



Surface Transportation Board
Washington, D.C. 20423-0001
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Office of the General Counsel

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Office of Proceedings

Meeting under Section 5, STB Reauthorization Act July 10, 2025

November 4, 2020

**Part of
Public Record**

Present: Members Begeman, Fuchs, and Oberman
Staff Stephanie Borges, Jennifer Smith-Bozek, William Brennan, Rachel Campbell, Anika Cooper, Ellen Erichsen, Amanda Gorski, Kim Hillenbrand, Craig Keats, Paul Lowengrub, Lisa Novins, Valerie Quinn, Andrew Read, Michael Small, Amy Ziehm, Scott Zimmerman

Topic: Docket No. EP 766, Joint Petition for Rulemaking to Modernize Annual Revenue Adequacy Determinations

Summary of the Matters Discussed, Prepared by General Counsel Craig Keats:

At this meeting, staff briefed Board Members on a petition for rulemaking seeking to modify the annual revenue adequacy determinations in two respects: first, by abandoning the current approach of comparing individual railroads' return-on-investment to the industry's cost of capital and replacing it with a comparison to the returns generated by members of the S&P 500; and second, by changing the current approach to the treatment of deferred taxes in the calculation of railroads' return-on-investment. Staff and Board Members discussed Petitioners' arguments in favor of these requested modifications, along with other stakeholders' replies. Staff and Board Members also discussed options for next steps.