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SEC

SERVICE DATE – JUNE 18, 2008

SURFACE TRANSPORTATION BOARD

DECISION

STB Docket No. 41191 (Sub-No. 1)

AEP TEXAS NORTH COMPANY

v.

BNSF RAILWAY COMPANY

Decided: June 18, 2008

In this proceeding, AEP Texas North Company (AEP Texas) challenges the reasonableness of the rates charged by BNSF Railway Company (BNSF) for movements of coal from origins in the Powder River Basin in Wyoming to the Oklaunion Generating Station near Vernon, TX. In a decision served on May 29, 2008, the Board denied both parties' petitions for reconsideration, with the exception of one issue on which additional evidence and argument was sought: whether to restate the rail industry's cost-of-capital figures using the newly adopted capital asset pricing model (CAPM) in the stand-alone cost (SAC) analysis. The Board directed the parties to submit their opening evidence on this issue by June 30, 2008, and their reply evidence by July 14, 2008.

On June 4, 2008, BNSF filed a motion for extension of time. BNSF requests that the due date for submission of opening evidence be extended until August 8, 2008, and the due date for reply evidence be extended until September 5, 2008. BNSF states that the additional time is needed because the same counsel and consultants that are needed to prepare evidence in this proceeding are also in the process of preparing evidence in Western Fuels Association, Inc., and Basin Electric Power Cooperative v. BNSF Railway Company, STB Docket No. 42088 (Western Fuels). BNSF states that, because of the overlapping schedules of the two cases, it would be difficult to prepare complex opening and reply evidence in this proceeding at the same time its counsel and consultants are preparing complex and detailed reply evidence in Western Fuels. BNSF states that AEP Texas agrees to the extension request.

Given the complexities involving the preparation of evidence in these two proceedings, as well as AEP Texas' agreement to the extension, BNSF's request for an extension of time will be granted.

It is ordered:

1. BNSF's motion for extension of time is granted.

2. The procedural schedule in this proceeding is modified as follows:

The parties' opening submissions are due by August 8, 2008.

The parties' reply submissions are due by September 5, 2008.

3. This decision is effective on its date of service.

By the Board, Anne K. Quinlan, Acting Secretary.

Anne K. Quinlan
Acting Secretary