

## **INDEPENDENT STUDY ON RATE CASE METHODOLOGY ALTERNATIVES RELEASED**

The Surface Transportation Board announced today that the report on rate case methodology pursuant to Section 15 of the Surface Transportation Board Reauthorization Act of 2015, Public Law 114-110 is complete and available for viewing on the agency's website.

The Board commissioned a study from InterVISTAS Consulting LLC to provide an independent assessment of the Board's stand-alone cost (SAC) rate reasonableness methodology. Among other things, the scope of the work required InterVISTAS to look for alternative methodologies to SAC that could be used to reduce the time, complexity, and expense historically involved in rate cases; determine whether SAC is sufficient for large rate cases; and whether the Board's simplified methodologies were appropriate alternatives to SAC.

The Board plans to hold an economic roundtable next month and has invited independent economists from InterVISTAS, the Transportation Research Board of the National Academy of Sciences, Georgetown University, and the Board's economists to engage in a public discussion of the issues and conclusions contained in the InterVISTAS report. Chairman Elliott also hopes to schedule a public hearing after the roundtable for all stakeholders and interested parties to participate in this important discourse. The Board will deliberate on a regulatory path forward concerning large rate cases after consideration of expert and stakeholder views in open and transparent fora.

"I am pleased that the InterVISTAS report is complete, and that the Board and industry stakeholders will have an opportunity to review and discuss its findings on rate reasonableness methodologies," said Chairman Elliott. "I take very seriously the impact that our rate case proceedings and methodologies have on industry and commerce. I look forward to thoughtful input from the transportation industry and a fruitful exchange of ideas as we forge a way ahead on this complex topic."

To view the InterVISTAS report, please click [here](#).

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