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SURFACE TRANSPORTATION BOARD ISSUES FINAL RULES ESTABLISHING PROCEDURES FOR PROCESSING RAIL RATE COMPLAINTS USING SIMPLIFIED RAIL RATE GUIDELINES

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SURFACE TRANSPORTATION BOARD ISSUES FINAL RULES ESTABLISHING PROCEDURES FOR PROCESSING RAIL RATE COMPLAINTS USING SIMPLIFIED RAIL RATE GUIDELINES

Surface Transportation Board (Board) Chairman Linda J. Morgan announced today that the Board has issued final rules establishing procedures for processing railroad rate complaint cases using the simplified rate guidelines adopted in Rate Guidelines--Non-Coal Proceedings, Ex Parte No. 347 (Sub-No. 2) (STB served Dec. 31, 1996). The rulemaking furthers the legislative goal articulated in the ICC Termination Act of 1995 of establishing procedures to speed the processing of rail rate complaint cases. By statute, the Board is required to decide the rate reasonableness issue in cases processed under the simplified rate guidelines within six months after the close of the administrative record.

In Ex Parte No. 347 (Sub-No. 2), the Board adopted simplified rate guidelines for use in cases in which the more economically precise and sophisticated Constrained Market Pricing (CMP) guidelines could not practically be applied. The final rules adopted today explicitly list in the Board's regulations the 10 factors that a complainant seeking to use the simplified rate guidelines, rather than CMP, should address. Those factors include information describing the traffic involved in a complaint and demonstrating why the simplified rate guidelines rather than the CMP guidelines ought to be applied. With the filing of a complaint seeking to use the simplified rate guidelines, the new rules establish a 50-day period during which the Board will determine whether the simplified rate guidelines can be used in a particular case.

The Board declined at this time to establish a general procedural schedule to govern the filing of evidence until it gains more experience processing cases under the simplified procedures. However, to facilitate the prompt establishment of appropriate procedural schedules in individual cases, the Board directed the parties in individual cases to develop an appropriate procedural schedule at the conference of the parties that is held soon after a complaint is filed.

The Board's decision was issued today in Ex Parte No. 527 (Sub-No. 1), <u>Expedited Procedures for Processing Simplified Rail Rate Reasonableness Proceedings</u>. This decision is available on the Board's web site at **www.stb.dot.gov**.