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SERVICE DATE - MAY 1, 1997

SURFACE TRANSPORTATION BOARD

NOTICE

STB Ex Parte No. 347 (Sub-No. 2)

RATE GUIDELINES — NON-COAL PROCEEDINGS

Date: April 18, 1997

NOTICE TO THE PARTIES:

The Surface Transportation Board established guidelines for handling small maximum rate complaints in Rate Guidelines--Non-Coal Proceedings, Ex Parte No. 347 (Sub-No. 2) (served Dec. 31, 1996). In that decision, the Board provided tables containing composite "Revenue Shortfall Allocation Method" (RSAM) and "Average Revenue to Variable Cost > 1.80" (Average R/VC > 1.8) percentages for class I railroads for the period 1991-1994 for use in addressing small rail rate complaints.

The Board has now updated these tables to provide percentages for the period 1992-1995. In addition, the Board has computed regional (Eastern and Western) and national percentages for use in proceedings involving non-class I railroads.

The updated RSAM and Average R/VC > 1.80 percentages are shown in Tables I and II, respectively.

By the Board, Chairman Morgan and Vice Chairman Owen.

Vernon A. Williams
Secretary

Table I
RSAM Markup Percentages
(Range With & Without Efficiency Adjustment)

Railroad/ Region	4 - Year Average	1995	1994	1993	1992
ATSF	344 - 510	519 - 731	263 - 406	280 - 430	312 - 472
BN	180 - 237	151 - 193	170 - 217	193 - 258	205 - 281
CR	222 - 251	205 - 234	210 - 242	229 - 256	244 - 271
GTW	303 - 394	315 - 400	296 - 388	284 - 380	315 - 406
IC	147 - 173	92 - 99	132 - 147	179 - 205	188 - 239
KCS	202 - 243	252 - 305	199 - 232	175 - 213	180 - 222
SOO	286 - 357	239 - 283	335 - 419	282 - 337	287 - 390
NS	190 - 221	184 - 213	192 - 223	200 - 232	185 - 215
CSX	214 - 246	191 - 216	217 - 261	223 - 251	223 - 255
SP	375 - 568	373 - 560	316 - 476	420 - 650	391 - 587
UP	180 - 242	178 - 237	176 - 226	188 - 240	178 - 266
Eastern Region	207 - 238	193 - 221	207 - 244	218 - 249	220 - 251
Western Region	218 - 302	215 - 296	205 - 280	232 - 318	240 - 341
National	214 - 268	202 - 252	205 - 257	223 - 275	226 - 286

Table II
Average Existing Revenue-to-Variable Cost Percentages
For Traffic Above 180% R/VC

Railroad/ Region	4 - Year Average	1995	1994	1993	1992
ATSF	279	290	294	265	265
BN	240	247	238	238	237
CR	220	228	227	216	208
GTW	211	210	224	209	201
IC	294	316	294	282	284
KCS	214	217	222	217	198
SOO	259	288	223	240	284
NS	229	230	230	222	233
CSX	209	208	231	196	199
SP	261	264	280	248	253
UP	231	245	226	219	234
Eastern Region	223	223	232	212	215
Western Region	252	257	253	241	245
National	234	234	238	221	224