22 4337	4.0919	26.5256	4.0019	0 5834	1,769,983.5	879,055 28	(\$890,928.2)	879,055 28
2007Q2	22 4337	4.0919	26 5256	4 0019	0.5834	1,769,983.5	879,055.28	(\$890,928.2)	879,055.28
2007Q3	23 1087	4 2146	27.3213	4 0201	1 2609	3,825,520.6	3,141,378.71	(\$684,141 8)	3,141,378.71
2007Q4	23.1087	4 2146	27.3213	4.0201	1 2609	3,825,520 6	3,141,378 71	(\$684,141.8)	3,141,378 71
2008Q1	23.1087	4 2146	27.3213	4.0493	1 0717	3,251,559.7	2,901,973.00	(\$349,586 7)	2,901,973.00
2008Q2	23.1087	4.2146	27.3213	4.0493	1 0717	3,251,559 7	2,901,973.00	(\$349,586.7)	2,901,973.00
2008Q3	24.0310	4.3832	28.4142	4 0967	1 8572	5,634,460 7	5,719,572 18	\$85,111.5	5,719,572 18
2008Q4	24.4110	4.4525	28 8635	4 0967	2 3065	6,997,617 7	7,082,729 13	\$85,111.5	7,082,729 13
Total									<u>31,263,258.73</u>

H&W Employee Cost Sharing		No. of Employees		Old Contract		New Contract		Quarterly Amount
From	Thru	Employees	Employees	Mo. Rate	Mo. Rate	Mo. Rate	Mo. Rate	Amount
2007Q1	2007Q2	6,771	6,771	\$122 39	\$166.25	\$166.25	\$166.25	\$890,928.18
2007Q3	2007Q4	6,771	6,771	\$132 57	\$166.25	\$166.25	\$166.25	\$684,141.84
2008Q1	2008Q2	6,771	6,771	\$149.04	\$166.25	\$166.25	\$166.25	\$349,586 73
2008Q3	2008Q4	6,771	6,771	\$170 44	\$166.25	\$166.25	\$166.25	-\$85,111 47

2009Q1 24,4110

Health and Welfare

	Employees Receiving			Total 2007 Avg.	Total 2009
	Pay 2007	Monthly Contribution			
		2007 Avg	2009		
1 All Employees					
a. Group health	175,741	\$1,097.66	\$1,112.21	\$192,903,866.06	\$195,460,897.61
b. Group dental	175,741	47.14	56.31	8,284,430.74	9,895,975.71
c. Early retirement major medical	175,741	89.06	117.56	15,651,493.46	20,660,111.96
d. Group vision	175,741	10.70	10.16	1,880,428.70	1,785,528.56
2 Supplemental Sickness					
a. Signalmen	6,524	32.06	8.55	209,159.44	55,780.20
b. Shopcrafts	25,894	61.06	30.04	1,581,087.64	777,855.76
c. MOW	26,021	36.06	14.89	938,317.26	387,452.69
d. Yardmasters	2,132	41.13	28.89	87,689.16	61,593.48
3 Short-Term Disability					
a. Engineers (CSX, KCS, UP)	15,664	40.00	40.00	626,560.00	626,560.00
b. Engineers (SOO, \$40 began 2Q 2006)	494	40.00	40.00	19,760.00	19,760.00
4. Monthly Total Premiums				222,182,792.46	229,731,515.97
5 Monthly Employee Contributions To H&W					
a. National BLET (BNSF, CSX, KCS, NS, UP)	28,594	(\$156.44)	(\$170.96)	(\$4,473,245.36)	(\$4,888,430.24)
b. National BMWE (BNSF, CSX, KCS, NS, UP)	24,164	(\$83.13)	(\$170.96)	(\$2,008,753.32)	(4,131,077.44)
c. National BRS (BNSF, CSX, KCS, NS, UP)	6,189	(\$133.13)	(\$170.96)	(\$823,941.57)	(1,058,071.44)
d. National IAM (BNSF, CSX, KCS, NS, UP)	6,771	(\$127.48)	(\$170.96)	(\$863,167.08)	(1,157,570.16)
e. National IBBM (BNSF, CSX, KCS, NS, UP)	1,025	(\$151.95)	(\$170.96)	(\$155,748.75)	(175,234.00)
f. National IBEW (BNSF, CSX, KCS, NS, UP)	5,039	(\$154.29)	(\$170.96)	(\$777,467.31)	(861,467.44)
g. National NCFO (BNSF, CSX, KCS, NS, UP)	2,461	(\$156.39)	(\$170.96)	(\$384,875.79)	(420,732.56)
h. National SMW (BNSF, CSX, KCS, NS, UP)	1,069	(\$156.39)	(\$170.96)	(\$167,180.91)	(182,756.24)
i. National TCU (BNSF, CSX, KCS, NS, UP)	7,835	(\$147.24)	(\$170.96)	(\$1,153,625.40)	(1,339,471.60)
j. National TCU-CAR (BNSF, CSX, KCS, NS, UP)	10,617	(\$147.47)	(\$170.96)	(\$1,565,688.99)	(1,815,082.32)
k. National UTU (BNSF, CSX, KCS, NS, UP)	43,923	(\$154.66)	(\$170.96)	(\$6,793,131.18)	(7,509,076.08)
l. National UTU-Yardmasters (BNSF, CSX, KCS, NS)	1,715	(\$151.30)	(\$170.96)	(\$259,479.50)	(293,196.40)
m. National ATDA (wt avg BNSF, KCS, NS, & CSX*)	1,835	(\$152.37)	(\$170.96)	(\$279,598.95)	(313,711.60)
n. Independent CNGT (wt avg all 104 union categories)	5,780	(\$68.86)	(\$92.31)	(\$398,010.80)	(533,551.80)
o. Independent SOO (weighted average all 13 unions)	2,416	(\$114.44)	(\$134.31)	(\$276,487.04)	(324,492.96)
p. Independent UP (Yardmasters only)	262	(\$142.51)	(\$170.96)	(\$37,337.62)	(44,791.52)
Total Major Union	149,695			(\$20,417,739.57)	(\$25,048,713.80)
All Other Employee Contributions**				(\$3,762,880.60)	(\$3,762,880.60)
6. Net Employer Monthly Payments				\$198,002,172.29	\$200,919,921.57
7. Ratio Projected Year to Base Year, Based on Net Monthly Payments					1.01474
8. H&W hourly rate for base year				\$5.788	
9. H&W hourly rate for projected quarter					\$5.873

* 70% of CSX Dispatchers participate in national agreement, remaining have independent agreement

** Mostly non-union employee contributions. The \$20,417,739.57 in major union contributions, plus \$3,762,880.60 in all other employee contributions, totals to the 12-month average of the total employee contributions reported to the AAR in its WF survey.

Health and Welfare**Employer H&W Contribution**

		2007 Pd	East	West
Supplemental Sickness Plan:		Employees		
a. Signalmen	BRS	6,524	2,855	3,669
b. Shopcrafts	Total	25,894	10,701	15,193
	IBEW	5,286	1,934	3,352
	IBBM	1,093	319	774
	TCU-Car	11,342	5,239	6,103
	IAM	7,082	2,627	4,455
	SMW	1,091	582	509
c. MOW	BMWED	26,021	9,924	16,097
d. Yardmasters	UTU-YMD	2,132	1,386	746
Short-Term Disability Contribution:				
a. Engineers	Total BLET	15,664	5,787	9,877
	CSX	5,787		
	KCS	573		
	UP	9,304		
b. Engineers	SOO	494		

Sources/Notes:

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

Health and Welfare

Employee H&W Cost Sharing

Group	Railroads	Contract Source
a. BLET	BNSF, CSX, KCS, UP NS	Article IV Part B Section 1 (b) Article XVI Sections 2, same as national
b. BMW	BNSF, CSX, KCS, NS, UP	Article IV Part B Section 1 (b)
c. BRS	BNSF, CSX, KCS, NS, UP	Article IV Part B Section 1 (b)
d. IAM	BNSF, CSX, KCS, NS, UP	Article IV Part B Section 1 (b)
e. IBBM	BNSF, CSX, KCS, NS, UP	Article IV Part B Section 1 (b)
f. IBEW	BNSF, CSX, KCS, NS, UP	Article IV Part B Section 1 (b)
g. NCFO	BNSF, CSX, KCS, NS, UP	Article IV Part B Section 1 (b)
h. SMW	BNSF, CSX, KCS, NS, UP	Article IV Part B Section 1 (b)
i. TCU	BNSF, CSX, KCS, NS, UP	Article IV Part B Section 1 (b)
j. TCU-Carmen	BNSF, CSX, KCS, NS, UP	Article IV Part B Section 1 (b)
k. UTU	BNSF, CSX, KCS, NS, UP	Article IV Part B Section 1 (b)
l. UTU-YMD	BNSF, CSX, KCS, NS	Article IV Part B Section 1 (b)
m. Dispatchers	BNSF, CSX, KCS, NS	Article IV Part B Section 1 (b)
n. Independent CN	all union categories incl \$0 agrmnts	
o. Independent SOO	all unions	Provided by Canadian Pacific Railway
p. Independent UP yardmasters		Article IV Part B Section 1 (b)

**NATIONAL RAILWAY LABOR CONFERENCE
EMPLOYEE BENEFITS DEPARTMENT**

1901 L STREET, N.W., WASHINGTON, D.C. 20036-3614 0000 PHONE: (202) 862-7200 FAX: (202) 862-7252
DAVID B. MARCOS **SUSAN E. PARKS, CEBS**
Director Employee Benefits **Benefit Administrator**
(202) 862-7244 **(202) 862-7225**
E-mail: sparks@nrlc.org

October 31, 2008

Mr. Clyde Crimmel
Director Statistical Information
Policy & Communications Department
AAR-5th Floor
50 F Street N.W.
Washington, D.C. 20009

Dear Mr. Crimmel:

The revised employer Payment Rates which are effective January 1, 2009 are as follows:

Aetna - Supplemental Sickness Plans	
ShopCrafts	\$ 30.04
Signalmen	\$ 8.55
Maintenance of Way	\$ 14.89
Trustmark - Supplemental Sickness Plans	
Yardmasters	\$ 28.89
Railroad Employees National Health & Welfare Plan & National Railway Carriers/United Transportation Union H&W Plan Non-Hospital Road	\$1,112.21
Railroad Employees National Early Retirement Major Medical Benefit Plan Non-Hospital Road	\$ 117.56
Aetna - National Dental Plan	\$ 56.31
VSP - National Vision Plan	\$ 10.16

If you have any questions or need clarification, please contact me.

Very truly yours,



Susan E. Parks

cc: Glen Williams

NATIONAL RAILWAY LABOR CONFERENCE

ECONOMIC RESEARCH DEPARTMENT

1901 L STREET, N.W., WASHINGTON, D.C. 20036-3514 ♦ ♦ PHONE: (202) 862-7200 FAX: (202) 862-7253

H. GLEN WILLIAMS Jr.
Director Economic Research
(202) 862-7232
gwilliams@rrnrlc.org

November 14, 2008

Health and Welfare Contributions
Under 2004 Round National Agreements
ATDA, BLET, BMWE, BRS, IAM, IBB,
IBEW, NCFO, SMW, TCU, BRC, UTU, YDM

CIRCULAR NO. 504-101-23 (H&W)
CIRCULAR NO. 844-4 (ATDA)
CIRCULAR NO. 845-7 (BLET)
CIRCULAR NO. 846-5 (BMWE)
CIRCULAR NO. 847-5 (BRS)
CIRCULAR NO. 848-4 (IAM)
CIRCULAR NO. 849-7 (IBB)
CIRCULAR NO. 850-4 (IBEW)
CIRCULAR NO. 851-7 (NCFO)
CIRCULAR NO. 852-7 (SMW)
CIRCULAR NO. 853-4 (TCU)
CIRCULAR NO. 854-4 (BRC)
CIRCULAR NO. 855-3 (UTU/YDM)

TO MEMBER ROADS:

The 2004 Round National Agreements with the above-referenced organizations changed the method of calculating employee health and welfare cost-sharing contributions. Those agreements set employee cost-sharing at 15% of the carriers' monthly payment rate as defined in Article IV (Article III for BRS) Part B of the new agreements.

Effective January 1, 2009, the employee cost-sharing contribution under the new agreements will be \$170.96 per month.


H. Glen Williams, Jr.

Railroad Retirement and Medicare

Employees Receiving Pay 175,741 (2007 Benchmark, 2006 RRB Distribution)

Tier I Maximum 106,800 (Year = 2009)

Tier II Maximum 79,200 (Year = 2009)

Medicare Maximum no limit (Year = 2009)

Tier I Tax Rate 6.20% (Year = 2009)

Tier II Tax Rate 12 10% (Year = 2009)

Medicare Tax Rate 1 45% (Year = 2009)

USA RCAF	Rate	Factor	RR Ret Tax	Hourly Rate
2006	\$29,465			
2007	\$30,806	1.04551	\$543,657,695	\$6,462
1Q/2009	\$33,561	1.13901	\$592,633,625	\$7,044
2Q/2009		0.00000	\$0	\$0,000
3Q/2009		0.00000	\$0	\$0,000
4Q/2009		0.00000	\$0	\$0,000

RR Ret Tax from RR_Retirement_07annual.xls, Hourly rate from SUPPL2007.xls
Rate = Taxable Rate

Railroad Retirement & Medicare, U S

1Q/2009

1Q/2009

Annual Earnings Groups	Percent of Total Employees	Employees Receiving Pay 2007	Avg Annual Earnings (2006 RRB Stats)	Estimated			Tier I Taxable	Tier II Taxable	Medicare Taxable	Tot Tax Emrgs	Tier I Tot Tax Emrgs	Tier II Tot Tax Emrg	Medicare Tot Tax Emrg
				Avg Annual Earnings	Avg Qlty Earnings	Avg Annual Earnings							
50 - 21699	0.556	977	\$6,267	\$9,416	\$2,354	\$2,354	\$2,354	\$2,354	\$2,300,193	\$2,300,193	\$2,300,193	\$2,300,193	\$2,300,193
21700 - 23699	0.000	0	\$0	0	0	0	0	0	0	0	0	0	0
23700 - 25699	0.139	244	\$25,001	28,476	7,119	7,119	7,119	7,119	1,739,057	1,739,057	1,739,057	1,739,057	1,739,057
25700 - 27699	0.232	408	\$27,038	30,797	7,699	7,699	7,699	7,699	3,139,092	3,139,092	3,139,092	3,139,092	3,139,092
27700 - 29699	0.185	325	\$28,680	32,667	8,167	8,167	8,167	8,167	2,655,171	2,655,171	2,655,171	2,655,171	2,655,171
29700 - 31699	0.648	1,139	\$30,770	35,047	8,762	8,762	8,762	8,762	9,978,013	9,978,013	9,978,013	9,978,013	9,978,013
31700 - 33699	0.556	977	\$32,688	37,232	9,308	9,308	9,308	9,308	9,095,042	9,095,042	9,095,042	9,095,042	9,095,042
33700 - 35699	0.695	1,221	\$34,798	39,635	9,909	9,909	9,909	9,909	12,102,655	12,102,655	12,102,655	12,102,655	12,102,655
35700 - 37699	1.204	2,116	\$36,696	41,797	10,449	10,449	10,449	10,449	22,109,899	22,109,899	22,109,899	22,109,899	22,109,899
37700 - 39699	1.575	2,768	\$38,929	44,227	11,057	11,057	11,057	11,057	30,604,008	30,604,008	30,604,008	30,604,008	30,604,008
39700 - 41699	2.686	4,720	\$40,703	46,361	11,590	11,590	11,590	11,590	54,710,915	54,710,915	54,710,915	54,710,915	54,710,915
41700 - 43699	4.030	7,082	\$42,849	48,806	12,201	12,201	12,201	12,201	86,414,632	86,414,632	86,414,632	86,414,632	86,414,632
43700 - 45699	5.049	8,873	\$44,700	50,914	12,728	12,728	12,728	12,728	112,941,732	112,941,732	112,941,732	112,941,732	112,941,732
45700 - 47699	6.253	10,989	\$46,635	53,118	13,279	13,279	13,279	13,279	145,929,119	145,929,119	145,929,119	145,929,119	145,929,119
47700 - 49699	5.234	9,198	\$48,753	55,530	13,883	13,883	13,883	13,883	127,695,800	127,695,800	127,695,800	127,695,800	127,695,800
49700 - 51699	4.863	8,546	\$50,658	57,700	14,425	14,425	14,425	14,425	123,280,350	123,280,350	123,280,350	123,280,350	123,280,350
51700 - 53699	4.308	7,571	\$52,623	59,938	14,985	14,985	14,985	14,985	113,446,956	113,446,956	113,446,956	113,446,956	113,446,956
53700 - 55699	4.261	7,488	\$54,777	62,392	15,598	15,598	15,598	15,598	116,802,282	116,802,282	116,802,282	116,802,282	116,802,282
55700 - 57699	4.122	7,244	\$56,669	64,547	16,137	16,137	16,137	16,137	116,894,771	116,894,771	116,894,771	116,894,771	116,894,771
57700 - 59699	4.308	7,571	\$58,713	66,875	16,719	16,719	16,719	16,719	126,576,043	126,576,043	126,576,043	126,576,043	126,576,043
59700 - 61699	3.752	6,594	\$60,687	69,123	17,281	17,281	17,281	17,281	113,946,253	113,946,253	113,946,253	113,946,253	113,946,253
61700 - 63699	2.825	4,965	\$62,565	71,282	17,816	17,816	17,816	17,816	88,448,699	88,448,699	88,448,699	88,448,699	88,448,699
63700 - 65699	3.428	6,024	\$64,747	73,748	18,437	18,437	18,437	18,437	111,071,340	111,071,340	111,071,340	111,071,340	111,071,340
65700 - 67699	3.289	5,780	\$66,650	75,915	18,979	18,979	18,979	18,979	109,699,735	109,699,735	109,699,735	109,699,735	109,699,735
67700 - 69699	3.011	5,292	\$68,571	78,103	19,526	19,526	19,526	19,526	103,321,996	103,321,996	103,321,996	103,321,996	103,321,996
69700 - 71699	2.362	4,151	\$70,605	80,420	20,105	20,105	20,105	20,105	83,455,872	83,455,872	83,455,872	83,455,872	83,455,872
71700 - 73699	2.779	4,884	\$72,709	82,816	20,704	20,704	20,704	20,704	101,115,624	101,115,624	101,115,624	101,115,624	101,115,624
73700 - 75699	1.760	3,093	\$74,592	84,961	21,240	21,240	21,240	21,240	65,697,141	65,697,141	65,697,141	65,697,141	65,697,141
75700 - 77699	2.409	4,234	\$76,791	87,466	21,866	21,866	21,866	21,866	83,825,294	83,825,294	83,825,294	83,825,294	83,825,294
77700 - 79699	2.094	3,662	\$78,679	89,616	22,404	22,404	22,404	22,404	54,804,831	54,804,831	54,804,831	54,804,831	54,804,831
79700 - 81699	2.575	4,234	\$80,918	92,167	23,042	23,042	23,042	23,042	72,516,360	72,516,360	72,516,360	72,516,360	72,516,360
81700 - 83699	1.621	2,849	\$82,807	94,318	23,580	23,580	23,580	23,580	56,405,480	56,405,480	56,405,480	56,405,480	56,405,480
83700 - 85699	1.297	2,279	\$84,780	96,565	24,141	24,141	24,141	24,141	45,131,343	45,131,343	45,131,343	45,131,343	45,131,343
85700 - 87699	2.223	3,907	\$86,623	98,665	24,666	24,666	24,666	24,666	77,353,104	77,353,104	77,353,104	77,353,104	77,353,104
87700 - 89699	1.482	2,604	\$88,644	101,194	25,299	25,299	25,299	25,299	65,899,749	65,899,749	65,899,749	65,899,749	65,899,749
89700 - 91699	1.297	2,279	\$90,674	103,279	25,820	25,820	25,820	25,820	58,852,417	58,852,417	58,852,417	58,852,417	58,852,417
91700 - 93699	1.204	2,116	\$92,711	105,599	26,400	26,400	26,400	26,400	41,895,248	41,895,248	41,895,248	41,895,248	41,895,248
93700 - 95699	0.873	1,710	\$94,442	107,571	26,893	26,893	26,893	26,893	33,857,207	33,857,207	33,857,207	33,857,207	33,857,207
95700 - over	9.725	17,091	\$144,529	164,620	26,700	26,700	26,700	26,700	456,324,687	456,324,687	456,324,687	456,324,687	456,324,687
TOTAL	100.000000	175,741	\$67,596	\$67,596	41,155	41,155	41,155	41,155	3,135,293,622	3,135,293,622	3,135,293,622	3,135,293,622	3,135,293,622
									0.062	0.062	0.121	0.121	0.0145

City Pmt \$194,388,205 \$349,196,675 \$49,048,746

Tier I & II & Medicare \$592,633,625

Annual Earnings Groups	Percent of Total Employees	Employees Receiving Pay 2007	Avg Annual Earnings (2006 RRB Stats)	Estimated		Avg Qlty Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Tier I Tot Tax Emgs	Tier II Tot Tax Emg	Medicare Tot Tax Emg
				Avg Annual Earnings	Avg Annual Earnings							
\$0 - 21699	0.556	977	\$8,267	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21700 - 23699	0.000	0	\$0	0	0	0	0	0	0	0	0	0
23700 - 25699	0.139	244	\$25,001	0	0	0	0	0	0	0	0	0
25700 - 27699	0.232	408	\$27,038	0	0	0	0	0	0	0	0	0
27700 - 29699	0.185	325	\$28,680	0	0	0	0	0	0	0	0	0
29700 - 31699	0.648	1,139	\$30,770	0	0	0	0	0	0	0	0	0
31700 - 33699	0.556	977	\$32,688	0	0	0	0	0	0	0	0	0
33700 - 35699	0.695	1,221	\$34,798	0	0	0	0	0	0	0	0	0
35700 - 37699	1.204	2,116	\$36,686	0	0	0	0	0	0	0	0	0
37700 - 39699	1.575	2,768	\$38,829	0	0	0	0	0	0	0	0	0
39700 - 41699	2.686	4,720	\$40,703	0	0	0	0	0	0	0	0	0
41700 - 43699	4.030	7,082	\$42,849	0	0	0	0	0	0	0	0	0
43700 - 45699	5.049	8,873	\$44,700	0	0	0	0	0	0	0	0	0
45700 - 47699	6.253	10,989	\$46,635	0	0	0	0	0	0	0	0	0
47700 - 49699	5.234	9,198	\$48,753	0	0	0	0	0	0	0	0	0
49700 - 51699	4.863	8,546	\$50,658	0	0	0	0	0	0	0	0	0
51700 - 53699	4.308	7,571	\$52,623	0	0	0	0	0	0	0	0	0
53700 - 55699	4.261	7,488	\$54,777	0	0	0	0	0	0	0	0	0
55700 - 57699	4.122	7,244	\$56,669	0	0	0	0	0	0	0	0	0
57700 - 59699	4.308	7,571	\$58,713	0	0	0	0	0	0	0	0	0
59700 - 61699	3.752	6,594	\$60,687	0	0	0	0	0	0	0	0	0
61700 - 63699	2.825	4,965	\$62,565	0	0	0	0	0	0	0	0	0
63700 - 65699	3.428	6,024	\$64,747	0	0	0	0	0	0	0	0	0
65700 - 67699	3.289	5,780	\$66,650	0	0	0	0	0	0	0	0	0
67700 - 69699	3.011	5,292	\$68,571	0	0	0	0	0	0	0	0	0
69700 - 71699	2.362	4,151	\$70,605	0	0	0	0	0	0	0	0	0
71700 - 73699	2.779	4,884	\$72,709	0	0	0	0	0	0	0	0	0
73700 - 75699	1.760	3,093	\$74,592	0	0	0	0	0	0	0	0	0
75700 - 77699	2.409	4,234	\$76,791	0	0	0	0	0	0	0	0	0
77700 - 79699	1.575	2,768	\$78,679	0	0	0	0	0	0	0	0	0
79700 - 81699	2.084	3,662	\$80,918	0	0	0	0	0	0	0	0	0
81700 - 83699	1.621	2,849	\$82,807	0	0	0	0	0	0	0	0	0
83700 - 85699	1.297	2,279	\$84,780	0	0	0	0	0	0	0	0	0
85700 - 87699	2.223	3,907	\$86,623	0	0	0	0	0	0	0	0	0
87700 - 89699	1.482	2,604	\$88,844	0	0	0	0	0	0	0	0	0
89700 - 91699	1.297	2,279	\$90,674	0	0	0	0	0	0	0	0	0
91700 - 93699	1.204	2,116	\$92,711	0	0	0	0	0	0	0	0	0
93700 - 95699	0.973	1,710	\$94,442	0	0	0	0	0	0	0	0	0
95700 - over	9.725	17,091	\$144,529	0	0	0	0	1,555	0	0	0	0
TOTAL	100.000	175,741										
									Total Taxable	0.062	26,577,586	0.0145
									Tax Rate	0.121	26,577,586	0.0145
									Qlty Pmt	\$0	\$3,215,888	\$0
									Tier I & II & Medicare	\$0	\$3,215,888	\$0

Annual Earnings Groups	Percent of Total Employees	Employees Receiving Pay 2007 (2006 RRB Stats)	Avg Annual Earnings (2006 RRB Stats)	Estimated Avg Annual Earnings	Avg Qlty Earnings	Tier I Taxable	Tier II Taxable	Medicare Taxable	Tier I Tot Tax Emrgs	Tier II Tot Tax Emrg	Medicare Tot Tax Emrg
			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
5000 - 9999	0.556	977	\$8,267	0	0	0	0	0	0	0	0
10000 - 12499	0.000	0	\$0	0	0	0	0	0	0	0	0
12500 - 14999	0.139	244	\$25,001	0	0	0	0	0	0	0	0
15000 - 17499	0.232	408	\$27,038	0	0	0	0	0	0	0	0
17500 - 19999	0.185	325	\$28,660	0	0	0	0	0	0	0	0
20000 - 22499	0.648	1,139	\$30,770	0	0	0	0	0	0	0	0
22500 - 24999	0.556	977	\$32,668	0	0	0	0	0	0	0	0
25000 - 27499	0.695	1,221	\$34,798	0	0	0	0	0	0	0	0
27500 - 29999	1.204	2,116	\$36,696	0	0	0	0	0	0	0	0
30000 - 32499	1.575	2,768	\$38,829	0	0	0	0	0	0	0	0
32500 - 34999	2.686	4,720	\$40,703	0	0	0	0	0	0	0	0
35000 - 37499	4.030	7,082	\$42,849	0	0	0	0	0	0	0	0
37500 - 39999	5.049	8,873	\$44,700	0	0	0	0	0	0	0	0
40000 - 42499	6.253	10,989	\$46,635	0	0	0	0	0	0	0	0
42500 - 44999	5.234	9,198	\$48,753	0	0	0	0	0	0	0	0
45000 - 47499	4.863	8,546	\$50,658	0	0	0	0	0	0	0	0
47500 - 49999	4.308	7,571	\$52,623	0	0	0	0	0	0	0	0
50000 - 52499	4.261	7,488	\$54,777	0	0	0	0	0	0	0	0
52500 - 54999	4.122	7,244	\$56,669	0	0	0	0	0	0	0	0
55000 - 57499	4.308	7,571	\$58,713	0	0	0	0	0	0	0	0
57500 - 59999	3.752	6,594	\$60,667	0	0	0	0	0	0	0	0
60000 - 62499	2.825	4,965	\$62,565	0	0	0	0	0	0	0	0
62500 - 64999	3.428	6,024	\$64,747	0	0	0	0	0	0	0	0
65000 - 67499	3.289	5,780	\$66,650	0	0	0	0	0	0	0	0
67500 - 69999	3.011	5,292	\$68,571	0	0	0	0	0	0	0	0
70000 - 72499	2.382	4,151	\$70,605	0	0	0	0	0	0	0	0
72500 - 74999	2.779	4,884	\$72,709	0	0	0	0	0	0	0	0
75000 - 77499	1.760	3,093	\$74,592	0	0	0	0	0	0	0	0
77500 - 79999	2.409	4,234	\$76,791	0	0	0	0	0	0	0	0
80000 - 84999	1.575	2,768	\$78,679	0	0	0	0	0	0	0	0
85000 - 89999	2.084	3,662	\$80,918	0	0	0	0	0	0	0	0
90000 - 94999	1.621	2,849	\$82,807	0	0	0	0	0	0	0	0
95000 - 99999	1.297	2,279	\$84,780	0	0	0	0	0	0	0	0
100000 - 104999	2.223	3,907	\$86,623	0	0	0	0	0	0	0	0
105000 - 109999	1.482	2,604	\$88,844	0	0	0	0	0	0	0	0
110000 - 114999	1.297	2,279	\$90,674	0	0	0	0	0	0	0	0
115000 - 119999	1.204	2,116	\$92,711	0	0	0	0	0	0	0	0
120000 - 124999	0.973	1,710	\$94,442	0	0	0	0	0	0	0	0
TOTAL	100.000	175,741	\$144,529	0	0	0	0	0	0	0	0

Total Taxable	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tax Rate	0.062	0.121	0.0145								
Qlty Pmt	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tier I & II & Medicare	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$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 Tax [4]	
	Maximum earnings base [3]		Tax rate (percent) [3]			Maximum monthly taxable earnings	Employer tax rate [5] (percent)	Surcharge or (pooled credit)	New employer tax rate (percent)	Maximum taxable earnings	Employer tax rate (percent)
	Tier 1 [7]	Tier 2	Employer & employee each	Tier 2							
				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		8.00	785	4.0
1993	57,600	42,900	7.65	16.1	4.9	810	0.65 - 12.0	(3.12)	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	2.36		
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 and later	[2]	[2]	7.65	[8]	[8]	[2]	[5]	[5]	[5]		

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.

2. Based on automatic adjustments in proportion to increases in average earnings levels.

3. 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.

4. 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.

5. 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 experience-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.

6. Taxes are paid only by employers. The supplemental annuity tax was repealed for calendar years after 2001.

7. 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.

8. 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

	<u>Unemployment Ins.</u>						
	Tax	Earnings	Hourly	RRB	Factor	Avg. Ann.	Un. Ins.
	Rate	Base	Earnings	Sample	To Update	Taxable	Hourly
				Year	RRB Sample	Earnings	Rate
			\$27.952	(2003)			
2004 Avg.	2.88%	\$13,560	\$28.151		1.007119	\$12,797.12	\$0.197
4Q/05	2.29%	\$13,800	\$29.157		1.043110	\$13,030.55	\$0.159
1Q/06	2.36%	\$14,340	\$29.277		1.047403	\$13,526.36	\$0.170
2Q/06	2.36%	\$14,340	\$29.255		1.046616	\$13,526.05	\$0.170
3Q/06	2.36%	\$14,340	\$29.302		1.048297	\$13,526.71	\$0.170
			\$28.151	(2004)			
2005 Avg.	2.29%	\$13,800	\$28.884		1.026038	\$12,810.75	\$0.162
4Q/06	2.36%	\$14,340	\$29.136		1.034990	\$13,295.94	\$0.173
1Q/07	2.47%	\$14,760	\$29.220		1.037974	\$13,670.56	\$0.186
2Q/07	2.47%	\$14,760	\$29.238		1.038613	\$13,670.92	\$0.186
3Q/07	2.47%	\$14,760	\$29.336		1.042094	\$13,672.83	\$0.186
			\$28.884	(2005)			
2006 Avg.	2.36%	\$14,340	\$29.465		1.020115	\$13,053.43	\$0.173
4Q/07	2.47%	\$14,760	\$30.476		1.055117	\$13,438.69	\$0.186
1Q/08	2.48%	\$15,360	\$31.071		1.075717	\$13,972.06	\$0.195
2Q/08	2.48%	\$15,360	\$31.090		1.076374	\$13,972.45	\$0.195
3Q/08	2.48%	\$15,360	\$31.594		1.093824	\$13,982.57	\$0.195
			\$29.465	(2006)			
2007 Avg.	2.47%	\$14,760	\$30.806		1.045512	\$13,903.99	\$0.192
3Q/08 reb.	2.48%	\$15,360	\$32.327		1.097132	\$14,473.48	\$0.201
4Q/08	2.48%	\$15,360	\$33.207		1.126998	\$14,487.09	\$0.201
1Q/09	2.47%	\$15,960	\$33.561		1.139012	\$15,038.39	\$0.208
2Q/09					0.000000		---
3Q/09					0.000000		---

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

2005 rate changes from 2.28% to 2.29% because rebenchmarking to 2004 (and later) wage statistics and annual report data adds BL&E and DMIR to the railroad group

**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 Tax [4]	
	Maximum earnings base [3]		Tax rate (percent) [3]			Maximum monthly taxable earnings	Employer tax rate [5] (percent)	Surcharge or (pooled credit)	New employer tax rate (percent)	Maximum taxable earnings	Employer tax rate (percent)
	Tier 1 [7]	Tier 2	Employer & employee each	Tier 2							
				Employer	Employee						
1991	53,400	39,600	7.65	16.1	4.9	765	6.65 - 12.0		8.00	765	4.0
1992	55,500	41,400	7.65	16.1	4.9	795	3.10 - 12.0	(3.12)	8.00	795	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	64,600	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	80,000	66,800	7.65	12.6	4.4	1,150	2.15 - 12.0	1.5	3.43		
2006	94,200	69,800	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	78,200	7.65	[8]	[8]	1,330	2.15 - 12.0	1.5	2.61		
2010 and later	[2]	[2]	7.65	[8]	[8]	[2]	[5]	[5]	[5]		

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.

2 Based on automatic adjustments in proportion to increases in average earnings levels.

3 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.

4 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.

5 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 experience-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.

6 Taxes are paid only by employers. The supplemental annuity tax was repealed for calendar years after 2001.

7 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.

8 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.



ASSOCIATION OF AMERICAN RAILROADS

MEMORANDUM

TO: File
FROM: Shou-Lien Liu
cc: Clyde Crimmel
DATE: December 2, 2008
RE: Unemployment Insurance Tax Rate for 2009

Unemployment Insurance rates for 2009 can range from a minimum of 0.65 percent to a maximum of 12 percent on monthly earnings up to \$1,330. A 1.5 percentage point surcharge will be in effect for 2009, meaning the minimum tax rate is effectively 2.15 percent. Marla Huddleston, Chief, Division of Benefit and Employment Analysis at the Railroad Retirement Board, said in her December 2 e-mail that the weighted average 2009 Unemployment Insurance rate for Class I railroads is **2.47 percent**, and there is no change if Dakota, Minnesota & Eastern Railroad Corporation (DME) and Iowa, Chicago & Eastern Railroad Corporation (ICE) are included. In addition, she said since the Elgin Joliet & Eastern Railway (EJE) is a subsidiary of Transtar, Inc. for experience rating purposes, EJE was not given an individual contribution rate. She also said that Gateway Eastern Railway Company was added to the Class I railroad list since it is included in Kansas City Southern's reports to the STB.

The MEANS Procedure

Variable	N	Sum	Mean
ANUAL_US	2788	38764317.27	13903.99
QTRLY_US	2788	41927039.16	15038.39

The SAS System
Factors and Caps 2007 and 2009Q1

The MEANS Procedure

Variable	N	Sum	Mean
FactorA	2788	2914.89	1.0455120
FactorQ	2788	3175.57	1.1390120
Capa	2788	41150880.00	14760.00
Capq	2788	44496480.00	15960.00



Official Energy Statistics from the U.S. Government

Home > Petroleum > Navigator

Petroleum Navigator

Summary	Prices	Crude Reserves & Production	Refining & Processing	Imports/Exports & Movements	Stocks	Consumption/Sales	Publications & Analysis
---------	--------	-----------------------------	-----------------------	-----------------------------	--------	-------------------	-------------------------

Spot Prices

(Crude Oil in Dollars per Barrel, Products in Cents per Gallon)

Period: Monthly

Product by Area	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov-08	View History
Crude Oil							
WTI - Cushing, Oklahoma	133.88	133.37	116.67	104.11	76.61	57.31	1986-2008
Brent - Europe	132.32	132.72	113.24	97.23	71.58	52.45	1987-2008
Conventional Gasoline							
New York Harbor, Regular	329.22	314.76	289.69	280.51	192.03	128.27	1986-2008
U.S. Gulf Coast, Regular	328.39	315.78	293.74	313.83	178.62	120.41	1986-2008
Los Angeles, Regular	361.33	321.28	301.05	281.59	206.53	120.63	1986-2008
Amsterdam-Rotterdam-Antwerp (ARA) - 10 ppm Sulfur, Regular	321.89	316.09	280.49	257.59	177.88	118.89	2003-2008
Amsterdam-Rotterdam-Antwerp (ARA) - 50 ppm Sulfur, Regular							1987-2008
Singapore, Premium	334.44	320.82	275.42	253.8	190.71	115.43	1992-2008
Reformulated Gasoline							
New York Harbor, Regular							1994-2006
U.S. Gulf Coast, Regular							1994-2006
RBOB Regular Gasoline							
New York Harbor	343.8	325.32	293.41	277.74	188.2	125.89	2005-2008
U.S. Gulf Coast	344.85	325.93	290.32	330.68	181.63	120.11	2006-2008
Los Angeles	369.4	328.57	307.24	287.02	212.33	126.79	2003-2008
No. 2 Heating Oil							
New York Harbor	380.07	375.89	316.9	291.12	223.9	184.28	1986-2008
U.S. Gulf Coast	377.75	374.46	315.68	290.97	220.2	178.7	1986-2008
Gasoil							
Amsterdam-Rotterdam-Antwerp (ARA)	392.64	391.06	330.32	302.68	233.09	186.84	1986-2008
Singapore	395.36	394.04	315.4	281.37	198.26	163.51	1987-2008
Low-Sulfur No. 2 Diesel Fuel							
New York Harbor	386.33	379.73	322.05	299.49	230.62	186.53	1995-2008
U.S. Gulf Coast	382.19	377.16	321.32	302.72	223.52	180.68	1995-2008
Los Angeles	384.2	380.24	318.01	294.62	222.62	175.04	1986-2008
Kerosene-Type Jet Fuel							
New York Harbor	392.21	397.07	330.79	329.54	243.39	195.23	1990-2008
U.S. Gulf Coast	387.82	388.63	327.06	337.49	231.47	187.96	1990-2008
Los Angeles	395.59	387.42	326.03	294.25	222.29	184.47	1990-2008
Amsterdam-Rotterdam-Antwerp (ARA)	396.21	403.74	341.73	310.42	236.58	193.42	1986-2008
Singapore	392.49	396.39	327.37	286.89	213.71	179.6	1986-2008
Residual Fuel Oil							
New York Harbor	246.06	260.52	228.77	198.36	141.95	95.37	1993-2008
U.S. Gulf Coast	247.34	269.05	240.65	207.69	147.91	95.23	1993-2008
Los Angeles	262.9	289.62	282.5	254.5	193.25	122.1	1993-2008
Amsterdam-Rotterdam-Antwerp (ARA)	253.7	286.28	252.92	208.84	164.96	111.72	1993-2008
Singapore	238.43	269.04	247.82	215.57	147.93	89.95	1986-2008

Propane							
Mont Belvieu, Texas	181.29	186.15	165.09	153.	104.47	73.79	1992-2008
Conway, Kansas	174.59	176.36	158.42	149.72	103.83	79.93	1992-2008
Northwest Europe	178.32	186.84	162.61	162.01	108.89	71.47	1989-2008

-- No Data Reported, - = Not Applicable, NA = Not Available, W = Withheld to avoid disclosure of individual company data

Notes: Weekly, monthly, and annual prices are calculated by EIA from daily data by taking an unweighted average of the daily closing spot prices for a given product over the specified time period. Reuters Ltd. no longer reports gasoline ARA 50 ppm sulfur; it has been replaced with gasoline ARA 10 ppm sulfur. See Definitions, Sources, and Notes link above for more information on this table.

Release Date 12/3/2008

Next Release Date 12/10/2008

**Contact Us · Feedback · Privacy/Security · Careers · About EIA
Fedstats · USA.gov · Dept. of Energy**



Home > Petroleum > Navigator

Petroleum Navigator

Summary	Prices	Crude Reserves & Production	Refining & Processing	Imports/Exports & Movements	Stocks	Consumption & Sales	Publications & Analysis
---------	--------	-----------------------------	-----------------------	-----------------------------	--------	---------------------	-------------------------

Spot Prices

(Crude Oil in Dollars per Barrel, Products in Cents per Gallon)

Period: Daily



Product by Area	11/24/08	11/25/08	11/26/08	11/28/08	12/01/08	12/02/08	View History
Crude Oil							
WTI - Cushing, Oklahoma	53.63	50.02	54.2	55.21	49.34	47.05	1986-2008
Brent - Europe	49.51	47.51	49.39	47.72	47.57	45.64	1987-2008
Conventional Gasoline							
New York Harbor, Regular	118.75	113.25	122.24	121.78	113.15	109.06	1986-2008
U S Gulf Coast, Regular	113.85	106.9	114.82	117.25	105.4	99.81	1986-2008
Los Angeles, Regular	106.85	101.4	107.2	110	98	92.81	1986-2008
Amsterdam-Rotterdam-Antwerp (ARA) - 10 ppm Sulfur, Regular	103.4	103.11	111.89	116.99	116.99	112.74	2003-2008
Amsterdam-Rotterdam-Antwerp (ARA) - 50 ppm Sulfur, Regular							1987-2008
Singapore, Premium	92.86	102.74	96.79	105.95	107.62	96.45	1992-2008
Reformulated Gasoline							
New York Harbor, Regular							1994-2008
U S Gulf Coast, Regular							1994-2008
RBOB Regular Gasoline							
New York Harbor	114.75	108.75	118.24	117.78	108.4	104.06	2004-2008
U S Gulf Coast	111.5	107.15	115.07	117.5	105.75	101.56	2006-2008
Los Angeles	112.85	107.4	113.2	116	104	98.81	2003-2008
No. 2 Heating Oil							
New York Harbor	178	169.24	173.63	169.63	159.9	157.61	1986-2008
U S Gulf Coast	171.95	162.63	168.35	167.25	152.9	149.61	1986-2008
Gasoil							
Amsterdam-Rotterdam-Antwerp (ARA)	177.05	170.17	174.57	172.97	158.49	155.21	1986-2008
Singapore	144.17	152.86	148.57	156.67	149.29	141.31	1987-2008
Low-Sulfur No. 2 Diesel Fuel							
New York Harbor	178.75	170.39	174.75	170.75	161.9	158.61	1995-2008
U S Gulf Coast	172.7	164.13	169.85	168.75	153.4	151.11	1995-2008
Los Angeles	167.7	159.88	162.35	162.75	147.15	145.86	1986-2008
Kerosene-Type Jet Fuel							
New York Harbor	184.5	177.14	183.73	182.63	168.65	166.36	1990-2008
U.S. Gulf Coast	179.95	170.88	177.1	176	162.65	160.36	1990-2008
Los Angeles	173.5	164.89	168.5	164.5	158.79	155.75	1990-2008
Amsterdam-Rotterdam-Antwerp (ARA)	183.03	175.02	180.38	179.33	161.12	157.12	1986-2008
Singapore	160.36	171.43	164.52	164.76	155	145.95	1986-2008
Residual Fuel Oil							
New York Harbor	95.17	86.5	92.57	92.57	86.31	82.81	1993-2008
U.S. Gulf Coast	96.95	91.67	96.74	96.74	90.24	87.43	1993-2008
Los Angeles	105.54	105.54	103.65	105.54	105.54	105.54	1993-2008
Amsterdam-Rotterdam-Antwerp (ARA)	102.74	98.99	98.99	105.92	97.3	89.99	1993-2008
Singapore	79.72	85.8	84.69	90.22	87.27	83.22	1986-2008

Propane							
Mont Belvieu, Texas	72	72	71 19	71 19		65 25	1992-2008
Conway, Kansas	78	78	77	77		71 13	1992-2008

- = No Data Reported, -- = Not Applicable, NA = Not Available, W = Withheld to avoid disclosure of individual company data

Notes: Weekly, monthly, and annual prices are calculated by EIA from daily data by taking an unweighted average of the daily closing spot prices for a given product over the specified time period Reuters Ltd no longer reports gasoline ARA 50 ppm sulfur, it has been replaced with gasoline ARA 10 ppm sulfur See Definitions, Sources, and Notes link above for more information on this table

Release Date 12/3/2008

Next Release Date 12/10/2008

**Contact Us · Feedback · Privacy/Security · Careers · About EIA
Fedstats · USA.gov · Dept. of Energy**

This Week In Petroleum

Release Schedule
Printer-Friendly Version
Sign Up for Email Updates

Complete History XLS
Analysis Text History
RSS feed

Summary

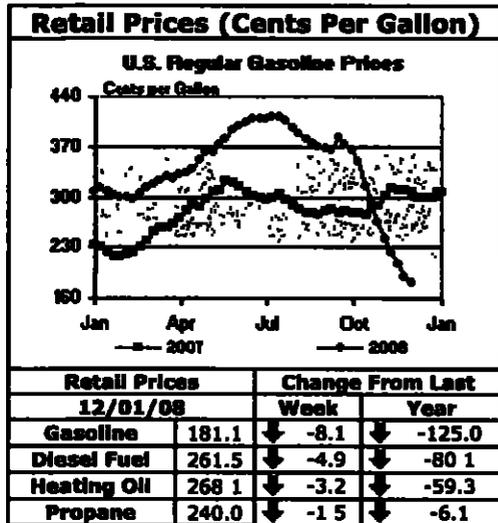
Crude Oil

Gasoline

Distillate

Propane

Scroll over labels below to see different charts



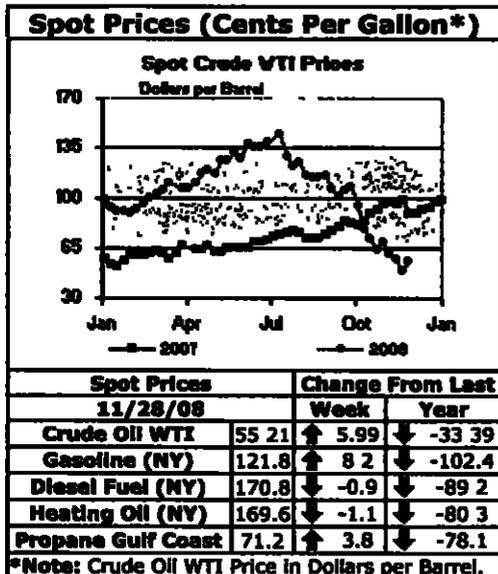
Released on December 3, 2008
(Next Release on December 10, 2008)

Retrospective Look at Refinery Operations after Hurricanes

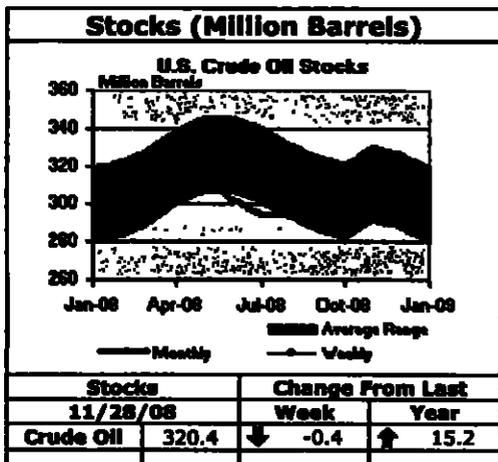
Thanksgiving is a time for retrospection. While most of us focus on our families, readers of this commentary may also reflect on industry events. Looking back at Hurricanes Gustav and Ike this past September, we are struck by, and can be thankful for, the contrast between these storms and Hurricanes Rita and Katrina in the fall of 2005. While both pairs of hurricanes wreaked tremendous damage, the refining sector and consumers dodged a bullet in 2008.

The impacts of these hurricanes are evident in the Gulf Coast (PADD 3) refinery outages shown in the figure below. Initially, total outages from both sets of hurricanes were similar, though the September 2008 outage peak in the figure below is higher than the outages shown for 2005. This is because the figure represents monthly averages and the 2005 events spanned two months – with Hurricane Katrina reaching the Gulf Coast on August 29 and Rita hitting Louisiana on September 24 – while Hurricanes Gustav and Ike created large outages primarily during the single month of September when Gustav hit the Gulf Coast on September 1, followed less than two weeks later by Ike.

Most of the outages in both cases were due to refinery shutdowns as the hurricanes hit the coastal regions. As the figure shows, unplanned outages following Katrina and Rita in 2005 lasted many months while repairs were being made to damaged refineries. In 2008, refineries did not experience nearly as much on-site damage, and many refinery shutdowns lasting from two to three weeks were primarily caused by disruption of their electricity supplies resulting from damage to electricity transmission infrastructure. By October 2008, most refineries were back on line, although not all at full production.



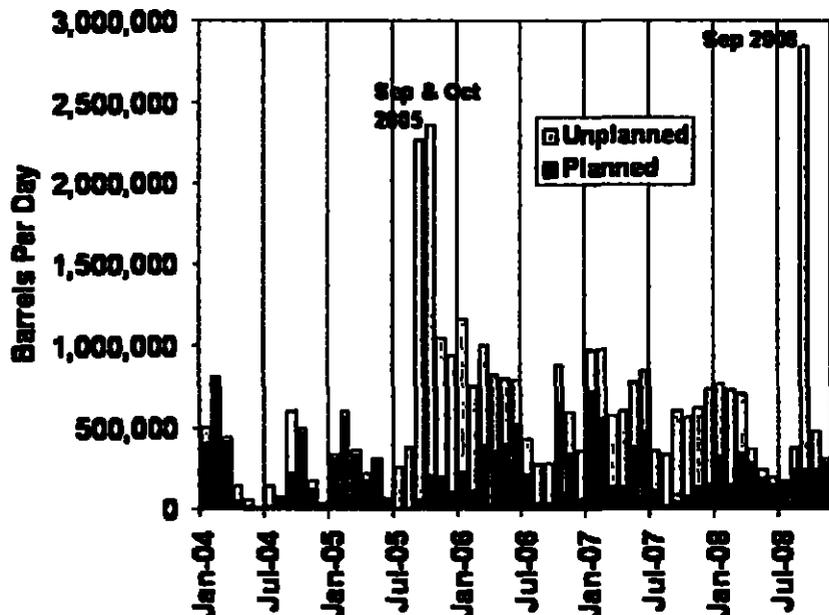
At the end of August 2008, before the hurricanes, retail conventional gasoline prices were averaging \$3.68 nationally. With refineries out of commission after both pairs of hurricanes, gasoline inventories plunged as they were drained to help meet demand. Gasoline inventories actually reached lower levels in 2008 than in 2005. In both cases, retail outages along the pipelines were mainly caused by the loss of refinery supply into the pipelines. Since tight supply often leads to higher prices, a large price jump, as occurred in 2005, might have been expected on top of already high prices. However, while prices did increase temporarily, particularly in areas of the South where retail outages were concentrated, national average gasoline prices did not spike as they did in 2005. Crude oil prices were already declining by this point in 2008, helping to keep retail prices in check. Furthermore, suppliers had learned from the 2005 hurricanes how to better manage supplies under similar conditions.



Gasoline	198.9	↓	-1.6	↓	-1.7
Distillate	125.0	↓	-1.7	↓	-7.3
Propane	60.329	↑	0.037	↓	-0.639

All in all, implementation of lessons learned combined with good luck to make the impact of this year's hurricane season much less than it might have been – something we can all be grateful for.

Figure: PADD 3 Refinery Outages (Monthly Averages)



Source: Industrial Info Resources, Inc Database, November 25, 2008.

Residential Heating Fuel Prices Slow Their Decline

Residential heating oil prices applied the brakes to their freefall during the period ending December 1, 2008. The average residential heating oil price fell 3.2 cents last week to reach 268.1 cents per gallon, which was a decrease of 59.3 cents from this time last year. Wholesale heating oil prices decreased by 1.2 cents, reaching 182.4 cents per gallon, which was a drop of 77.9 cents compared to the same period last year.

The average residential propane price decreased 1.5 cents to reach 240.0 cents per gallon. This was a decrease of 6.1 cents from the 246.1 cents per gallon average for this same time last year. Wholesale propane prices gained 4.7 cents per gallon, increasing from 81.2 cents to 85.9 cents per gallon. This was a decrease of 70.1 cents from the December 3, 2007 price of 156.0 cents per gallon.

Gasoline and Diesel Prices Continue Downward Descent

The average price of regular gasoline fell in all regions of the country and for the first time since January 31, 2005, the average price slipped below \$2 a gallon in all major regions of the country. The national average dipped 8.1 cents to 181.1 cents per gallon; the price is now 230.3 cents below the all-time high set on July 7 of this year, and 125 cents lower than the price a year ago. The average price on the East Coast fell 9.3 cents to 186 cents per gallon. Although the price slipped only 3.3 cents, at 171.7 cents per gallon, the average price in the Midwest was again the lowest of any region. The average price on the Gulf Coast was 173.2 cents per gallon, reflecting a drop of 7.3 cents. In the Rocky Mountains, the price fell 10.9 cents to 173.8 cents per gallon. The price on the West Coast plunged 14.5 cents, the most of any region, to 197.2 cents per gallon – falling below \$2 a gallon for the first time since January 31 of 2005. The price in California tumbled 15.7 cents, hitting 195.5 cents per gallon, also the first time that price was below \$2 a gallon since January of 2005.

The U.S. average diesel price slipped 4.9 cents to 261.5 cents per gallon, 80.1 cents below the price a year ago and the lowest since February 26, 2007. Once again, prices fell throughout the country. On the East Coast, the average

price dipped 5.3 cents to 273.5 cents per gallon, 70.9 cents lower than the price a year ago. The price in the Midwest dropped 4.6 cents to reach 257.8 cents per gallon. The average price in the Gulf Coast slipped 4.2 cents to 255.6 cents per gallon. For the second week in a row, prices in the Rocky Mountains fell the most of any region, dropping 6.7 cents to hit 257.7 cents per gallon. On the West Coast, the average price fell 5.5 cents to 255.3 cents per gallon, the lowest of any region, and the lowest for the West Coast since January 2, 2006. In California, the average price shrank 6.7 cents to 253.8 cents per gallon.

November Draw on Propane Inventories Nearly Flat

Preliminary estimates show the November draw on primary inventories of propane totaled less than 0.1 million barrels, the lowest for this month since a stockbuild in 2005. In comparison, the most recent 5-year average stockdraw during November totaled about 1.9 million barrels. Moreover, propane inventories remained relatively flat at an estimated 60.3 million barrels as of November 28, 2008, a level that remains only slightly below the average range for this time of year.

Regional inventories fell in the East Coast and Midwest with similar 0.3 million-barrel declines, while on the Gulf Coast, inventories soared higher by 0.7 million barrels. The combined Rocky Mountain/West Coast region reported relatively flat inventories during this same time. Propylene non-fuel use inventories moved up by 0.2 million barrels to account for a higher 5.8 percent share of total propane/propylene inventories, up from the prior week's 5.5 percent share.

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

**Contact Us • Feedback • Privacy/Security • Careers • About EIA
Fedstats • USA.gov • Dept. of Energy**

AAR MATERIALS AND SUPPLIES INDEX
Region By Composition
Fourth Quarter 2008
December 1, 2008

United States by Composition Category - Summary

Composition Category -----	Weight -----	Previous Quarter Index -----	Current Quarter Index -----	Relative Of Change -----
Forest Products	.1102	240.20	261.79	1.0899
Metal Products	.6389	210.60	201.78	.9581
Miscellaneous Products	.2509	288.62	325.74	1.1286
U.S. By Composition	--	233.43	239.50	1.0260
U.S. By Composition (Linked)	--	237.73	243.91	1.0260
United States (1977=100) Linking Factor: 1.423	--	338.29	347.08	1.0260
United States (1980=100) Linking Factor: 1.061	--	252.23	258.79	1.0260

Car Hire for RCAF

RCAF (Forecast)

	1980	June 3Q/08	Sept. 4Q/08	Dec 1Q/09	Mar 2Q/09	June 3Q/09
RATE						
RR-OWNED TIME	31.00	67.00	67.00	67.00	--	--
RR-OWNED MILEAGE	4.69	7.20	7.20	7.20	--	--
PRIVATELY-OWNED CARS	25.47	45.75	45.57	45.48	--	--
AUTORACKS	47.00	49.98	51.88	52.82	--	--
INDEX						
RR-OWNED TIME	100.0	216.1	216.1	216.1	--	--
RR-OWNED MILEAGE	100.0	153.5	153.5	153.5	--	--
PRIVATELY-OWNED CARS	100.0	179.6	178.9	178.6	--	--
AUTORACKS	100.0	106.3	110.4	112.4	--	--
CAR HIRE INDEX (old wts) 2006	100.0	183.3	--	--	--	--
CAR HIRE INDEX (new wts) 2007	100.0	183.2	182.6	182.4	--	--
CAR HIRE INDEX (LINKED)	100.0	182.3	181.7	181.5	--	--

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 UMLER

	2008												2009											
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug		

Railroad Owned																								
No. of Cars																								
Superstructures																								
Rate																								
Superstructures #3 - Auto Rack	9,319	9,298	9,260	9,236	9,191	9,116																		
All other #1 - Time	19.0	19.0	19.0	19.0	19.0	19.0																		
All other #2 - Mileage	67.0	67.0	67.0	67.0	67.0	67.0																		
Privately Owned	7.2	7.2	7.2	7.2	7.2	7.2																		
No. of Cars																								
Superstructures																								
Covered Hoppers																								
Tank Cars																								
Others																								
Rate																								
Superstructures #1 - Time	48,751	48,742	48,703	48,802	48,646	48,904																		
Superstructures #2 - Mileage	342,058	341,934	342,384	343,455	343,426	342,491																		
Superstructures #3 - Auto Rack	314,047	314,204	315,055	315,788	314,985	313,030																		
Covered Hoppers #2 - Mileage	297,412	299,033	299,463	301,343	302,182	304,638																		
Tank Cars #2 - Mileage	78.0	78.0	78.0	78.0	78.0	78.0																		
Others #1 - Time	0.8	0.8	0.8	0.8	1.0	1.0																		
Others #2 - Mileage	57.0	58.0	58.0	59.0	60.0	59.0																		
	44.9	45.0	45.1	45.2	45.2	45.2																		
	74.5	74.6	73.8	73.9	74.0	74.1																		
	64.0	64.0	64.0	63.0	63.0	63.0																		
	6.6	6.6	6.6	6.6	6.7	6.7																		

AVERAGE RATES

Private Superstructures	19.13	19.13	19.13	19.13	19.33	19.33	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private Others	20.81	20.81	20.81	20.59	20.69	20.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Private Total	48.76	48.78	48.57	48.54	48.57	48.48	#DIV/0!															
Autotracts	51.01	51.88	51.88	52.74	53.62	52.82	#DIV/0!															

WEIGHTS

	Old Wts	New Wts
	2006	2007
For RCAF & RCR	0.182	0.169
RR-owned Time	0.097	0.100
RR-owned Mileage	0.716	0.731
Privately-owned Cars	0.005	0.000
Autotracts	1.000	1.000
----- Check sum	1.000	1.000

Weights for Equipment Rents (not used in Car Hire calculation)

	2006	2007
Car Hire - U.S	0.463	0.432
Lease Rentals - U.S	0.537	0.568
----- 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.

PRIVATE EQUIPMENT 1/

1 PROGRAM DPRB799
 CURRENT DATE DECEMBER 01, 2008

AVERAGE RATE FOR 12/08

CAR GROUP	CAR COUNT	TIME	MILEAGE	AJTO RACK
-VEHICLE FLATS	49,904	79 ¢/HR	0.0 ¢/MILE	59 ¢/HR
ONO OF ZERO RATED VEH FLATS 2/	103			
-COVERED HOPPERS	342,491	0 ¢/HR	452 ¢/MILE	
ONO OF ZERO RATED COVERED HOPPERS 2/	10,759			
-TANKS	313,030	5 ¢/HR	741 ¢/MILE	
ONO OF ZERO RATED TANKS 2/	11,291			
-ALL OTHER CARS	304,636	63 ¢/HR	067 ¢/MILE	
ONO OF ZERO RATED "OTHER" CARS 2/	36,939			
0	TOTAL			
	1,069,153			

1/ THIS PRINT EXCLUDES THE FOLLOWING CAR TYPES.

- CAR TYPE D - LOCOMOTIVES
- CAR TYPE M - MAINTENANCE OF WAY, SCALE, PASSENGER, CABOOSE AND BOAT DEVICE
- CAR TYPE U - CONTAINERS
- CAR TYPE Z - TRAILERS

0 ALL TTX EQUIPMENT (INCLUDING ABOX, RBOX AND GONK) IS SHOWN ON THE PRIVATE EQUIPMENT REPORT.

-2/ EQUIPMENT CAN BE ZERO RATED DUE TO OWNERS SUPPLYING INCORRECT OR INSUFFICIENT INFORMATION TO THE CAR ACCOUNTING PROCESS OR CARS WITH RATE INDICATOR SIX (6). THIS EQUIPMENT IS ELIMINATED FROM THE AVERAGING PROCESS

□

		AVERAGE RATE FOR 12/08		
		CAR RENTAL RATES		
GROUP	CAR COUNT	TIME	MILEAGE	AUTO RACK
-VEHICULAR FLATS	9,119	130 C/P-R	682 \$/MILE	23 C/HP
ONO OF ZERO RATED VEH. FLATS 2/	86			
-ALL OTHER CARS	651,923	67 C/P-R	072 \$/MILE	
ONO. OF ZERO RATED *OTHER* CARS 2/	37,121			
0	TOTAL		698,249	

1/ THIS PRINT EXCLUDES THE FOLLOWING CAR TYPES.
 CAR TYPE D - LOCOMOTIVES
 CAR TYPE M - MAINTENANCE OF WAY, SCALE, PASSENGER, CABOOSE AND EOT DEVICE
 CAR TYPE U - CONTAINERS
 CAR TYPE Z - TRAILERS

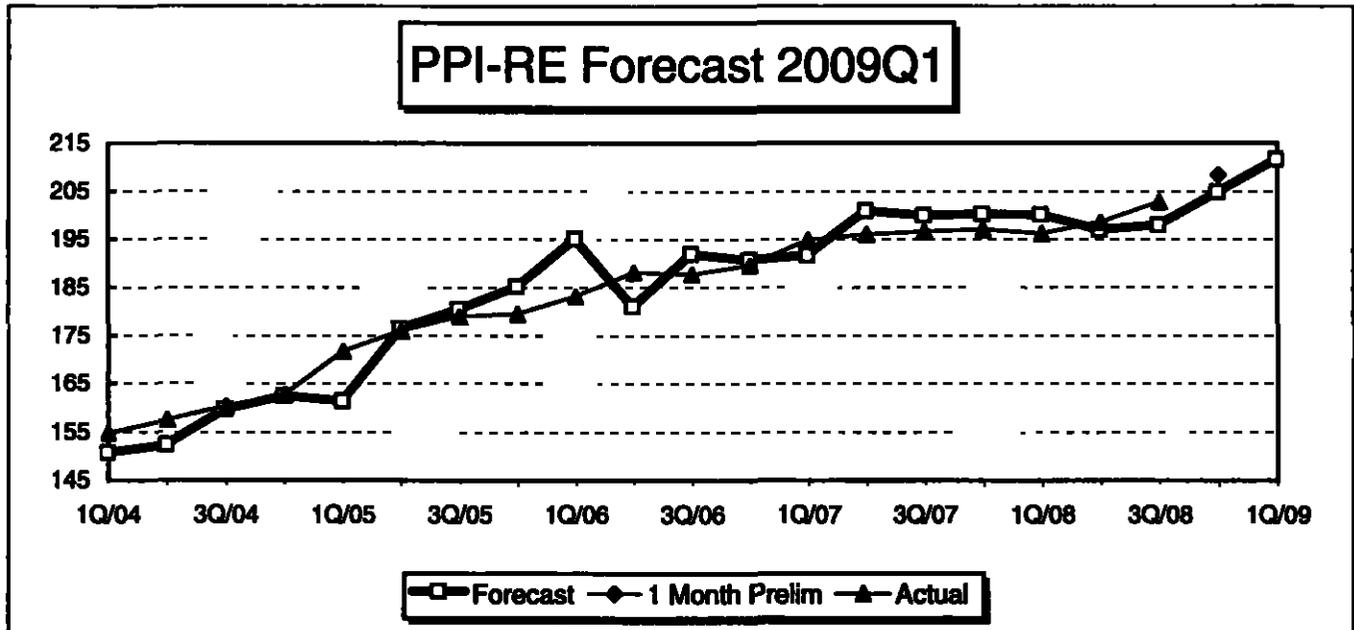
0 ALL TTX EQUIPMENT (INCLUDING ABOX, REOX AND GONY) IS SHOWN ON THE PRIVATE EQUIPMENT REPORT.
 -2/ EQUIPMENT CAN BE ZERO RATED DUE TO OWNERS SUPPLYING INCORRECT OR INSUFFICIENT INFORMATION TO THE CAR ACCOUNTING PROCESS OR CARS WITH RATE INDICATOR SIX (6). THIS EQUIPMENT IS ELIMINATED FROM THE AVERAGING PROCESS.

PPI-RE Forecast (for Depreciation Component)

	Forecast	Actual	1 Month Prelm
1Q/04	150.7	154.8	
2Q/04	152.3	157.5	
3Q/04	159.6	160.3	
4Q/04	162.4	162.7	
1Q/05	161.3	171.7	
2Q/05	176.3	175.9	
3Q/05	180.3	178.9	
4Q/05	185.1	179.4	
1Q/06	195.0	183.1	
2Q/06	180.9	188.1	
3Q/06	191.9	187.7	
4Q/06	190.6	189.6	
1Q/07	191.6	194.8	
2Q/07	200.9	195.9	
3Q/07	199.9	196.5	
4Q/07	200.2	197.0	
1Q/08	200.1	196.1	
2Q/08	196.9	198.5	
3Q/08	197.9	202.8	
4Q/08	204.8		208.4
1Q/09	211.6		

1980 Base

	PPI-RE Forecast		Percent Change			
	(82=100)	(80=100)	Yr Ago Actual	Latest Month Actual	2nd Prev Qtr Actual	Previous Forecast
2009Q1						
Low	184.3	203.9	4.0%			
Midpoint	191.3	211.6	7.9%	1.5%	4.3%	3.3%
High	198.4	219.5	11.9%			



Forecast Pro Version 4.3 Standard Edition

Database I:\Indexes2\RCAF\2009q1\5Deprec\FPre_ppi.xls is open and ready for use.

Expert data exploration of dependent variable PPIRE

Length 72 Minimum 134.500 Maximum 188.400
Mean 159.956 Standard deviation 16.908

Classical decomposition (multiplicative)

Trend-cycle: 98.73% Seasonal: 0.24% Irregular: 1.03%

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

Exponential smoothing outperforms Box-Jenkins by 2.311 to 3.019 out-of-sample Mean Absolute Deviation. I tried 78 forecasts up to a maximum horizon 12.

Series is trended and seasonal.

Recommended model: Exponential Smoothing

Forecast Model for PPIRE

Holt exponential smoothing: Linear trend, No seasonality

Confidence limits proportional to level

Component	Smoothing weight	Final Value
Level	0.99999	188.40
Trend	0.02027	0.72964

) Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 160	Standard deviation 16.91
R-square 0.9923	Adjusted R-square 0.9921
Durbin-Watson 1.692	Ljung-Box(18)=17.01 P=0.4779
Forecast error 1.498	BIC 1.568
MAPE 0.005973	RMSE 1.478
MAD 0.98	

Forecast Report

Tue Nov 18 11:14:50 2008

Exponential Smoothing model for PPIRE

Analysis of Historic Fit Set

Date	Historic
2002-11	134.500
2002-12	134.500
2003-01	134.500
2003-02	135.400
2003-03	135.500
2003-04	136.000
2003-05	136.300
2003-06	136.300
2003-07	136.700
2003-08	136.500
2003-09	136.900
2003-10	137.200
2003-11	137.700
2003-12	137.300
2004-01	137.900
2004-02	140.100

re_ppi.txt

1
2004-03 142.200
2004-04 142.800
2004-05 143.500
2004-06 143.700
2004-07 143.200
2004-08 143.500
2004-09 144.200
2004-10 145.000
2004-11 147.000
2004-12 153.200
2005-01 153.400
2005-02 156.000
2005-03 161.600
2005-04 161.100
2005-05 161.300
2005-06 161.200
2005-07 161.500
2005-08 161.800
2005-09 161.800
2005-10 161.700
2005-11 161.900
2005-12 162.200
2006-01 164.200
2006-02 165.500
2006-03 168.200
2006-04 168.200
2006-05 169.600
2006-06 171.300
2006-07 170.600
2006-08 170.900
2006-09 170.400
2006-10 170.200
2006-11 170.300
2006-12 172.700
2007-01 173.900
2007-02 175.600
2007-03 176.100
2007-04 174.200
2007-05 175.600
2007-06 176.400
2007-07 177.400
2007-08 177.400
2007-09 177.900
2007-10 177.500
2007-11 177.700
2007-12 177.500
2008-01 178.400
2008-02 178.200
2008-03 177.600
2008-04 178.700
2008-05 178.000
2008-06 181.200
2008-07 184.700
2008-08 182.400
2008-09 182.800
2008-10 188.400

Forecasted values

(
Date 2.5 Lower Forecast 97.5 Upper

2008-11 185.640 189.130 192.620

			re_ppi.txt
2008-12	184.873	189.859	194.845
2009-01	184.462	190.589	196.716
2009-02	184.232	191.319	198.405
2009-03	184.117	192.048	199.979
2009-04	184.084	192.778	201.471
2009-05	184.113	193.507	202.902
2009-06	184.190	194.237	204.284
2009-07	184.308	194.967	205.626
2009-08	184.458	195.696	206.935
2009-09	184.637	196.426	208.215
2009-10	184.841	197.156	209.471



Databases, Tables & Calculators by Subject

FONT SIZE

Data extracted on: November 18, 2008 (10:37 AM)

PPI Commodity Data

Series Catalog:

Series ID : wpu144

Not Seasonally Adjusted

Group : Transportation equipment

Item : Railroad equipment

Base Date : 198200

Data:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ann
2007	173.9	175.6	176.1	174.2	175.6	176.4	177.4	177.4	177.9	177.5	177.7	177.5	176.4
2008	178.4	178.2	177.6	178.7	178.0	181.2	184.7(p)	182.4(p)	182.8(p)	188.4(p)			

p - Preliminary. All indexes are subject to revision four months after original publication.

Quick Links

Tools

- [At a Glance Tables](#)
- [Economic News Releases](#)
- [Databases & Tables](#)
- [Maps](#)

Calculators

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

Help

- [Help & Tutorials](#)
- [A to Z Index](#)
- [FAQs](#)
- [Glossary](#)
- [About BLS](#)
- [Contact Us](#)

Info

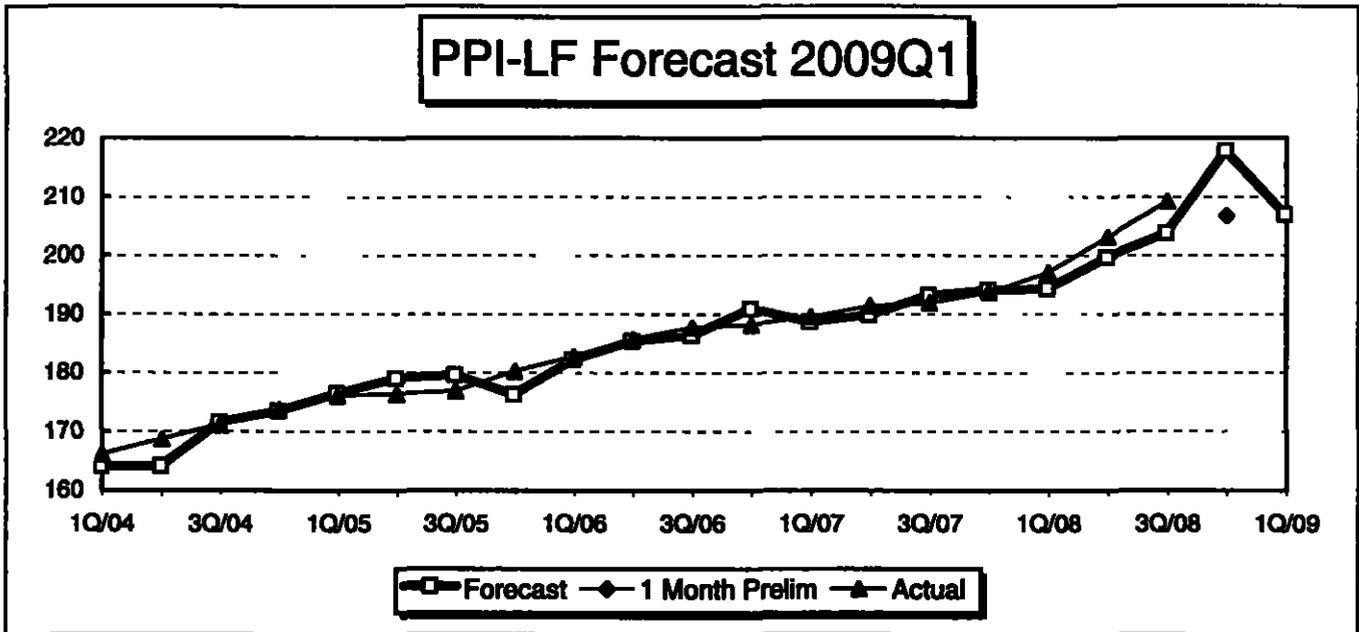
- [What's New](#)
- [Careers @ BLS](#)
- [Find It! DOL](#)
- [Join our Mailing Lists](#)
- [Privacy & Security](#)
- [Linking & Copyright Information](#)

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

	Forecast	Actual	1 Month Prelim
1Q/04	163.9	166.0	
2Q/04	163.9	168.6	
3Q/04	171.4	171.1	
4Q/04	173.3	173.7	
1Q/05	176.3	176.0	
2Q/05	178.9	176.3	
3Q/05	179.5	176.8	
4Q/05	176.2	180.2	
1Q/06	182.1	182.7	
2Q/06	185.3	185.7	
3Q/06	186.3	187.7	
4Q/06	190.9	188.2	
1Q/07	188.6	189.5	
2Q/07	189.8	191.4	
3Q/07	193.2	191.9	
4Q/07	194.1	193.7	
1Q/08	194.3	197.1	
2Q/08	199.7	203.1	
3Q/08	203.8	209.2	
4Q/08	217.8		206.7
1Q/09	207.0		

1980 Base

	PPI-LF Forecast		Percent Change			
	(82=100)	(80=100)	Yr Ago Actual	Latest Month Actual	2nd Prev Qtr Actual	Previous Forecast
2009Q1						
Low	181.3	203.3	3.1%			
Midpoint	184.6	207.0	5.0%	0.1%	-1.1%	-5.0%
High	188.0	210.8	7.0%			



Forecast Pro Version 4.3 Standard Edition

Database I:\Indexes2\RCAF\2009q1\70ther\FPIf_ppi.xls is open and ready for use.

Expert data exploration of dependent variable PPILF

Length 72 Minimum 143.400 Maximum 187.500
 Mean 161.197 Standard deviation 12.415

Classical decomposition (multiplicative)
 Trend-cycle: 98.27% Seasonal: 0.18% Irregular: 1.55%

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

Box-Jenkins outperforms exponential smoothing by 3.639 to 3.957 out-of-sample Mean Absolute Deviation. I tried 78 forecasts up to a maximum horizon 12.

Series is trended and seasonal.

Recommended model: Box-Jenkins
 Forecast Model for PPILF
 ARIMA(0,1,1)*(1,1,0)

Term	Coefficient	Std. Error	t-Statistic	Significance
b[1]	-0.6421	0.1012	-6.3443	1.0000
A[12]	-0.9382	0.0826	-11.3562	1.0000

Within-Sample Statistics

Sample size 72	Number of parameters 2
Mean 161.2	Standard deviation 12.42
R-square 0.9982	Adjusted R-square 0.9982
Durbin-Watson 1.629	Ljung-Box(18)=15.69 P=0.3856
Forecast error 0.5253	BIC 0.5496
MAPE 0.00198	RMSE 0.5179
MAD 0.3373	

Forecast Report
 Tue Nov 18 11:56:15 2008
 Box-Jenkins model for PPILF
 Analysis of Historic Fit Set

Date	Historic
2002-11	143.800
2002-12	143.400
2003-01	144.000
2003-02	144.700
2003-03	145.300
2003-04	144.800
2003-05	144.900
2003-06	144.800
2003-07	144.600
2003-08	144.800
2003-09	145.000
2003-10	145.900
2003-11	146.100
2003-12	146.300
2004-01	147.200
2004-02	148.200
2004-03	149.100
2004-04	150.000

1f_ppi.txt

2004-05 150.500
 2004-06 150.900
 2004-07 151.500
 2004-08 152.600
 2004-09 153.300
 2004-10 154.600
 2004-11 155.000
 2004-12 155.400
 2005-01 156.400
 2005-02 156.900
 2005-03 157.400
 2005-04 157.600
 2005-05 157.400
 2005-06 157.000
 2005-07 157.300
 2005-08 157.500
 2005-09 158.700
 2005-10 160.500
 2005-11 161.000
 2005-12 161.300
 2006-01 162.500
 2006-02 163.200
 2006-03 163.800
 2006-04 164.800
 2006-05 166.400
 2006-06 166.800
 2006-07 167.100
 2006-08 167.500
 2006-09 167.600
 2006-10 167.700
 2006-11 167.800
 2006-12 167.900
 2007-01 168.200
 2007-02 168.600
 2007-03 169.400
 2007-04 170.300
 2007-05 170.800
 2007-06 171.000
 2007-07 171.400
 2007-08 171.100
 2007-09 171.200
 2007-10 172.200
 2007-11 173.100
 2007-12 173.100
 2008-01 174.700
 2008-02 175.900
 2008-03 177.400
 2008-04 179.800
 2008-05 181.800
 2008-06 183.200
 2008-07 185.700
 2008-08 187.500
 2008-09 186.600
 2008-10 184.400

Forecasted values

Date	2.5 Lower	Forecast	97.5 Upper
2008-11	182.452	183.573	184.694
2008-12	181.511	183.667	185.823
2009-01	181.212	184.047	186.882

			lf_ppi.txt
2009-02	181.116	184.496	187.877
2009-03	181.490	185.340	189.190
2009-04	182.065	186.332	190.600
2009-05	182.277	186.925	191.573
2009-06	182.200	187.199	192.199
2009-07	182.401	187.729	193.057
2009-08	181.921	187.558	193.195
2009-09	181.666	187.597	193.527
2009-10	182.190	188.399	194.609



U.S. Department of Labor

www.bls.gov

Search:

for:



Bureau of Labor Statistics

[Newsroom](#) | [Tutorials](#) | [Release Calendar](#)

[Home](#) [Subject Areas](#) [Databases & Tables](#) [Publications](#) [Economic Releases](#) [A - Z Index](#) | [About BLS](#)

Databases, Tables & Calculators by Subject

FONT SIZE:

Data extracted on: **November 18, 2008 (10:39 AM)**

PPI Commodity Data

Series Catalog:

Series ID : wpu03t15m05

Not Seasonally Adjusted

Group : Industrial Commodities less fuels

Item : Industrial commodities less fuels

Base Date : 198200

Data:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ann
2007	168.2	168.6	169.4	170.3	170.8	171.0	171.4	171.1	171.2	172.2	173.1	173.1	170.9
2008	174.7	175.9	177.4	179.8	181.8	183.2	185.7(p)	187.5(p)	186.6(p)	184.4(p)			

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

Quick Links

Tools

- [At a Glance Tables](#)
- [Economic News Releases](#)
- [Databases & Tables](#)
- [Maps](#)

Calculators

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

Help

- [Help & Tutorials](#)
- [A to Z Index](#)
- [FAQs](#)
- [Glossary](#)
- [About BLS](#)
- [Contact Us](#)

Info

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

[Back to Top](#)

[Freedom of Information Act](#) | [Customer Survey](#) | [Do you have a technical Web site question?](#)

bls.gov

FORECAST ERROR CALCULATION

	Third Quarter 2008		Diff
	2008Q3	2008Q3	
Labor	Weight	Actual	
Fuel	34.5%	317.2	0.0
M&S	19.2%	472.8	8.2
Equip Rents	5.0%	228.3	0.0
Depreciation	7.8%	199.5	3.2
Interest	10.6%	197.9	202.8
Other	2.7%	90.2	4.9
	20.2%	203.8	0.0
Weighted Avg		209.2	5.4
1980 = 100	291.8	295.2	
1980 = 100 (linked)	284.3	287.8	
4Q07 = 100	115.6	117.0	
4Q02 = 100	148.0	149.8	
4Q97 = 100	164.1	166.2	
4Q92 = 100	181.2	183.4	

* actual=forecast from 1st month of quarter
 * actual=forecast from Equipment Rents below
 PPI-RE **184.70** **182.40** **182.80** **0.9040**
 * actual=forecast
 PPI-LF **185.70** **187.50** **186.60** **0.8920**

Forecast Error → **1.4** calculated

Prior Quarter

1980 = 100	267.8	278.6 ***
1980 = 100 (linked)	260.9	271.6
4Q07 = 100	106.1	110.5
4Q02 = 100	135.8	141.4
4Q97 = 100	150.6	156.8
4Q92 = 100	166.3	173.1

Equipment Rents

Car Hire	46.3%	182.3	182.2	from UMLER equipment rents
Lease Rentals	53.7%	203.8	209.2	calculated (equals PPI-LF from above)
Weighted Average		193.8	196.7	calculated
Linked		199.5	202.7	calculated

Prior Quarter

Weighted Average	191.0	193.1 ***
Linked	196.6	199.0

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)

	06 Wts	3Q/07 05 Wts	3Q/07 06 Wts	% Chng.	4Q/07 06 Wts	% Chng.	1Q/08 06 Wts	% Chng.	2Q/08 06 Wts	% Chng.	3Q/08 06 Wts	% Chng.
Labor	34.5%	298.5	298.5	0.0%	307.9	3.1%	312.8	1.6%	313.6	0.3%	317.2	1.1%
Fuel	19.2%	276.0	276.0	0.0%	298.5	8.2%	321.4	7.7%	412.2	28.3%	481.0	16.7%
M&S	5.0%	212.6	212.6	0.0%	218.4	2.7%	218.5	0.0%	225.1	3.0%	228.3	1.4%
Equipment Rents	7.8%	192.0	192.0	0.0%	192.9	0.5%	194.8	1.0%	199.0	2.2%	202.7	1.9%
Depreciation	10.6%	196.5	196.5	0.0%	197.0	0.3%	196.1	-0.5%	198.5	1.2%	202.8	2.2%
Interest	2.7%	96.9	96.9	0.0%	90.2	-6.9%	90.2	0.0%	90.2	0.0%	90.2	0.0%
Other	20.2%	191.9	191.9	0.0%	193.7	0.9%	197.1	1.8%	203.1	3.0%	209.2	3.0%
Weighted Avg.	1.0000											
Linked		241.5	243.8	1.0%	251.9	3.3%	258.8	2.7%	278.6	7.7%	295.2	6.0%
10/1/80		237.7			245.6	3.3%	252.3	2.7%	271.6	7.6%	287.8	6.0%
10/1/82		231.5			239.1	3.3%	245.7	2.8%	264.5	7.7%	280.2	5.9%
4Q/87		196.6			203.1	3.3%	208.7	2.8%	224.6	7.6%	238.0	6.0%
4Q/92		179.8			185.8	3.3%	190.8	2.7%	205.4	7.7%	217.7	6.0%
4Q/97		151.5			156.5	3.3%	160.8	2.7%	173.1	7.6%	183.4	6.0%
4Q/02		137.2			141.8	3.4%	145.7	2.8%	156.8	7.6%	166.2	6.0%
4Q/07		123.7			127.9	3.4%	131.3	2.7%	141.4	7.7%	149.8	5.9%
		96.7			99.9	3.3%	102.6	2.7%	110.5	7.7%	117.0	5.9%
Equipment Rents												
Car Hire	46.3%	179.9	179.9	0.0%	179.6	-0.2%	179.7	0.1%	181.4	0.9%	182.2	0.4%
Lease Rentals	53.7%	191.9	191.9	0.0%	193.7	0.9%	197.1	1.8%	203.1	3.0%	209.2	3.0%
ER Weighted Avg	1.0000											
ER Linked		186.0	186.3	0.2%	187.2	0.5%	189.0	1.0%	193.1	2.2%	196.7	1.9%
		192.0			192.9	0.5%	194.8	1.0%	199.0	2.2%	202.7	1.9%

	05 Wts	06 Wts
Impact/Check of weight change	105371	102983
Labor	24160	52992
Fuel	19780	10630
Material & Supplies	15744	14976
Equipment Rents	21612	20829
Depreciation	33004	26116
Interest	41642	38764
Other	241512	243790
Weighted Avg	185996	186344
ER Weighted Avg	185996	186344

RCAF Fuel (Actual All-Inclusive Index)

July 2008

Average Price for Monthly Report

	July 2008 Price (1)	1/1/81 Price (2)	1/91 New	July 2008
			Method Linking Factors (3)	Index 1/1/81=100 (4)
U.S.	393.66	89.34	99.415	438.05
East	391.00	91.56	99.435	424.63
West	394.73	87.83	99.416	446.80

$$(4) = (1) / (2) \times (3)$$

Fuel Index on 1977 Base and 1980 Base

	July 2008	Linking Factors		July 2008 Index	
	Index 1/1/81=100 (1)	1977=100 (2)	1980=100 (3)	1977=100 (4)	1980=100 (5)
U.S.	438.05	2.606	1.096	1141.57	480.11
East	424.63	2.569	1.134	1090.87	481.53
West	446.80	2.639	1.067	1179.11	476.74

$$(4) = (1) \times (2)$$

$$(5) = (1) \times (3)$$

Final Actual All-inclusive Index

	1980=100		July 2008 Linked Index
	July 2008 Current Index	Adjustment Factor	
U.S.	480.11	1.00192	481.03 ←
East	481.53	1.00621	484.52
West	476.74	1.00024	476.85

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

Car Hire for RCAF

RCAF (Actual)		1980	Aug 3Q/08	Nov 4Q/08	Feb 1Q/09	May 2Q/09	Aug 3Q/09
RATE							
	RR-OWNED TIME	31.00	67.00	--	--	--	--
	RR-OWNED MILEAGE	4.69	7.20	--	--	--	--
	PRIVATELY-OWNED CARS	25.47	45.78	--	--	--	--
	AUTORACKS	47.00	51.86	--	--	--	--
INDEX							
	RR-OWNED TIME	100.0	216.1	--	--	--	--
	RR-OWNED MILEAGE	100.0	153.5	--	--	--	--
	PRIVATELY-OWNED CARS	100.0	179.7	--	--	--	--
	AUTORACKS	100.0	110.3	--	--	--	--
CAR HIRE INDEX (old wts)	2006	100.0	183.4	--	--	--	--
CAR HIRE INDEX (new wts)	2007	100.0	183.2	--	--	--	--
CAR HIRE INDEX (LINKED)		100.0	182.2	--	--	--	--

Note. Indexes are rounded, rates are full float

Equipment Rents Data From UMLER

	2009												
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul

Railroad Owned															
No. of Cars	9,318	9,288	9,260												
Superstructures															
Rate	19.0	19.0	19.0												
Superstructures #3 - Auto Rack	67.0	67.0	67.0												
All other #1 - Time	7.2	7.2	7.2												
All other #2 - Mileage															
Privately Owned															
No of Cars	49,751	49,742	49,703												
Superstructures	342,056	341,934	342,364												
Covered Hoppers	314,047	314,204	315,055												
Tank Cars	297,412	299,033	299,493												
Others															
Rate	78.0	78.0	78.0												
Superstructures #1 - Time	0.8	0.8	0.8												
Superstructures #2 - Mileage	58.0	58.0	58.0												
Superstructures #3 - Auto Rack	44.8	45.0	45.1												
Covered Hoppers #2 - Mileage	74.5	74.5	73.8												
Tank Cars #2 - Mileage	64.0	64.0	64.0												
Others #1 - Time	6.6	6.6	6.6												
Others #2 - Mileage															

	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	2008	2009	
AVERAGE RATES	19.13	19.13	19.13	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Private Superstructures	20.81	20.81	20.81	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
Private Others	45.75	45.78	45.57	#DIV/0!											
Private Total	61.01	51.95	51.85	#DIV/0!											
Autotracks															

	Old Wts*	New Wts*
For RCAF & RCR	0.182	0.169
RR-owned Time	0.097	0.100
RR-owned Mileage	0.718	0.731
Privately-owned Cars	0.005	0.000
Autotracks	1.000	1.000
Check sum	1.000	1.000

	2008	2007
Weights for Equipment Rents (not used in Car Hire calculation)		
Car Hire - U.S	0.463	0.432
Lease Rentals - U.S	0.537	0.568
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 Cifers rates.

CAR RENTAL RATES		MILEAGE		AUTO RACK	
CAR GROUP	CAR COUNT	TIME	MILEAGE	TIME	AUTO RACK
-VEHICULAR FLATS	49,742	78 ¢/HR	.008 \$/MILE		58 ¢/HR
ONO. OF ZERO RATED VEH. FLATS 2/	100				
-COVERED HOPPERS	341,934	0 ¢/HR	450 \$/MILE		
ONO. OF ZERO RATED COVERED HOPPERS 2/	13,443				
-TANKS	314,204	4 ¢/HR	746 \$/MILE		
ONO. OF ZERO RATED TANKS 2/	8,944				
-ALL OTHER CARS	299,033	64 ¢/HR	666 \$/MILE		
ONO. OF ZERO RATED *OTHER* CARS 2/	36,373				
	TOTAL.				
	1,063,773				

1/ THIS PRINT EXCLUDES THE FOLLOWING CAR TYPES:

- CAR TYPE D - LOCOMOTIVES
- CAR TYPE M - MAINTENANCE OF WAY, SCALE, PASSENGER, CABOOSE AND EOT DEVICE
- CAR TYPE U - CONTAINERS
- CAR TYPE Z - TRAILERS

0 ALL TTX EQUIPMENT (INCLUDING ABOX, RBOX AND GONK) IS SHOWN ON THE PRIVATE EQUIPMENT REPORT.
 -2/ EQUIPMENT CAN BE ZERO RATED DUE TO OWNERS SUPPLYING INCORRECT OR INSUFFICIENT INFORMATION TO THE CAR ACCOUNTING PROCESS OR CARS WITH RATE INDICATOR SIX (6). THIS EQUIPMENT IS ELIMINATED FROM THE AVERAGING PROCESS.

1 PROGRAM: DPRB799
 CURRENT DATE AUGUST 01, 2008

RAILROAD EQUIPMENT 1/

AVERAGE RATE FOR 08/08

CAR GROUP	CAR COUNT	TIME	MILEAGE	AUTO RACK
-VEHICULAR FLATS	9,298	130 c/HR	062 S/MILE	19 c/HR
ONO. OF ZERO RATED VEH. FLATS 2/	88			
-ALL OTHER CARS	660,695	67 c/HR	072 S/MILE	
ONO. OF ZERO RATED "OTHER" CARS 2/	37,029			
TOTAL	707,110			

1/ THIS PRINT EXCLUDES THE FOLLOWING CAR TYPES.
 CAR TYPE D - LOCOMOTIVES
 CAR TYPE M - MAINTENANCE OF WAY, SCALE, PASSENGER, CABOOSE AND BOT DEVICE
 CAR TYPE U - CONTAINERS
 CAR TYPE Z - TRAILERS

0 ALL TTX EQUIPMENT (INCLUDING ABOX, RBOX AND GONK) IS SHOWN ON THE PRIVATE EQUIPMENT REPORT
 -2/ EQUIPMENT CAN BE ZERO RATED DUE TO OWNERS SUPPLYING INCORRECT OR INSUFFICIENT INFORMATION TO THE CAR ACCOUNTING PROCESS OR CARS WITH RATE INDICATOR SIX (6). THIS EQUIPMENT IS ELIMINATED FROM THE AVERAGING PROCESS

RCAF - Depreciation

Series ID : wpu144

Not Seasonally Adjusted

Group : Transportation equipment

Item : Railroad equipment

Forecast Year 2009

As reported at end of month 82=100

		Nov.	Feb.	May	Aug.
For Forecast →		09Q1	09Q2	09Q3	09Q4
For Actual →		08Q3	08Q4	09Q1	09Q2
January	2008	178.4			
February	2008	178.2			
March	2008	177.6			
April	2008	178.7			
May	2008	178.0			
June	2008	181.2			
July	2008	184.7			
August	2008	182.4			
September	2008	182.8			
October	2008	188.4			
November	2008				
December	2008				
January	2009				
February	2009				
March	2009				
April	2009				
May	2009				
June	2009				
July	2009				
Actual Qtr.		183.3	NA	NA	NA

1980=100

Actual Qtr.	202.8	NA	NA	NA
First Mo. next qtr.	208.4	NA	NA	NA

0.904 =1980

Databases, Tables & Calculators by Subject

FONT SIZE: 

Data extracted on: November 18, 2008 (10:37 AM)

PPI Commodity Data

Series Catalog:

Series ID : wpu144

Not Seasonally Adjusted

Group : Transportation equipment

Item : Railroad equipment

Base Date : 198200

Data:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ann
2007	173.9	175.6	176.1	174.2	175.6	176.4	177.4	177.4	177.9	177.5	177.7	177.5	176.4
2008	178.4	178.2	177.6	178.7	178.0	181.2	184.7(p)	182.4(p)	182.8(p)	188.4(p)			

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

Quick Links

Tools

- [At a Glance Tables](#)
- [Economic News Releases](#)
- [Databases & Tables](#)
- [Maps](#)

Calculators

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

Help

- [Help & Tutorials](#)
- [A to Z Index](#)
- [FAQs](#)
- [Glossary](#)
- [About BLS](#)
- [Contact Us](#)

Info

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

RCAF - Other

Series ID : wpu03t15m05

Not Seasonally Adjusted

Group : Industrial Commodities less fuels

Item : Industrial commodities less fuels

Forecast Year 2009
As reported at end of month 82=100

		Nov.	Feb.	May	Aug.
		09Q1	09Q2	09Q3	09Q4
For Forecast	→	08Q3	08Q4	09Q1	09Q2
January	2008	174.7			
February	2008	175.9			
March	2008	177.4			
April	2008	179.8			
May	2008	181.8			
June	2008	183.2			
July	2008	185.7			
August	2008	187.5			
September	2008	186.6			
October	2008	184.4			
November	2008				
December	2008				
January	2009				
February	2009				
March	2009				
April	2009				
May	2009				
June	2009				
July	2009				
Actual Qtr.		186.6	NA	NA	NA

1980=100

Actual Qtr.

First Mo. next qtr.

209.2	NA	NA	NA
206.7	NA	NA	NA

0.892 =1980



U.S. Department of Labor

www.bls.gov

Search: All BLS.gov

for:

Search

Bureau of Labor Statistics

[Newsroom](#) | [Tutorials](#) | [Release Calendar](#)

[Home](#) [Subject Areas](#) [Databases & Tables](#) [Publications](#) [Economic Releases](#) [A - Z Index](#) | [About BLS](#)

Databases, Tables & Calculators by Subject

FONT SIZE

Data extracted on: **November 18, 2008 (10:39 AM)**

PPI Commodity Data

Series Catalog:

Series ID : wpu03t15m05

Not Seasonally Adjusted

Group : Industrial Commodities less fuels

Item : Industrial commodities less fuels

base Date : 198200

Data:

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Ann
2007	168.2	168.6	169.4	170.3	170.8	171.0	171.4	171.1	171.2	172.2	173.1	173.1	170.9
2008	174.7	175.9	177.4	179.8	181.8	183.2	185.7(p)	187.5(p)	186.6(p)	184.4(p)			

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

Quick Links

Tools

- [At a Glance Tables](#)
- [Economic News Releases](#)
- [Databases & Tables](#)
- [Maps](#)

Calculators

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

Help

- [Help & Tutorials](#)
- [A to Z Index](#)
- [FAQs](#)
- [Glossary](#)
- [About BLS](#)
- [Contact Us](#)

Info

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

[Back to Top](#)

[Freedom of Information Act](#) | [Customer Survey](#) | [Do you have a technical Web site question?](#)

bls.gov

Case No. A-13431

MEDIATION AGREEMENT

THIS AGREEMENT, made this 1st day of October, 2008 by and between the participating carriers listed in Exhibit A attached hereto and represented by the National Carriers' Conference Committee, and the employees shown thereon and represented by the International Association of Machinists and Aerospace Workers, witnesseth:

IT IS HEREBY AGREED:

ARTICLE I - WAGES

Section 1 - First General Wage Increase

On July 1, 2006, all hourly, daily, weekly, and monthly rates of pay in effect on the preceding day for employees covered by this Agreement shall be increased in the amount of three (3) percent applied so as to give effect to this increase in pay irrespective of the method of payment. The increase provided for in this Section 1 shall be applied as follows:

(a) **Hourly Rates** -

Add 3 percent to the existing hourly rates of pay.

(b) **Daily Rates** -

Add 3 percent to the existing daily rates of pay.

(c) **Weekly Rates** -

Add 3 percent to the existing weekly rates of pay.

(d) Monthly Rates -

Add 3 percent to the existing monthly rates of pay.

(e) Disposition of Fractions -

Rates of pay resulting from application of paragraphs (a) to (d), inclusive, above which end in fractions of a cent shall be rounded to the nearest whole cent, fractions less than one-half cent shall be dropped, and fractions of one-half cent or more shall be increased to the nearest full cent.

(f) Application of Wage Increase -

The increase in wages provided for in this Section 1 shall be applied in accordance with the wage or working conditions agreement in effect between each carrier and the labor organization party hereto. Special allowances not included in fixed hourly, daily, weekly or monthly rates of pay for all services rendered, and arbitraries representing duplicate time payments, will not be increased. Overtime hours will be computed in accordance with individual schedules for all overtime hours paid for.

(g) COLA Payments -

Any cost-of-living allowance amounts rolled in to basic rates of pay on or after July 1, 2006 pursuant to Article III, Part B of the National IAM Agreement dated September 1, 2005 (or any local counterpart agreement) shall be excluded before application of the general wage increases provided for in this Section 1 and eliminated from basic rates of pay after application of such increases.

Section 2 - Second General Wage Increase

Effective July 1, 2007 all hourly, daily, weekly and monthly rates of pay in effect on June 30, 2007 for employees covered by this Agreement shall be increased by three (3) percent applied in the same manner as provided for in Section 1 hereof and applied so as to give effect to this increase irrespective of the method of payment.

Section 3 - Third General Wage Increase

Effective July 1, 2008, all hourly, daily, weekly and monthly rates of pay in effect on June 30, 2008 for employees covered by this Agreement shall be increased in the amount of four (4) percent applied in the same manner as provided for in Section 1 hereof and applied so as to give effect to this increase irrespective of the method of payment.

Section 4 - Fourth General Wage Increase

Effective July 1, 2009, all hourly, daily, weekly and monthly rates of pay in effect on June 30, 2009 for employees covered by this Agreement shall be increased in the amount of four-and-one-half (4-1/2) percent applied in the same manner as provided for in Section 1 hereof and applied so as to give effect to this increase irrespective of the method of payment.

Section 5 - Rate Adjustment

On October 1, 2008, all hourly, daily, weekly, and monthly rates of pay in effect on the preceding day for IAM-represented employees on carriers covered by this Agreement (and by the September 1, 2005 IAM National Agreement) for Wages & Rules and Health & Welfare shall be increased in the amount of \$0.38 per hour. This rate adjustment shall be in lieu of the rate adjustment provided for in Article I, Section 5 of the September 1, 2005 IAM National Agreement.

ARTICLE II - OPTIONAL ALTERNATIVE COMPENSATION PROGRAM

Section 1

A carrier or organization may propose alternative compensation arrangements for consideration by the other party. Such arrangements may include, for example, stock options, stock grants (including restricted stock), bonus programs based on carrier performance, and 401(k) plans. The proposed arrangement(s) may be implemented only by mutual agreement of the carrier and the appropriate representatives.

Section 2

The parties understand that neither the carrier nor the organization may be compelled to offer any alternative compensation arrangement, and, conversely, neither the carrier nor the organization may be compelled to agree to any proposal made under this Article.

ARTICLE III - COST-OF-LIVING PAYMENTS

Cost-of-Living Payments Under September 1, 2005 National Agreement

Section 1

Article III, Part B, of the National IAM Agreement dated September 1, 2005 shall be eliminated effective on the date of this Agreement. All cost-of-living allowance payments made under that 2005 Agreement to employees for periods on and after July 1, 2006 shall be recovered from any retroactive wage increase payments made under Article I of this Agreement.

Section 2

Any local counterpart to the above-referenced Article III, Part B that is

themselves, you, your spouse, scholarships and the like, and governmental disability benefits and the like.”

(f) The definition of the term “children”, as used in connection with determinations of “Eligible Dependents” under the terms of the Dental Plan and the Vision Plan, respectively, shall be revised as provided in subsection (e) above.

(g) Blue Cross Blue Shield programs that are currently available under the Plan will be made available for selection by employees covered by this Agreement who choose coverage under the MMCP in all areas where the MMCP is made available under the Plan and throughout the United States for selection by such employees who choose coverage under the CHCB.

(h) The design changes contained in this Section shall become effective on the date of this Agreement or as soon thereafter as practicable.

Part B - Employee Sharing of Cost of H&W Plans Through 2010

Section 1 – Monthly Employee Cost-Sharing Contributions

(a) Effective January 1, 2007, each employee covered by this Agreement shall contribute to the Plan, for each month that his employer is required to make a contribution to the Plan on his behalf for foreign-to-occupation health benefits coverage for himself and/or his dependents, a monthly cost-sharing contribution in an amount equal to 15% of the Carriers’ Monthly Payment Rate for 2007.

(b) The employee monthly cost-sharing contribution amount shall be adjusted, effective January 1, 2008, so as to equal 15% of the Carriers’ Monthly Payment Rate for 2008 and, effective January 1, 2009, so as to equal 15% of the Carriers’ Monthly Payment Rate for 2009.

(c) Effective January 1, 2010, the employee monthly cost-sharing contribution amount shall be adjusted to be the lesser of:

- (1) 15% of the Carrier's Monthly Payment Rate for 2010, or
- (2) \$200.00 or the January 1, 2009 employee monthly cost-sharing contribution amount, whichever is greater.

(d) For purposes of subsections (a) through (c) above, the "Carriers' Monthly Payment Rate" for any year shall mean the sum of what the carriers' monthly payments to —

- (1) the Plan for foreign-to-occupation employee and dependent health benefits, employee life insurance benefits and employee accidental death and dismemberment insurance benefits,
- (2) the Dental Plan for employee and dependent dental benefits, and
- (3) the Vision Plan for employee and dependent vision benefits,

would have been during that year, per non-hospital association road employee, in the absence of any employee contributions to such Plans.

(e) The Carriers' Monthly Payment Rate for the calendar years 2007 and 2008, respectively, has been determined to be \$1,108.34. The Employee Monthly Cost-Sharing Contribution Amount for the calendar years 2007 and 2008, respectively, has been determined to be \$166.25.

Section 2 - Pre-Tax Contributions

Employee cost-sharing contributions made pursuant to this Part shall be made on a pre-tax basis pursuant to the existing Section 125 cafeteria plan to the extent applicable.

ARTICLE II – WAGES

- A. Effective January 1, 2006, the rates of pay for classifications of Signals and Communications positions will be as shown in Attachment "A"
- B. Effective January 1, 2007, all rates of pay in effect on December 31, 2006 are increased by three percent (3%).
- C. Effective January 1, 2008, all rates of pay in effect on December 31, 2007 are increased by four percent (4%).
- D. Effective January 1, 2009, all rates of pay in effect on December 31, 2008 are increased by three percent (3%)

ARTICLE III – HEALTH & WELFARE

- A. Effective January 1, 2006, employees subject to this Agreement will participate in the National Health and Welfare Plans, including National Early Retirement, dental, hearing and vision care, National Off-Track Vehicle Plan, Supplemental Sickness Plan, including all subsequent amendments, excluding cost sharing, in effect between the National Carriers' Conference Committee (NCCC) and the Brotherhood of Railroad Signalmen (BRS).
- B. The amount of employee cost sharing for National Health and Welfare Plans shall be One Hundred Dollars (\$100.00) per month. This amount shall remain fixed and not subject to change except in accordance with Article XII of this Agreement

ARTICLE IV – PER DIEM ALLOWANCES

When employees subject to this Agreement are entitled to per diem allowances, the allowance to cover travel and living expenses while away from home shall be as follows:

- A. \$27.00 per day when tour of duty terminates at a point at or within a seventy (70) mile radius of their residence.
- B. \$68.50 per day when tour of duty terminates at a point beyond a seventy (70) mile radius of their residence.
- C. Effective January 1, 2007, the allowance provided under paragraph A. will be increased by \$1.00, and the allowance provided under paragraph B. will be increased by \$1.50.

Rules and Benefits effective upon ratification, or as otherwise indicated

October 5, 2006

Term of Contract

The Collective Agreement dated December 12, 2002 covering employees (on the former GTW) represented by the United Transportation Union (UTU-YM) will be renewed for a period of five years commencing January 1, 2005.

IT IS AGREED:

ARTICLE I - RATES OF PAY

- A. Effective January 1, 2005, all rates of pay in effect on December 31, 2004 are increased by three percent (3%).
- B. Effective January 1, 2006, all rates of pay in effect on December 31, 2005 are increased by three percent (3%).
- C. Effective January 1, 2007, all rates of pay in effect on December 31, 2006 are increased by three percent (3%).
- D. Effective January 1, 2008, all rates of pay in effect on December 31, 2007 are increased by three percent (3%).
- E. Effective January 1, 2009, all rates of pay in effect on December 31, 2008 are increased by four percent (4%).
- F. Rates of pay resulting from the application of paragraphs A through E, which end in fractions of a cent shall be rounded to the nearest whole cent. Fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.

**ARTICLE II - COST-OF-LIVING ALLOWANCE AND ADJUSTMENTS THERETO
AFTER JANUARY 1, 2010**

Section 1 - Cost of Living Allowance and Effective Dates of Adjustments

**AGREEMENT BETWEEN
 GRAND TRUNK WESTERN RAILROAD
 DETROIT AND TOLEDO SHORE LINE RAILROAD
 DETROIT TOLEDO AND IRONTON RAILROAD
 AND
 THE BROTHERHOOD OF MAINTENANCE OF WAY EMPLOYES**

ARTICLE I – RATES OF PAY:

- A. Effective January 1, 2005, all rates in effect on December 31, 2004, will be increased by 3%.
- B. Effective January 1, 2006, all rates in effect on December 31, 2005, will be increased by 3%.
- C. Effective January 1, 2007, all rates in effect on December 31, 2006, will be increased by 3%.
- D. Effective January 1, 2008, all rates in effect on December 31, 2007, with the exceptions listed below, will be increased by 4%.
 - a. Effective January 1, 2008 the rates applicable to GTW, DT&I and DTSL, shall apply as follows:

All Foremen, except Production Foremen (B&B, Track, Section, Shop, W. Equip)	\$24.13
All Assistant Foreman, except Production (B&B, Track, Section, Shop, W. Equip)	\$22.69
Production Foremen, Extra Gang Foreman	\$24.81 (20 or more employees) \$24.26 (fewer than 20 employees)
Track Inspector, Patrol Foreman	\$24.26
Asst Production Foremen (Extra Gang Assistant Foreman)	\$23.44
Work Equipment Maintainer, Serviceman, Shop Machineman, Mechanic Truck Driver, Cat Repairman	\$23.17
Class #3 Machine Operators	\$20.97
All Welders, Track, B&B, Work Equip, Shop	\$24.13
All Welder Helpers, Grinders	\$22.17
B&B Carpenters 1 st & 2 nd Class, Painters 1 st & 2 nd Class	\$23.17
Bridgetender, Bridgeman	\$21.28
Trackman	\$20.42

- E. Effective January 1, 2009, all rates in effect on December 31, 2008, will be increased by 3%.

NS BLET

AGREEMENT

This agreement is hereby made between the Carriers listed on the signature page below (for convenience referred to hereafter as NSR) and the Brotherhood of Locomotive Engineers and Trainmen (for convenience referred to hereafter as BLET) this 1st day of September 2008.

ARTICLE I - THOROUGHBRED PERFORMANCE BONUS

Section 1

Effective January 1, 2009 and payable in 2010 and each year thereafter, locomotive engineers represented by the undersigned General Committees who work 235 or more starts in through freight service or 220 or more starts in other than through freight service in the year for which the bonus will be calculated will be eligible for a bonus up to ten percent (10%) of their engineer earnings in the preceding calendar year.

Section 2

Effective with the bonus payable in 2010 and each year thereafter, locomotive engineers who work 260 or more starts in through freight service or 248 starts in other than through freight service in the year for which the bonus will be calculated will be eligible for an additional five percent (5%) bonus opportunity

Section 3

The terms and conditions for the administration of the Thoroughbred Performance Bonus remain as specified in Article I, Sections 3 and 4 of the June 1996 Agreement between the parties, subject to the maximums stated in Sections 1 and 2 above.

Section 4

BLET shall have the unilateral right to accept wage increases as provided in Side Letter No. 1 in lieu of the bonus provided for by Section 1 and 2 of this Article I effective on and after January 1, 2015 by providing written notice to the Carrier of its intention to do so between November 1, 2014 and November 30, 2014.

ARTICLE II - SIGNING BONUS

- (a) Not later than three months after the date of this Agreement each employee covered by this agreement who qualifies under subsection (b) shall be paid a signing bonus of \$1,200.00. Such signing bonus shall be paid in a separate payment and shall be subject to withholdings for applicable Federal, State, and Local Taxes.
- (b) To qualify for the signing bonus an employee must:
 - (1) have an employment relationship with the Carrier as of July 1, 2008 or have retired or died subsequent to the date of this Agreement; and
 - (2) (i) have compensation for active service performed during the period May 1, 2008 through June 30, 2008, or

- (ii) have been on authorized leave for such entire period of personal illness, on-duty injury, or pursuant to the Family and Medical Leave Act, and return to active service not later than November 1, 2009, or
 - (iii) have been out of service for such entire period due to Carrier disciplinary action that is subsequently rescinded or overturned with pay for all time lost.
- (c) The signing bonus may not be used to offset, construct or increase guarantees in protection agreements or arrangements.

ARTICLE III - LUMP SUM

- (a) Not later than January 1, 2009 each employee covered by this agreement who qualifies under subsection (b) shall be paid a Lump Sum of \$3,500.00. Such Lump Sum shall be paid in a separate payment and shall be subject to withholdings for applicable Federal, State, and Local Taxes.
- (b) To qualify for the Lump Sum an employee must:
- (1) have an employment relationship with the Carrier as of November 1, 2008 or have retired or died subsequent to the date of this Agreement, and
 - (2)
 - (i) have compensation for active service performed during the period September 1, 2008 through October 31, 2008, or
 - (ii) have been on authorized leave for such entire period of personal illness, on-duty injury, or pursuant to the Family and Medical Leave Act, and return to active service not later than February 1, 2009, or
 - (iii) have been out of service for such entire period due to Carrier disciplinary action that is subsequently rescinded or overturned with pay for all time lost.
- (c) The Lump Sum may not be used to offset, construct or increase guarantees in protection agreements or arrangements.

ARTICLE IV - WAGES

Section 1 - First General Wage Increase

Effective July 1, 2009, all standard basic daily rates of pay for employees represented by BLET in effect on June 30, 2009 shall be increased by five percent (5.0%).

Section 2 - Second General Wage Increase

Effective July 1, 2010, all standard basic daily rates of pay for employees represented by the BLET in effect on June 30, 2010 shall be increased by three percent (3.0%).

Section 3 - Third General Wage Increase

Effective July 1, 2011, all standard basic daily rates of pay for employees represented by the BLET in effect on June 30, 2011 shall be increased by five percent (5.0%).

Section 4 - Fourth General Wage Increase

Effective July 1, 2012, all standard basic daily rates of pay for employees represented by the BLET in effect on June 30, 2012 shall be increased by two percent (2.0%).

Section 5 - Fifth General Wage Increase

Effective July 1, 2013, all standard basic daily rates of pay for employees represented by the BLET in effect on June 30, 2013 shall be increased by two percent (2.0%).

Section 6 - Sixth General Wage Increase

Effective July 1, 2014, all standard basic daily rates of pay for employees represented by the BLET in effect on June 30, 2014 shall be increased by two percent (2.0%).

ARTICLE V - DIFFERENTIALS

Section 1 - Weekend/Holiday Differential

Effective January 1, 2010, Article VI of the November 1, 2003 NSR-BLET agreement is revised in part to provide for the weekend/holiday differential payable to engineers operating in through freight service to be increased to \$45.00 and to provide for the weekend/holiday differential payable to engineers operating in other than through freight service to be increased to \$21.00. No other changes are made to such weekend/holiday differentials.

Section 2 - Extra Pay Days

For 2010 and for each calendar year thereafter, the Company will designate six (6) Extra Pay (EP) days. The Company will notify the union of the designated EP days (which may differ from year to year and from location to location) prior to the beginning of the involved calendar year. Through freight employees who go on duty between 12:00 a.m. and 11:59 p.m. on a designated EP day will be paid time and one half for the service they perform as well as an additional basic day's pay. Employees who receive pay under this EP arrangement will not be eligible to receive a weekend/holiday differential for that same day nor will overtime be paid on overtime.

ARTICLE VI - AWAY FROM HOME MEAL ALLOWANCES

Effective January 1, 2010, the meal allowance provided for by Article II, Section 2, of the June 25, 1964 National Agreement, as amended, and as further amended by the NSR-BLET Agreement dated November 1, 2003, is increased from \$9.00 to \$12.00

ARTICLE VII- 401(k) SAVINGS PLAN

Effective January 1, 2010, paragraphs (a) and (b) in Section 2 of Article VIII of the November 1, 2003 NSR-BLET Agreement are revised to read as follows.

- (a) Commencing with the year 2010, and from year to year thereafter, the Carrier will match up to thirty percent (30%) of the contribution by an engineer to the BLET 401(k) plan. The Carrier's match (match) will be in the form of cash.

AGREEMENT BETWEEN
DULUTH, MISSABE AND IRON RANGE RAILWAY COMPANY (DM&IR)
AND
SYSTEM COUNCIL No. 16
of the
INTERNATIONAL BROTHERHOOD OF ELECTRICAL WORKERS

IT IS AGREED:

ARTICLE I - RATES OF PAY

- A. Effective July 1, 2005, all rates of pay in effect on June 30, 2005, are increased by three per cent (3%).
- B. Effective July 1, 2006, all rates of pay in effect on June 30, 2006, are increased by three per cent (3%).
- C. Effective July 1, 2007, all rates of pay in effect on June 30, 2007, are increased by three per cent (3%).
- D. Effective July 1, 2008, all rates of pay in effect on June 30, 2008, are increased by four per cent (4%).
- E. Effective July 1, 2009, all rates of pay in effect on June 30, 2009, are increased by three per cent (3%).
- F. Rates of pay resulting from the application of A through E, which end in fractions of a cent shall be rounded to the nearest whole cent. Fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.

ARTICLE II - COST-OF-LIVING ALLOWANCE AND ADJUSTMENTS
THEREAFTER JANUARY 1, 2010

Section 1 - Cost of Living Allowance and Effective Dates of Adjustments

- (a) A cost-of-living allowance will be payable in the manner set forth in and subject to the provisions of this Article, on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W)" (1967=100), U.S. Index, all items - unadjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred

Welfare Plan, The Railroad Employees National Early Retirement Benefit Plan, The Railroad Employees National Dental Plan, the Railroad Employees National Vision Plan, and the Supplemental Sickness Benefit Plan covering Shop Craft and Signal Employees, including all subsequent amendments, excluding cost sharing, in effect between the National Carriers' Conference Committee and the IBEW.

- B. Effective January 1, 2008, the amount of employee cost sharing for Health and Welfare Plans shall be one hundred dollars (\$100 00) per month.

ARTICLE IV – PENSION PLAN

Effective upon signing of this agreement:

- A. The Bessemer Non-Contributory Pension Plan will be closed to new participants
- B. Effective July 1, 2011, employees presently participating in the Bessemer Non-Contributory Pension Plan will cease accruing further service credit under the plan. Service credit is used to calculate the amount of pension benefit with respect to completed years and months of plan participation. While the number of years of service credit under the plan will “freeze” July 1, 2011, future salary growth will be considered in the calculation of the pension benefit payable upon retirement or other termination of employment.

Continued employment with the Company after July 1, 2011, will count towards eligibility service. Eligibility service is used to determine which retirement category an employee qualifies for such as a 30-year retirement.

ARTICLE V – 401(k)

As soon as reasonably practical, all employees covered by this Agreement will be eligible to participate in the Canadian National Railway Company Union Savings Plan For U.S. Operations. Under the plan, for the first four percent (4%) of an employee's salary contributed, the Company will contribute \$.25 for each \$1.00 contributed by the employee. The employee may contribute an amount above 4% with no Company participation, subject to IRS annual limits.

ARTICLE VI - EMPLOYEE SHARE INVESTMENT PLAN

Effective upon signing of this Agreement, the Company Employee Share Investment Plan will be made available to all employees subject to this Agreement in accordance with the terms of the Plan. The Company may, at its discretion, alter, amend, revise or discontinue the Plan, in any manner, in whole or in part. This provision will not form part of any Collective Agreement.

AGREEMENT BETWEEN
CHICAGO CENTRAL AND PACIFIC (CCP)
ILLINOIS CENTRAL RAILROAD (IC)
AND
ALLIED SERVICES DIVISION/TRANSPORTATION COMMUNICATIONS
INTERNATIONAL UNION (TCU)

IT IS AGREED:

ARTICLE I - RATES OF PAY

- A. Effective July 1, 2005, all rates of pay in effect on June 30, 2005 are increased by three percent (3%)
- B. Effective July 1, 2006, all rates of pay in effect on June 30, 2006 are increased by three percent (3%).
- C. Effective July 1, 2007, all rates of pay in effect on June 30, 2007 are increased by three percent (3%).
- D. Effective July 1, 2008, all rates of pay in effect on June 30, 2008 are increased by four percent (4%).
- E. Effective July 1, 2009, all rates of pay in effect on June 30, 2009 are increased by three percent (3%).
- F. Rates of pay resulting from the application of A through E, which end in fractions of a cent shall be rounded to the nearest whole cent. Fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent.

ARTICLE II - COST-OF-LIVING ALLOWANCE AND ADJUSTMENTS THERETO
AFTER JANUARY 1, 2010

Section 1 - Cost of Living Allowance and Effective Dates of Adjustments

- (a) A cost-of-living allowance will be payable in the manner set forth in and subject to the provisions of this Article, on the basis of the "Consumer Price Index for Urban Wage Earners and Clerical Workers (Revised Series) (CPI-W)" (1967=100), U.S. Index, all items - unadjusted, as published by the Bureau of Labor Statistics, U.S. Department of Labor, and hereinafter referred to as the BLS CPI. The first such cost-of-living allowance shall be payable effective July 1, 2010, based, subject to paragraph (d), on the BLS CPI for September 2009, as compared with the BLS CPI for March 2010. Such allowance, and further cost-of-living adjustments thereto which will become effective as described below, will be based on the change in the BLS CPI during the respective measurement periods shown in the following table, subject to the exception provided in paragraph (d)(iii), according to the formula set forth in paragraph (e).

hours per day, the increase will be determined by the number of hours required to be paid for by the rules agreement

- (c) In making calculations under this Article, fraction of a cent shall be rounded to the nearest whole cent; fractions less than one-half cent shall be dropped and fractions of one-half cent or more shall be increased to the nearest full cent

Section 3 - Elimination of Previous Cost-of-Living Provisions

This Article replaces any previous cost-of-living provision in effect prior to the effective date of this agreement, and the arrangements set forth in this Article shall remain in effect according to the terms thereof until revised by the parties pursuant to the Railway Labor Act. Any payments due or paid under previous provisions shall expire as of the effective date of this agreement and shall be counted toward any pay due under the provisions of Article I.

ARTICLE III - HEALTH & WELFARE

- A. Effective April 1, 2008, all TCU/IC Health and Welfare plans are cancelled in their entirety and all employees subject to this agreement and their dependents will be covered by the Railroad Employees National Health and Welfare Plans, The Railroad Employees National Early Retirement Major Medical Benefit Plan, the Railroad Employees National Dental Plan, and the Railroad Employees National Vision Plan, as negotiated nationally and including all subsequent amendments, excluding cost sharing, in effect between the National Carriers' Conference Committee and the Transportation Communications International Union.
- B. The amount of employee cost sharing for the health and welfare plans shall be One Hundred Dollars (\$100.00) per month effective January 1, 2008. This amount shall remain fixed and not subject to change except in accordance with Article X of this Agreement.

ARTICLE IV - EMPLOYEE SHARE INVESTMENT PLAN

Effective on the date of this Agreement, the Company Employee Share Investment Plan will be made available to all employees subject to this Agreement in accordance with the terms of the Plan. The Company may, at its discretion, alter, amend, revise or discontinue the Plan, in any manner, in whole or in part. This provision will not form part of any Collective Agreement.

ARTICLE V - PAYROLL DIRECT DEPOSIT

Effective on the date of this Agreement, at the Company's discretion all employees may be paid weekly or bi-weekly to the direct deposit account designated by the employee.

ARTICLE IX – GRIEVANCE RESOLUTION/BONUS

- A. Within sixty (60) days of the date of this agreement, all employees in active service, (on the date of the agreement) on positions covered by this agreement will be paid one thousand dollars (\$1000) each, subject to applicable payroll deductions.
- B. Upon payment of the amount indicated in paragraph (A), all claims and grievances, other than those involving disciplinary action, based on an occurrence prior to the effective date of this Agreement are considered resolved without prejudice to the position of either party and with the understanding that such settlements will not be cited by either party in any future case, nor used by either party to allege that the other has agreed to a particular practice.

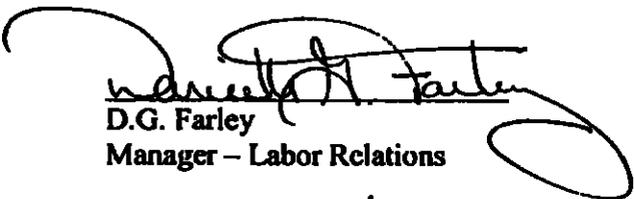
ARTICLE X - GENERAL PROVISIONS

- A. The purpose of this Agreement is to settle any and all Section 6 notices dated prior to the effective date of this agreement, and to fix the general level of compensation and rules covering working conditions through December 31, 2009, and thereafter until changed or modified in accordance with the provisions of the Railway Labor Act, as amended.
- B. Neither party to this agreement shall serve, prior to November 1, 2009, (not to become effective prior to January 1, 2010), any notice or proposal for the purpose of changing, adding to, or deleting the provisions of any agreement in effect between the parties.

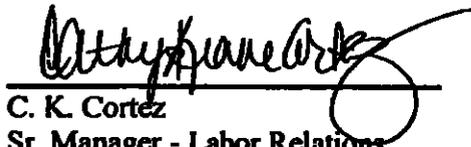
Unless otherwise specified, this Agreement is effective on the date signed.

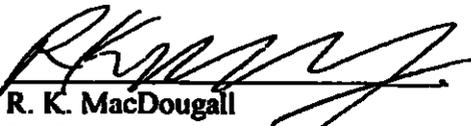
Signed the 23rd day of May, 2008, at Arlington Heights, Illinois.

FOR THE ILLINOIS CENTRAL
RAILROAD

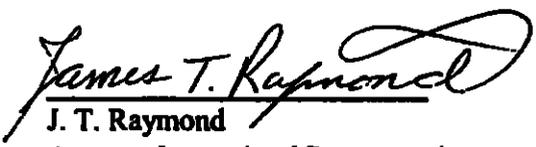

D.G. Farley
Manager – Labor Relations


D. J. Mandalas
Manager – Labor Relations

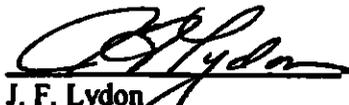

C. K. Cortez
Sr. Manager - Labor Relations


R. K. MacDougall
Sr. Director – Labor Relations

ALLIED SERVICES DIVISION/
TRANSPORTATION COMMUNICATIONS
INTERNATIONAL UNION


J. T. Raymond
Assistant International Representative


S. Siriano
International Representative


J. F. Lydon
International Vice President



17641 S. Ashland Avenue
Homewood Illinois 60430

SIDE LETTER 3

May 23, 2008

Mr. S. Siriano
International Representative
Transportation Communications International Union
53 W. Seegers Road
Arlington Heights, IL 60005

Dear Mr. Siriano:

This will confirm our understanding, reached during negotiations leading to the Agreement of this date.

Effective 12.01 AM, June 1, 2008, the CCP/TCU agreement is cancelled in its entirety and all employees of the CCP/TCU holding seniority rights on rosters at any district on the CCP property shall have their seniority dove-tailed into the IC single system roster and shall be governed by the IC/TCU agreement. The employees' relative ranking on the list will be determined by their respective earliest seniority date on any applicable CCP/TCU seniority roster.

When two or more employees placed on the combined roster have the same seniority date, their rank will be determined by the date of birth, oldest employee being senior. Employees dove-tailed onto the single-system roster will retain prior rights to the district where they were actively working on the date of this agreement.

Positions established on the CCP territory shall be assigned in the following preference order:

- a. First, to the prior right employee who is the senior applicant as determined by the prior rights roster applicable to the advertised position.
- b. Second, if no prior rights employee makes application for the position, to the senior applicant from the combined seniority roster.
- c. Displacements to such positions shall be handled in like manner.
- d. Any employee who chooses not to protect a higher-rated position in the employee's former prior rights territory, will forfeit any and all prior rights to that territory.

Sincerely,


C.K. Cortez
Senior Manager - Labor Relations

MEMORANDUM OF AGREEMENT
BETWEEN THE
SOO LINE RAILROAD COMPANY
AND THE
UNITED TRANSPORTATION UNION

IT IS HEREBY AGREED:

ARTICLE I – WAGES

Section 1 – First General Wage Increase

Effective July 1, 2005, all standard basic daily rates of pay for employees represented by the United Transportation Union in effect on June 30, 2005, shall be increased by two-and-one-half (2-½) percent.

Section 2 - Second General Wage Increase

Effective July 1, 2006, all standard basic daily rates of pay in effect on June 30, 2006, for employees represented by the United Transportation Union shall be increased by three (3) percent.

Section 3 – Third General Wage Increase

Effective July 1, 2007, all standard basic daily rates of pay in effect on June 30, 2007, for employees represented by the United Transportation Union shall be increased by three (3) percent.

Section 4 – Fourth General Wage Increase

Effective July 1, 2008, all standard basic daily rates of pay in effect on June 30, 2008, for employees represented by the United Transportation Union shall be increased by four (4) percent.

Section 5 - Fifth General Wage Increase

Effective July 1, 2009, all standard basic daily rates of pay in effect on June 30, 2009, for employees covered by this Agreement shall be increased by of four and one-half (4-1/2) percent.

Section 6 – Standard Rates

The standard basic daily rates of pay produced by application of the increases provided for in this Article are set forth in Appendix 1, which is part of this Agreement.

Part B – Employee Sharing of Cost of H&W Plans Through 2010

Section 1 - Monthly Employee Cost-Sharing Contributions

- (a) Effective January 1, 2007, each employee covered by this Agreement shall contribute to the Plan, for each month that Soo is required to make a contribution to the Plan on his behalf for foreign-to-occupation health benefits coverage for himself and/or his dependents, a monthly cost-sharing contribution in an amount equal to 15% of the Carriers' Monthly Payment Rate for 2007.
- (b) The employee monthly cost-sharing contribution amount shall be adjusted, effective January 1, 2008, so as to equal 15% of the Carriers' Monthly Payment Rate for 2008 and, effective January 1, 2009, so as to equal 15% of the Carriers' Monthly Payment Rate for 2009.
- (c) Effective January 1, 2010, the employee monthly cost-sharing contribution amount shall be adjusted to be the lesser of:
 - (1) 15% of the Carrier's Monthly Payment Rate for 2010, or
 - (2) \$200.00 or the January 1, 2009 employee monthly cost-sharing contribution amount, whichever is greater.
- (d) For purposes of subsections (a) through (c) above, the "Carriers' Monthly Payment Rate" for any year shall mean the sum of what the carriers' monthly payments to –
 - (1) the Plan for foreign-to-occupation employee and dependent health benefits, employee life insurance benefits and employee accidental death and dismemberment insurance benefits,
 - (2) the Dental Plan for employee and dependent dental benefits, and
 - (3) the Vision Plan for employee and dependent vision benefits,would have been during that year, per non-hospital association road employee, in the absence of any employee contributions to such Plans.
- (e) The Carriers' Monthly Payment Rate for the calendar years 2007 and 2008, respectively, has been determined to be \$1,108.34. The Employee Monthly Cost-Sharing Contribution Amount for 2007 and for 2008, respectively, has been determined to be \$166.25.