

BEFORE THE  
SURFACE TRANSPORTATION BOARD

---

STB Ex Parte No. 769

---

URCS DATA REPORTING

---

COMMENTS OF THE ASSOCIATION OF AMERICAN RAILROADS

304752  
ENTERED  
Office of Proceedings  
June 13, 2022  
Part of  
Public Record

The Association of American Railroads respectfully submits these comments in response to the April 29, 2022, notice of proposed rulemaking of the Surface Transportation Board “to codify a longstanding voluntary practice whereby Class I carriers, through the [AAR], have annually reported tare weight and loss and damage data for use in the Board’s Uniform Railroad Costing System [(“URCS”)]”.<sup>1</sup> In general, AAR supports the proposal to codify its longstanding practice of voluntarily submitting the tare weight and loss and damage data to the Board. This process has worked efficiently and effectively for nearly forty years.

AAR’s comments request one modification and set forth one clarification. In the first section, AAR suggests a modification to the proposed timing for submission of the loss and damage data to the Board. The second section clarifies the type of loss and damage data that the AAR will submit on behalf of the Canadian railroads’ U.S. operating subsidiaries, given that those railroads had not historically been included in the data.

---

<sup>1</sup> Notice of Proposed Rulemaking, *URCS Data Reporting*, EP 769 at 1 (STB served Apr. 29, 2022) (“Notice”).

**I. The Board Should Modify the Timeline for the Submission of the Loss and Damage Report.**

The Notice proposes to require AAR or the individual railroad to “file the annual tare weight and loss and damage data with the Board within 60 days after the end of each calendar year” and proposes sample forms for the collection.<sup>2</sup> AAR does not oppose the collection of the data. Indeed, the sample form for AAR reporting appears consistent with that utilized by AAR currently. AAR, however, notes the suggested submission date for the loss and damage data may not be feasible. While AAR has the tare weight data generally available for submission within the first 60 days of a calendar year, it does not have the loss and damage data that early in the year. AAR utilizes several separate inputs to calculate the loss and damage data which are all available at different points in the year. These inputs include: (1) the number of tons originated, which it sources from the freight commodity statistics and is available to AAR 60 days after the end of the year; (2) the loss and damage payments and operating revenues, which are sourced from the R-1 reports and are usually available by March 31 of each year; (3) average tare weight of cars, which is sourced from UMLER and usually available and verified by the end of each January; and (4) the number of cars by AAR car type, which is sourced from UMLER and usually available and verified by the end of each January.<sup>3</sup>

Given that not all information necessary to calculate the loss and damage report is available until March 31, AAR would suggest moving the due date for the loss and damage data submission to May 31 of each calendar year, for the prior year’s data. This would allow 60 days

---

<sup>2</sup> *Id.* at 3.

<sup>3</sup> While loss and damage payments are sourced from the R-1, it should be noted that loss and damage data in the R-1 are reported on an accrual basis, whereas the data the AAR provides to the STB are reported as cash basis (i.e., actuals). Therefore, the data in those two sources will not be exact matches.

from the date the AAR receives the last input to calculate the data. It would ensure AAR has enough time to collect the inputs, verify them, aggregate the data, conduct the calculations, and finalize the report for submission to the Board. Again, AAR has no concerns submitting tare weight data consistent with the Board's proposal, but will need more time to submit the loss and damage data.

## **II. The AAR Will Collect and Submit on Behalf of the Railroads, Including the Canadian Railroads' U.S. Operations.**

The Notice indicates that while the AAR currently voluntarily collects, and annually provides, both tare weight and loss and damage data for use by the Board in URCS, the Board is providing the individual Class I railroads the opportunity to submit the information individually. AAR plans to continue, consistent with the process ultimately adopted by the Board and the modification suggested herein, to submit the information on behalf of the Class I railroads.

As the Notice explains, AAR has not historically reported loss and damage expenses for the U.S. operating subsidiaries of the Canadian-headquartered Class I railroads, Grand Trunk Corporation ("GTC") and Soo Line Corporation ("Soo").<sup>4</sup> In the past, GTC and Soo have provided AAR with loss and damage information on a consolidated basis for their respective operations. Here, the Board is proposing that the Class I carriers report loss and damage data either through the AAR or individually. Specifically, the Board requests AAR provide "loss and damage per ton, which is calculated by dividing loss and damage expenses by the number of tons originated by commodity" or the individual railroad "provide their total annual loss and damage expenses, number of tons originated, and loss and damage per ton by commodity

---

<sup>4</sup> Notice at fn 3.

using the specific commodity groupings identified in the Annual Report of Loss and Damage Data...and the Board would consolidate the data.”<sup>5</sup>

Should the Board ultimately adopt the proposal, GTC and Soo would need to separate out loss and damage expenses for their U.S. operations. To ensure that only U.S. data is provided, AAR anticipates providing information for loss and damage expenses where the movements originated in the U.S. (with destinations either in the U.S. or Canada), and excluding movements originated in Canada with destinations in the U.S. This approach is consistent with the Carmack Amendment, 49 U.S.C. § 14706. Additionally, the approach conforms with the current method and focuses, as does the proposed rule, on tons originated.

### **Conclusion**

AAR supports the proposal with the above-referenced modification and clarification.

Respectfully submitted,



Kathryn D. Kirmayer  
J. Frederick Miller Jr. (*admitted in MD*)  
Association of American Railroads  
425 Third Street, SW  
Washington, D.C. 20024  
(202) 639-2100

*Counsel for the Association  
of American Railroads*

June 13, 2022

---

<sup>5</sup> *Id.* at 3.