

United States Senate

WASHINGTON, DC 20510

13 February 2020

The Honorable Ann D. Begeman
Chairman
Surface Transportation Board
395 E Street Southwest
Washington, DC 20423

The Honorable Patrick J. Fuchs
Board Member
Surface Transportation Board
395 E Street Southwest 300390
Washington, DC 20423

The Honorable Martin J. Oberman
Vice Chairman
Surface Transportation Board
395 E Street Southwest
Washington, DC 20423

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Dear Chairman Begeman, Vice Chairman Oberman, and Board Member Fuchs,

I write to you today about the Surface Transportation Board's (STB) work on railroad revenue adequacy, Docket No. EP 722.

As you continue to discuss proposals related to long-term revenue adequacy, specifically proposals related to potential rate caps and revenue reductions based on overall railroad earnings, I urge you to maintain a balanced economic framework that recognizes the importance of the freight rail system to the economy. It is important that railroads can continue to effectively invest in their networks and innovate. The Board should also ensure shippers have access to STB oversight to protect against potential market failures or abuses of market power.

As you are aware, many of the issues the STB is considering will have a lasting impact on the rail network and the shippers they serve, including agriculture and utility shippers. Any proposals from the Board should continue to be grounded in sound economic principles, be supported by data-driven empirical analyses, and, to the maximum extent possible, allow competition and demand in the marketplace to determine reasonable rates for the transportation of freight. This approach will ensure that railroads and the customers they serve have confidence in decisions or changes made by the Board. I ask that the STB fully consider and weigh the implications of pending proceedings and the impact they could have on railroads and shippers alike.

□ **Lincoln Office**
440 North 8th Street
Suite 120
Lincoln, NE 68508
(402) 441-4600
(402) 476-8753 (Fax)

□ **Omaha Office**
11819 Miracle Hills Drive
Suite 205
Omaha, NE 68154
(402) 391-3411
(402) 391-4725 (Fax)

□ **Scottsbluff Office**
120 East 16th Street
Suite 203
Scottsbluff, NE 69361
(308) 630-2329
(308) 630-2321 (Fax)

□ **Kearney Office**
20 West 23rd Street
Kearney, NE 68847
(308) 234-2361
(308) 234-3684 (Fax)

Thank you for your consideration of this letter. I also want to express my appreciation for your efforts to make the STB more efficient, transparent, and accessible for shippers and railroads alike.

Sincerely,

A handwritten signature in blue ink, appearing to read "Deb Fischer", is positioned above the printed name.

Deb Fischer
United State Senator