



# SURFACE TRANSPORTATION BOARD

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## STB CHAIRMAN SENDS LETTER TO AAR REGARDING RAIL COST ADJUSTMENT FACTOR DATA QUALITY

Surface Transportation Board Chairman Robert Primus today sent a letter to the Association of American Railroads (AAR) expressing concern about the quality of AAR’s data submissions in recent years associated with the Rail Cost Adjustment Factor (RCAF).

RCAF is an index published by the Board that is formulated to represent changes in railroad costs over time. On a quarterly basis, AAR computes three types of RCAF figures and submits these figures to the Board for approval. In recent years, AAR has had to refile four quarterly RCAF filings due to errors or the need for modifications of the data.

Accurate RCAF reports “...are integral to STB business processes and are also relied on by multiple external stakeholders,” said Chairman Primus. The Chairman’s letter requests that AAR submit to the Board a detailed description of the quality controls AAR uses in calculating and reviewing the quarterly RCAF data, and states that the Board is considering having the RCAF reviewed by an independent accounting firm annually, instead of the current biennial schedule.

The Chairman’s letter to AAR may be viewed and downloaded [here](#).

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