



RAIL REPORT

RAIL CUSTOMER NEWS AND INFORMATION FROM CURE

NOVEMBER 2007

STATE ATTORNEYS GENERAL URGE REPEAL OF RAILROAD ANTITRUST EXEMPTIONS

On November 19, 21 state attorneys general sent a letter to the Senate and House leadership urging Congress to remove the railroads' antitrust exemptions and pass the Railroad Antitrust Enforcement Act (S. 772/H.R. 1650). "Rail customers in our states in a variety of industries are suffering from the classic symptoms of unrestrained monopoly power – unreasonably high and arbitrary rates and poor service," they wrote, "and this legislation is a part of the solution." The attorneys general sent a similar letter in 2006, containing 18 signatures. The increased support for this year's letter, including the support of attorneys general in new key states, is a testament to the growing awareness of the problems rail customers face and the need for comprehensive policy reform.

2008 RAIL CUSTOMER DAY: MARK YOUR CALENDARS!

CURE's Fourth Annual Rail Customer Day will be held in Washington, D.C., on:

Wednesday, February 6, 2008

Details will be forthcoming, so stay tuned!

The letter, sponsored by the attorneys general of Montana and South Dakota, was co-signed by the attorneys general of Arizona, Arkansas, California, Connecticut, Delaware, the District of Columbia, Guam, Iowa, Louisiana, Minnesota, Mississippi, Nevada, New Jersey, New Mexico, North Carolina, North Dakota, Ohio, Oklahoma and Utah. S. 772 was reported favorably by the Senate Judiciary Committee on September 20 and now awaits action on the Senate floor. H.R. 1650 awaits action in the House Judiciary Committee.

CURE would like to thank everyone involved in securing support for this important letter! Please continue to urge your Senators and Representatives to sign on to S. 772/H.R. 1650 to remove the railroads' antitrust exemptions.

COSPONSORSHIP UPDATE

CURE is pleased to announce the following new cosponsors:

H.R. 2125, the Railroad Competition and Service Improvement Act of 2007 (52 total):

Rep. Poe, Ted [R, TX-02]

Please contact your Members of Congress today to urge them to cosponsor rail customer legislation!

MARK YOUR CALENDARS: 2008 RAIL CUSTOMER DAY SCHEDULED FOR FEBRUARY 6

The fourth annual Rail Customer Day will be held in Washington, D.C., on Wednesday, February 6, 2008. This day of multi-industry congressional visits has proven critical in past years in the effort to educate Members of Congress and their staff and to secure additional cosponsors for rail customer legislation. With the presidential and congressional elections looming in the coming fall, our progress in early 2008 will be critical. CURE hosted over 250 rail customers and supporters on March 15, 2007, visiting over 150 congressional offices, and we hope to exceed that number in 2008. Please mark this date on your calendars and begin making travel arrangements. Details of the day's events will be forthcoming, so please stay tuned. In the meantime, for any questions or concerns, please do not hesitate to contact Beckie Whitehead at (202) 298-1959. We hope you can join us in making this our most successful Rail Customer Day ever!

FIRM HIRED TO CONDUCT STUDY ON RAIL COMPETITION SEEKS SHIPPERS' INPUT

Christensen Associates, a Wisconsin consulting firm hired by the Surface Transportation Board to conduct a comprehensive study on rail competition, has invited all stakeholders to submit comments on the issues from now through the end of January. This study provides a valuable opportunity for rail customers to educate the firm and the STB about the lack of competition in the rail industry and the challenges shippers face from exorbitant rates and unreliable service. **It is important that the firm and the STB hear from as many rail customers as possible in order to paint an accurate picture of the current state of rail competition. Please visit the following Web site and weigh in on the study:** <http://www.lrca.com/railroadstudy/>. The report will be issued next fall.

IN THE NEWS...

AGs Want Antitrust Exemptions Derailed

By Dan Caterinicchia, AP Business Writer
November 29, 2007

Associated Press Business Writer Dan Caterinicchia reports on the state attorneys general letter sent to Congress on November 19 that urges the repeal of the railroads' antitrust exemptions. Caterinicchia briefly discusses recent federal actions surrounding railroad operations, including the January decision by the STB that ruled excessive fuel surcharges illegal. The article highlights the AGs' desire to request immediate congressional action on behalf of rail customers.

Union Pacific profits ride rosy forecast

By Joe Ruff
Omaha World Herald
November 11, 2007

Omaha World Herald writer Joe Ruff reports on Union Pacific's continued financial health, due primarily to revenues from long-term contracts and increased infrastructure investment. Financial analysts have predicted higher profits for the railroad company after a very successful 2006. Ruff also mentions that rail customers have been vocal in raising concerns over service reliability and captivity, asking Congress to reform national rail policy. He lays out the changes sought under the Railroad Competition and Service Improvement Act, while also citing the railroads' criticisms of the legislation as being "re-regulatory."

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