

SURFACE TRANSPORTATION BOARD

DECISION

STB Ex Parte No. 664

METHODOLOGY TO BE EMPLOYED IN DETERMINING THE RAILROAD INDUSTRY'S  
COST OF CAPITAL

Decided: August 31, 2007

By notice served and published in the Federal Register on August 14, 2007, the Board is seeking comments on a proposal to revise its methodology for calculating the railroad industry's cost of capital.<sup>1</sup> The notice established a schedule for the submission of comments with opening comments due by September 13, 2007, and reply comments due by October 15, 2007.

On August 21, 2007, the Association of American Railroads (AAR) requested that the Board extend the due date for the submission of comments for 45 days, to October 29, 2007, with a corresponding extension for reply comments to November 28, 2007. AAR argues that the extension is necessary because the 30 days originally provided for by the Board's notice does not allow sufficient time for thorough analysis of the Board's proposal. On August 22, 2007, the Western Coal Traffic League (WCTL) filed a reply in opposition to AAR's request. WCTL contends that, while AAR's request for an extension of 45 days is excessive, an extension of 1 or 2 weeks may be appropriate.

AAR has not shown good cause why a 45-day extension is warranted. A 2-week extension appears reasonable to allow all interested parties an opportunity to submit comments on the Board's proposed changes. Consequently, AAR's extension request will be granted in part. Opening comments will be due on September 27, 2007, with reply comments due on October 29, 2007.

It is ordered:

1. AAR's request for an extension of time is granted in part, as discussed above.
2. Opening comments are due by September 27, 2007. Reply comments are due by October 29, 2007.

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<sup>1</sup> The notice was corrected by notices to the parties served on August 14, 2007, and August 20, 2007. A corrected version of the entire notice was also served on August 20, 2007.

3. This decision is effective on the date of service.

By the Board, Vernon A. Williams, Secretary.

Vernon A. Williams  
Secretary