



Wisconsin's Baldwin Calls for Railroad Antitrust Revocation

By Angela Greiling Keane
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Feb. 25 (Bloomberg) -- Union Pacific Corp. and other railroads should be stripped of antitrust exemptions, a U.S. lawmaker said, citing "deteriorating service" and a 93 percent rate increase for a customer in her Wisconsin district.

U.S. Representative Tammy Baldwin urged fellow members of the House Judiciary Committee to approve legislation, already passed by the Senate Judiciary Committee, that would subject railroads to Justice Department oversight and greater rate regulation.

Union Pacific, the largest U.S. railroad, and other rail companies are fighting criticism from customers such as electric utilities, who say they are charged exorbitant rates on routes served by just one carrier. Baldwin, a Democrat, is the House sponsor of legislation that would repeal the limited antitrust exemption for railroads.

Dairyland Power Cooperative suffered "deteriorating service quality" and unreliable coal shipments as rates almost doubled in January 2006 from a year earlier, Baldwin told the House committee.

Some of the cooperative's coal-fired plants are served only by Union Pacific, while another is supplied only by Burlington Northern Santa Fe, Dairyland spokeswoman Deb Mirasola said in an e-mail.

G. Paul Moates, a lawyer for the Association of American Railroads, called Baldwin's bill a "solution looking for a problem." In testimony to the committee, he said the bill wouldn't result in lower rates for so-called captive shippers, who are served by only one railroad.