



RAIL REPORT

**RAIL CUSTOMER NEWS AND INFORMATION FROM CURE
NOVEMBER 2006**

CHANCES FOR RAIL REFORM APPEAR PROMISING IN 110th CONGRESS

The November elections resulted in the realignment of Congressional majorities in the U.S. Senate and House of Representatives. The resulting new leadership in the committees of jurisdiction, as well as other committees, is noteworthy and will have a significant impact on the rail reform debate.

In the House, the Transportation and Infrastructure Committee will be chaired in the 110th Congress by Representative James Oberstar (D-MN), a great ally of rail customer reform and the lead Democratic cosponsor of the Railroad Competition Improvement and Reauthorization Act of 2005 (H.R. 2047). In the Senate, we regret the loss of our lead sponsor in the 109th Congress and one of our strongest long term supporters, Conrad Burns (R-MT), who lost a narrow bid for re-election. We are looking forward to gaining the support of new Members, along with the current Members now joining the committees of jurisdiction.

Newly elected Amy Klobuchar (D-MN) will be joining the Senate Commerce, Science and Transportation Committee, which will be chaired by Senator Daniel Inouye (D-HI). Ms. Klobuchar is already aware of these issues, having been briefed by representatives from Minnesota's grassroots group, "Gopher CURE," during her campaign in August. On the Senate Judiciary Committee, Herb Kohl (D-WI) will become chair of the Subcommittee on Antitrust, Competition Policy and Consumer Rights. Senator Kohl is the lead sponsor of the Railroad Antitrust Enforcement Act of 2006 (S. 3612) and we look forward to his continued leadership on this legislation. Other key committee changes and assignments are:

House:

Transportation and Infrastructure, Subcommittee on Railroads: Corrine Brown (D-FL), Chair.*
Judiciary: John Conyers (D-MI), Chair.

Senate:

Commerce, Science and Transportation: Tom Carper (D-DE), reassigned; Claire McCaskill (D-MO), new Member.
Judiciary: Patrick Leahy (D-VT), Chair; Ben Cardin (D-MD), new Member; Sheldon Whitehouse (D-RI), new Member.
Energy and Natural Resources: Jeff Bingaman (D-NM), Chair; Blanche Lincoln (D-AR), reassigned; Jon Tester (D-MT), new Member; Bernie Sanders (D-VT), new Member.

* Next in seniority. House subcommittee assignments have not yet been finalized.

House and Senate Republicans have not yet announced their committee assignments.

IMPORTANT: CURE MEETING RESCHEDULED FOR TUESDAY, DECEMBER 12

CURE will host an important meeting for current and prospective members to discuss new initiatives planned for 2007 on Tuesday, December 12, from 10:00 a.m. to 2:00 p.m. at 1050 Thomas Jefferson Street, N.W., Seventh Floor, Washington, D.C. We will review our progress for 2006 and discuss our plans for 2007 and the new Congress. There are many positive developments to discuss, including a robust plan of action for the new year. **Please note:** This meeting was originally scheduled for December 7 and we apologize for any inconvenience the rescheduling may have caused. **To RSVP or for additional information, please contact Beckie Whitehead at (202) 298-1959 or rcw@vnf.com.** We hope to see you there!

SAVE THE DATE: MARCH 15, 2007 CURE RAIL CUSTOMER DAY ON THE HILL

Please mark your calendars! CURE's Third Annual Rail Customer Day has been scheduled for March 15, 2007.

We had a tremendous turnout in 2006, with over 250 rail customers visiting their Congressional offices and raising awareness on the importance of freight rail competition. We hope to have an even larger crowd in 2007!

NEW STATE CURE GROUPS LAUNCHED IN ARKANSAS, OHIO AND ILLINIOS

The rail customer grassroots campaign continues to gain momentum as three new state CURE groups held organizational meetings this month. On Thursday, November 30, over 50 captive rail customers gathered in Little Rock, Arkansas to mark the official kick-off of the state's own CURE chapter, known as "Arkansas CURE." CURE Executive Director Bob Szabo spoke to the group by phone to mark the event, as did Dan Borné, President of the Louisiana Chemical Association, who provided insight into the success of grassroots efforts in Louisiana and the importance of these efforts to the overall rail customer campaign.

Rail customers in Ohio and Illinois also launched their own state-based CURE groups this month, and a number of additional groups are in the early stages of organization. These groups continue to be tremendously effective at raising awareness of captive rail customer concerns and securing support from their state and federal legislators. Keep up the good work!

IN THE NEWS...

Shippers, rail labor expect more support from new House configuration

Platts Coal Trader

MARCIN SKOMIAL

November 9, 2006

This article outlines the fallout of the November elections, specifically Representative James Oberstar's (D-MN) expected move to the chairmanship of the House Transportation and Infrastructure Committee. Congressman Oberstar has been a strong and consistent supporter of rail customer rights. Through the realignment, many expect greater pressure on the Surface Transportation Board to quickly level the playing field for both rail customers and labor.

Rail Labor Backs Shipper Bills

Traffic World

JOHN GALLAGHER

November 6, 2006

Rails Fire Back at Labor

Traffic World

JOHN GALLAGHER

November 20, 2006

These stories highlight the back-and-forth between the railroads and rail labor as they wade through stalled contract negotiations, essentially painting captive rail customers as a political football. Labor is quoted being sympathetic to rail customers as they both fight the monopolistic beast. The American Association of Railroads (AAR) asserts that Labor's stance indicates an unwillingness to discuss the real issues.

Railroad Firms Appear on Track For Hiring Spree

The Wall Street Journal

DESIREE HANFORD

November 22, 2006

This article highlights the boom era for the railroads. With the focus being squarely on the railroads, it provided an opportunity for the AAR to once again state that industry saw a business spike in 2003 that "few, if any, had forecast and so no one had planned for."

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