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BEFORE THE  
SURFACE TRANSPORTATION BOARD

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EX PARTE No. 558 (Sub – No. 13)  
RAILROAD COST OF CAPITAL – 2009

ENTERED  
Office of Proceedings  
JUN 15 2010  
Part of  
Public Record

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COMMENTS OF PPL MONTANA, LLC  
AND PPL ENERGYPLUS, LLC

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PPL Montana, LLC and PPL EnergyPlus, LLC (hereafter collectively the “PPL LLCs”) hereby file their comments in response to the Board’s decision served March 30, 2010.

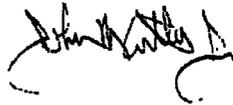
The PPL LLCs filed their notice of intent to participate primarily over concern about the acquisition premium issue raised by Berkshire Hathaway’s payment of billions of dollars above BNSF’s market capitalization to acquire one of the major Class I railroads with extensive market power in the United States. The treatment of this issue is important for captive railroad shippers, and particularly for a shipper like PPL Montana, LLC, which is captive to BNSF.

However, as pointed out in comments filed by railroad parties to this proceeding, the acquisition of BNSF by Berkshire Hathaway took place in 2010, not 2009. Accord-

ingly, the full implications of the acquisition premium issue can best be addressed on other occasions. The PPL LLCs understand that STB Staff personnel are considering the issue outside the context of this proceeding. The issue has also been raised on Capitol Hill.

As for the main focus of this proceeding, the railroad industry's 2009 cost of capital, the PPL LLCs generally support the comments being filed by Western Coal Traffic League.

Respectfully submitted,



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and PPL EnergyPlus, LLC

CERTIFICATE OF SERVICE

I hereby certify that I have this 15<sup>th</sup> day of June, 2010, served copies of the foregoing document on all parties of record, postage prepaid.



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John M. Cutler, Jr.