



Office of the Chairman

**Surface Transportation Board**  
**Washington, D.C. 20423-0001**

October 11, 2016

The Honorable Deb Fischer  
Chairman  
Subcommittee on Surface Transportation  
and Merchant Marine Infrastructure,  
Safety, and Security  
454 Russell Senate Office Building  
Washington, DC 20510

The Honorable Cory A. Booker  
Ranking Member  
Subcommittee on Surface Transportation  
and Merchant Marine Infrastructure,  
Safety, and Security  
359 Dirksen Senate Office Building  
Washington, DC 20510

Dear Subcommittee Chairman Fischer and Subcommittee Ranking Member Booker,

Thank you for your letter dated September 21, 2016 regarding certain regulatory initiatives currently before the Surface Transportation Board (STB or Board). We appreciate knowing your views on these matters.

During the past year, the Board has focused on fulfilling the mandates of the Surface Transportation Board Reauthorization Act of 2015 (Reauthorization Act or Act), which established the STB as a fully independent agency, set certain regulatory mandates, and assigned new responsibilities and authorities to the agency. Among other developments, the Board has issued final rules modifying its procedures for voluntary and binding arbitration (as required by Section 13 of the Act); proposed rules governing the new investigative authority for matters of regional or national significance (as required by Section 12 of the Act); and issued an advance notice of proposed rulemaking to assess procedures available to parties to streamline STB rate cases (as required by Section 11 of the Act). The Board has also conducted a number of non-public collaborative discussions pursuant to Section 5 of the Act to discuss agency business, including on several significant proceedings.

In addition to fulfilling the requirements of the Act, the Board has continued its work on the significant regulatory initiatives that were initiated prior to passage of the Reauthorization Act. The Board has received opening and reply comments from a host of stakeholders, and we will carefully consider your views as we continue to work on these matters. The status of these proceedings, including expected dates for next action, can be viewed in the quarterly reports the Board prepares in accordance with Section 15 of the Act. Copies of these reports are also posted on the Board's website for review by the public.

As we move forward with these proceedings, the Board will adhere to the goals and objectives of the Staggers Rail Act of 1980, the Interstate Commerce Commission Termination Act of 1985, and the Reauthorization Act. Congressional policy for the Board's oversight of the

railroad industry is set forth in the Rail Transportation Policy (49 U.S.C. § 10101), which instructs the Board to balance a number of competing and complementary factors, such as allowing competition and demand for services to establish rates to the maximum extent possible, allowing rail carriers to earn adequate revenues, and maintaining reasonable rates where there is an absence of effective competition. The Board remains focused on maintaining and promoting the rail network for benefit of railroads, shippers and the public and as a vital engine for economic growth.

We appreciate your careful oversight of the work of this agency. If you have further questions about any of these proceedings, or STB procedures in general, please contact the STB's Office of Public Assistance, Governmental Affairs and Compliance. The telephone number for this office is (202) 245-0238.

Sincerely,



Daniel R. Elliott III  
Chairman



Deb Miller  
Vice Chairman