SURFACE TRANSPORTATION BOARD ISSUES DECISIONS IN "AEP TEXAS NORTH" & "WESTERN FUELS / BASIN ELECTRIC" RAIL RATE COMPLAINT CASES

The Surface Transportation Board (Board) today announced the release of decisions in two railroad rate complaint proceedings: *AEP Texas North Company v. BNSF Railway Company*, STB Docket No. 41191 (Sub-No. 1) and *Western Fuels Association, Inc., and Basin Electric Power Cooperative v. BNSF Railway Company*, STB Docket No. 42088. In each case, an electric utility shipper had challenged the rates charged by the BNSF Railway Company to haul coal from Wyoming's Powder River Basin to the utility's power plant.

AEP Texas North Company had challenged a rate of approximately \$18 to haul a ton of coal 1,200 miles; Western Fuels Association, Inc. had challenged a rate of approximately \$6 to haul a ton of coal 200 miles. After carefully reviewing the evidence in each case, the Board found that the shipper had not shown that the challenged rates are unreasonable under the Board's "stand-alone cost" (SAC) rate test.

However, the Board has given each shipper the option of revising key portions of its case in light of the Board's recent changes to the SAC methodology that were made after the rate complaints were filed. Each shipper must advise the Board by October 10, 2007, whether it intends to submit these revisions.

The Board's decisions in <u>STB Docket No. 41191 (Sub-No. 1)</u> and in <u>STB Docket No. 42088</u> can be found on the Board's web site at <u>http://www.stb.dot.gov</u>, under "E-Library," then under "Decisions & Notices," beneath the date "9/10/07." Printed copies of the Board's decisions also are available for a fee by contacting ASAP Document Solutions, 9332 Annapolis Rd., Suite 103, Lanham, MD 20706, telephone (202) 306-4004 or via asapdc@verizon.net.

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