



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

February 24, 2020

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The Honorable Steve Daines
United States Senate
320 Hart Senate Office Building
Washington, DC 20510

Dear Senator Daines:

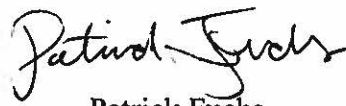
Thank you for your recent letter regarding railroad revenue adequacy and the importance of a balanced economic framework for railroads and shippers in Montana. We appreciate knowing your views on this important issue.

As you may know, the Board's Rate Reform Task Force (RRTF) issued a report in April 2019, which recommended a wide range of options for the Board to consider to improve its rate review methodologies and processes. The report's options included, among other things, possible changes regarding revenue adequacy. In order to give full and careful consideration of to the revenue adequacy issues raised in the RRTF report, including the potential economic impacts of those issues, the Board held a two-day public hearing in December 2019 (Hearing on Revenue Adequacy, Docket No. EP 761, and Railroad Revenue Adequacy, Docket No. EP 722). The Board received testimony from railroads and shippers and their representatives, as well as economists and others. Following the hearing, the record remained open until February 13, 2020, to allow parties to supplement their testimony. We are considering the testimony and comments received.

Thank you again for your interest in this issue. Your letter and this response have been entered into the dockets. If you or your staff have any questions, please contact us or Ms. Lucille Marvin, the Board's Director of the Office of Public Assistance, Governmental Affairs, and Compliance, at (202) 245-0238.

Sincerely,


Ann Begeman
Chairman


Patrick Fuchs
Board Member


Martin Oberman
Vice Chairman