



FR-4915-01-P

SURFACE TRANSPORTATION BOARD

[Docket No. EP 552 (Sub-No. 24)]

Railroad Revenue Adequacy—2019 Determination

AGENCY: Surface Transportation Board.

ACTION: Notice of decision.

SUMMARY: On October 1, 2020, the Board served a decision announcing the 2019 revenue adequacy determinations for the Nation’s Class I railroads. Five Class I railroads (BNSF Railroad Company, CSX Transportation, Inc., Norfolk Southern Combined Railroad Subsidiaries, Soo Line Corporation, and Union Pacific Railroad Company) were found to be revenue adequate.

DATES: This decision is effective on October 1, 2020.

FOR FURTHER INFORMATION CONTACT: Pedro Ramirez, (202) 245-0333. Assistance for the hearing impaired is available through the Federal Relay Service at (800) 877-8339.

SUPPLEMENTARY INFORMATION: Under 49 U.S.C. 10704(a)(3), the Board is required to make an annual determination of railroad revenue adequacy. A railroad is considered revenue adequate under 49 U.S.C. 10704(a) if it achieves a rate of return on net investment (ROI) equal to at least the current cost of capital for the railroad industry. For 2019, this number was determined to be 9.34% in *Railroad Cost of Capital—2019*, EP 558 (Sub-No. 23) (STB served Aug. 5, 2020).¹ The Board then applied this revenue

¹ On August 24, 2020, the Western Coal Traffic League (WCTL) filed a petition seeking reconsideration of the Board’s 2019 railroad industry cost of capital in Docket No. EP 558 (Sub-No. 23). That petition is currently under consideration with the Board.

adequacy standard to each Class I railroad. Five Class I carriers (BNSF Railroad Company, CSX Transportation, Inc., Norfolk Southern Combined Railroad Subsidiaries, Soo Line Corporation, and Union Pacific Railroad Company) were found to be revenue adequate for 2019.

The decision in this proceeding is posted at *www.stb.gov*.

Decided: October 1, 2020.

By the Board, Board Members Begeman, Fuchs, and Oberman.

Tammy Lowery,

Clearance Clerk.

[FR Doc. 2020-22100 Filed: 10/6/2020 8:45 am; Publication Date: 10/7/2020]

Should WCTL's petition be granted, the Board will take appropriate action in this proceeding with regard to its 2019 revenue adequacy determination.