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SURFACE TRANSPORTATION BOARD MAKES RAILROAD REVENUE ADEQUACY DETERMINATION FOR 2013

The Surface Transportation Board announced today that it has made its annual determination of revenue adequacy for the Nation's Class I freight railroads for 2013. The Board found that five Class I railroads (BNSF Railway Company, Grand Trunk Corporation, Norfolk Southern Combined Railroad Subsidiaries, Soo Line Corporation and Union Pacific Railroad Company) were "revenue adequate" for 2013.

A railroad is considered to be revenue adequate if it achieves a rate of return on net investment equal to at least the current cost of capital for the railroad industry for 2013, which the Board determined to be 11.32 percent. Congress directed the STB to conduct such revenue adequacy determinations on an annual basis. The Board's finding today is that the five Class I railroads achieved a rate of return equal to or greater than the agency's calculation of the average cost of capital to the freight rail industry.

The Board's decision in the case, Railroad Revenue Adequacy—2013 Determination, Docket No. EP 552 (Sub-No. 18), can be found on the Board's website, www.stb.dot.gov, under "E-LIBRARY" / "Decisions & Notices / 09/02/2014 " .

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