

**SURFACE TRANSPORTATION BOARD CONCLUDES REVIEW OF UNIFORM RAILROAD COSTING SYSTEM, DISCONTINUES DATA COLLECTION ON SWITCHING AND TERMINAL COMPANIES**

Surface Transportation Board (Board) Chairman Linda J. Morgan has announced that the Board has issued a decision modifying the costing system that it uses in many regulatory proceedings in order to streamline and otherwise improve the accuracy of the system.

To provide consistent and comparable information on railroad costs, the Board maintains a general purpose costing system known as the Uniform Railroad Costing System (URCS)

The Board's predecessor, the Interstate Commerce Commission, instituted a

rulemaking proceeding to review the procedures used by the URCS to develop the variable cost of providing rail service. In its final decision announced today, the Board discontinued the collection of cost data on switching and terminal companies

as such data are not used to develop URCS variable cost estimates

The Board also adopted certain modifications to the procedures used to develop the costs associated with movements of intermodal traffic, and it revised the train switching conversion factor used in its costing procedures

The switching conversion factor provides a means by which train crew wages for switching, which is reported in hours, are converted to a mileage basis so that they can be considered along with wages for other services, which are reported on a mileage basis.. Finally, the Board announced that it will change the procedures for determining the variable cost of using privately-owned rail cars (an issue which has not been previously noticed for comment), unless objections are filed within 30 days.

Chairman Morgan noted that these changes to the general purpose costing system, which can be implemented with minimum cost to the agency and the public, will improve the accuracy of the variable cost estimates produced by URCS. In addition, the elimination of reporting requirements for switching and terminal companies is part of the Board's ongoing effort to reduce unnecessary regulatory burdens.

The Board's decision was issued on October 1, 1997 in the case entitled Review of the General Purpose Costing System , Ex Parte No. 431 (Sub-No. 2).

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