



**Contact:** Kiernan Doherty  
(202) 261 2887  
Kiernan.doherty@mslpr.com

**Rail Customers Make Case Against Proposed New Rate Rules  
*Surface Transportation Board Urged to Restrain Railroad Monopoly***

**Washington, DC (January 31, 2007)** - A diverse group of rail customers told the Surface Transportation Board (STB) today that proposed changes to the rail rate complaint process for small shipment cases make an already ineffective process more burdensome and costly.

“The STB has made these latest proposed changes to the small shipment rate case process because their current process, as various Chairs of the STB have testified before Congress, is completely unworkable. The current process is too costly, too time consuming and too complex to provide any relief for rail customers. Unfortunately, these proposed changes may be the worst proposals yet for making the small shipment rate case process accessible for rail customers without access to competition,” said Bob Szabo, Executive Director of CURE, a group representing rail customers.

An October 2006 report by the General Accountability Office (GAO) highlighted the problem when it said the process is “largely inaccessible and rarely used.” In fact, the GAO found that since the rules were passed in 1997, the STB has not had a rate challenge case go through the process.

(<http://www.gao.gov/new.items/d0794.pdf>).

In today’s hearing on “*Simplified Standards for Rail Rate Cases*” the STB heard customers explain that while the intent of the rules was to simplify the process of filing small rate cases against the nation's railroads, it would make the process worse, creating more barriers and further discouraging new cases from being filed.

“Instead of clarifying and simplifying existing rules, the STB has created an entirely new set of rules that have the perverse – and we hope unintended - effect of making matters worse for rail customers,” said Steve Sharp of Arkansas Electric Cooperative Corporation, a rail customer and member of CURE who testified at the hearing. “The very fact that the railroads support these new rules, while rail customers are united in opposition should be evidence enough that once again the STB has failed to propose a rule that will protect rail customers from railroad monopoly power.”

CURE supports changes in federal law that will both reform the policies of the STB – including the cumbersome rate challenge process – to ensure rail customer access to reliable transportation at reasonable cost and repeal the railroads’ antiquated antitrust exemptions.

**ABOUT CURE:**

*CURE is a coalition of rail customers seeking changes in federal law to hold the railroads more accountable to the nation and their customers. The group represents a wide variety of rail customers including municipal and investor-owned utilities, rural electric co-ops, chemical, ethanol, cement and other manufacturers, forest and paper companies, and their customers. **For more information visit [www.railcure.org](http://www.railcure.org)***

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