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BEFORE THE
SURFACE TRANSPORTATION BOARD

ENTERED
Office of Proceedings
July 8, 2015
Part of
Public Record

Ex Parte No. 722

RAILROAD REVENUE ADEQUACY

Ex Parte No. 664 (Sub-No. 2)

PETITION OF THE WESTERN COAL TRAFFIC LEAGUE TO INSTITUTE A
RULEMAKING PROCEEDING TO ABOLISH THE USE OF THE MULTI-STAGE
DISCOUNTED CASH FLOW MODEL IN DETERMINING THE RAILROAD INDUSTRY'S
COST OF EQUITY CAPITAL

Notice of Intent to Participate

submitted by

CONCERNED SHIPPER ASSOCIATIONS

Pursuant to the Notice served by the Surface Transportation Board in the above-captioned dockets on May 8, 2015, the Concerned Shipper Associations¹ hereby provide notice of their intent to participate in the public hearing scheduled for July 22-23, 2015. The Concerned Shipper Associations request 60 minutes to submit testimony from the following witnesses:

Jeffrey O. Moreno
Paul A. Donovan
Kevin W. Caves
Thomas D. Crowley
Henry J. Roman

¹ The American Chemistry Council, The Chlorine Institute, The Fertilizer Institute, and The National Industrial Transportation League comprise the Concerned Shipper Associations. The League is filing a separate Notice of Intent to address the Board's specific request in the May 8 Notice as to the impact of revenue adequacy on the League's competitive switching proposal in Docket No. EP 71 I, Pet. for Rulemaking to Adopt Revised Competitive Switching Rules.

The foregoing witnesses will address the following topics from both economic and legal perspectives within the constraints of the existing statutory framework:

- The economic justifications for adopting a revenue adequacy rate constraint as compared with stand-alone cost.
- The proper time period over which to measure revenue adequacy.
- Illustration of the Yardstick approach for applying the revenue adequacy constraint.
- Illustration of the Rebate approach for applying the revenue adequacy constraint.
- The economic and legal justifications for restricting rate increases by revenue adequate carriers on market dominant traffic.
- A proper measure of revenue adequacy.
- The potential impacts of revenue adequacy rate constraints on rail investment.

Respectfully submitted,



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On Behalf of:
American Chemistry Council
The Fertilizer Institute
The Chlorine Institute
The National Industrial Transportation League

Dated: July 8, 2015