



Office of the General Counsel

Surface Transportation Board
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Meeting under Section 5, STB Reauthorization Act

June 27, 2017

Present: Members Begeman, Elliott, and Miller

Members' Staff: James Boles, Amanda Gorski, Janie Sheng, Brian O'Boyle

Agency Staff: Rachel Campbell, Evelyn Kitay, Nathaniel Clarke, Chris Diamond, Kim Hillenbrand, Fred Horne, Onika Williams, Amy Ziehm

Topic: FD 35842, *New England Central Railroad, Inc. – Trackage Rights Order – Pan Am Southern LLC*

ENTERED
Office of Proceedings
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Part of
Public Record

Summary of the Matters Discussed, Prepared by Acting General Counsel Evelyn Kitay:

At this meeting staff briefed Board Members on certain issues in the pending *New England Central Railroad, Inc. – Trackage Rights Order – Pan Am Southern LLC* proceeding. In that proceeding, New England Central seeks modifications to the terms of and compensation under a trackage rights agreement with Pan Am Southern. Staff briefed the Members on the following matters:

- The parties' disagreement concerning methodologies for calculating the appropriate level of compensation under the trackage rights agreement, including:
 - General issues related to application of the Board's SSW compensation methodologies;¹
 - Application of a Replacement Cost New Less Depreciation methodology presented by New England Central; and
 - Application of a Capitalized Earnings methodology presented by Pan Am Southern.
- The parties' disagreement concerning various terms of the trackage rights agreement.

¹ See *St. Louis Southwestern Railway – Trackage Rights Compensation*, 1 I.C.C.2d 776 (1984); *St. Louis Southwestern Railway Compensation – Trackage Rights*, 4 I.C.C.2d 668 (1987).