

220566

ORIGINAL

Before the
SURFACE TRANSPORTATION BOARD

Ex Parte No. 664

METHODOLOGY TO BE EMPLOYED IN DETERMINING
THE RAILROAD INDUSTRY'S COST OF CAPITAL



REPLY COMMENTS

ENTERED
Office of Proceedings

OCT 30 2007

Part of
Public Record

John D. Fitzgerald,^{1/} for and on behalf of United Transportation Union-General Committee of Adjustment (UTU/GO-386), submits these reply comments in response to the various comments of the parties involved in this proceeding, as well as to the Board itself.

UTU/GO-386 filed initial comments on December 8, 2006, and is a party.

The importance of the proceeding does not extend merely to maximum rate cases, feeder line applications, rail line abandonments, and trackage rights case, along with evaluation of railroad revenue adequacy, (Decision, 8/20/07), all of which are of concern to railroad employees.

In addition, the financial condition of railroads, including railroad cost of capital, is frequently cited in a number of rail

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labor proceedings under the Railway Labor Act, such as Presidential Emergency Board cases, to mention only the more prominent.

The STB should be fully aware of the uses and purposes to which findings on cost of capital are utilized in the railroad industry.

Respectfully submitted,



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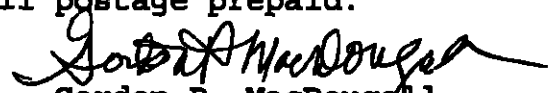
October 29, 2007

Attorney for John D. Fitzgerald

Certificate of Service

I hereby certify I have served copy of the foregoing upon all parties of record by first class mail postage prepaid.

Washington DC


Gordon P. MacDougall