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### **Badger-CURE Praises Senate Judiciary Committee's Approval of Railroad Antitrust Enforcement Act of 2007**

**Madison, WI (September 20, 2007)** – A coalition of Wisconsin freight rail customers applauded the U.S. Senate Judiciary Committee's approval of legislation authored by Senator Herb Kohl (D-WI) that would level the playing field by subjecting railroads to the same rules of competition as other industries and the customers they serve.

On a voice-vote, the Judiciary Committee, today, sent to the full Senate S. 772, "The Railroad Antitrust Enforcement Act of 2007", which repeals the antitrust exemptions currently held by the railroad industry.

Since Congress reformed the railroads in 1980, consolidations and mergers have reduced the number of Class 1 railroads serving North America from 41 to seven, with only four railroads controlling the traffic for 90 percent of the industry. Many of Wisconsin's leading industries, such as manufacturing, agricultural, and electric utilities, rely on railroads to transport coal, grain, forest products, chemicals, and other commodities that cannot be shipped economically by truck or other means. These industries have no other option except to transport their product via a single railroad. Because these "captive-shippers" have few or no alternatives, they are paying unreasonably high rates and receiving poor service.

"We are appreciative of Senator Kohl's leadership, and really pleased to see the Senate take a serious step forward toward rail reform," said Brian Rude, Director of External Relations at Dairyland Power Cooperative in La Crosse, a member of Badger-CURE. "Dairyland experienced a 93% rail rate increase in 2006, raising rates to our members. We support this bill because we believe it would enhance competition and put the railroads on an even playing field with other businesses."

A U.S. Government Accountability Office (GAO) report released in October 2006 found that there is "...a reasonable possibility that shippers in selected markets may be paying excessive rates related to a lack of competition." In Wisconsin, the Public Service Commission (PSC) and the Department of Agriculture, Trade and Consumer Protection held hearings on the rail service issues last year. The PSC reported a \$73 million increase in electric rates due to disruptions in rail coal deliveries to Wisconsin utilities in 2005.

Badger-CURE thanked Senator Kohl for his leadership on this issue and Senator Russ Feingold (D-WI) for his support and co-sponsorship of S.772.

**ABOUT BADGER-CURE:**

The Badger-CURE (**C**ustomers **U**nited for **R**ail **E**quity) coalition is comprised of 45 Wisconsin businesses and organizations representing key state industries such as manufacturing, agriculture, and electric utilities that rely on rail to ship or receive commodities, as well as energy customers groups and union utility workers.

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