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The Mission of the STB

- Primary Mission of the STB Remains Unchanged
- Balance Need for Railroads to Earn Adequate Revenues with Shippers' Need for Reasonable Rates
- Ensure Structural Changes in the Railroad Industry are in Public Interest
- But Board is Adapting to Changing Conditions



Recent Activities

- New Approaches to Rate Cases
- Streamlined Procedures to Reduce Time and Cost for Adjudicating Large Rate Cases—Court of Appeals Upheld
- First Large Rate Cases Handled Under New Guidelines—AEP Texas North, Western Fuels, KCPL
- New Small Rate Case Guidelines—DuPont Cases



Recent Activities

- Revised Methodology for Calculating the Railroads' Cost of Capital
- Proposed Disclosure Rules on Paper Barriers—Entergy Case
- Decision on CN/EJ&E Merger
- Western Fuels Decision



Recent Activities

- Posting on STB's Website Summaries of Contracts for Hauling Agricultural Products
- Reorganized STB's Office of Consumer and Public Affairs
- Created Rail Energy Transportation Advisory Council
- Released a Study of Competition in Rail Industry in November 2008



Currently Before the Board

- Major Rate Cases: AEP North Texas, Seminole Electric, Oklahoma Gas and Electric, Arizona Electric Power, E.I. Dupont (99 different movements)
- Small Rate Cases: E.I. Dupont (revisiting tax effects)
- Paper Barriers



Legislative Activities Affecting the STB and/or the Railroad Industry

- Shortline Railroad Investment Tax Credit
- Class I Railroad Investment Tax Credit
- Senate and House Measures to Change Railroad Regulatory Framework
- Proposed Change to Railroad Industry Anti-Trust Exemption
- Changes to STB's Responsibility Toward Disputes Between Freight RRs and Amtrak/Commuter Rail



Thank you
Any Questions?