

Surface Transportation Board Chairman Roger Nober Names Former Congressman John Thune as Mediator in Rail-Rate Dispute

Surface Transportation Board Chairman Roger Nober announced today that he has named former Congressman John Thune to mediate the recently filed rail rate dispute between the AEP Texas North Company and The Burlington Northern and Santa Fe Railway Company.

In making today's announcement, Chairman Nober said:

"This case is the first to be eligible to use our Board's new mandatory mediation. I am very pleased Congressman Thune agreed to serve the Board and mediate this matter. He has tremendous experience, and everyone who has worked with him will attest to his diligence, fairness and impartiality. The Board and the parties will benefit from John's involvement in this dispute."

Mr. Thune is the Senior Government Relations Advisor at the law and lobbying firm of Arent Fox in Washington, D.C. and chairman of the Thune Group, a South Dakota-based consulting firm.

Mr. Thune represented South Dakota as a Member of the U.S. House of Representatives from 1997 to 2003. During his tenure on Capitol Hill, he served on the Committee on Transportation and Infrastructure, where he was actively involved in matters concerning railroads and their customers. He also served as the State Railroad Director of South Dakota.

A fact sheet concerning mediation and the case Mr. Thune will mediate is attached.

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ATTACHMENT

FACT SHEET

Mediation at the Surface Transportation Board and the "AEP Texas North v. Burlington Northern" Railroad-Rate Dispute

A rules change adopted earlier this year in the proceeding entitled *Procedures to Expedite Resolution of Rail Rate Challenges to Be Considered under the Stand-Alone Cost Methodology*, STB Ex Parte No. 638, established mediation in railroad-rate disputes. The rules require that a party challenging the reasonableness of a rail rate before the Board must participate in mediation with the defendant railroad.

The rules provide that, upon the filing of a rail rate challenge with the Board, the agency will promptly assign a mediator to work, over a 60-day period, with the party challenging the rate and with the defendant railroad to reach a full or partial settlement of the rate dispute. The parties must include in their mediation teams at least one "principal" who has the authority to make a binding settlement on each party's behalf, and who would attend any session at which the mediator requests the principal's attendance.

Mr. Thune's appointment as mediator in the case entitled *AEP Texas North Company v. The Burlington Northern and Santa Fe Railway Company*, STB Docket No. 41191 (Sub-No. 1), marks the first time the Board has used mediation in a rail-rate dispute since it adopted the new rules in Ex Parte No. 638.

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