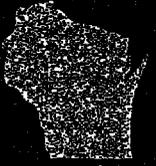


229247



WISCONSIN INDUSTRIAL ENERGY GROUP

ENTERED
Office of Proceedings

APR 12 2011

Part of
Public Record

April 12, 2011

Honorable Dan Elliot
Chairman, Surface Transportation Board
395 E Street, S.W.
Washington D.C., 20423-0001

Dear Chairman Elliott:

On behalf of the Wisconsin's largest manufacturers and energy consumers, please accept these comments regarding Docket No. EP 705.

The Wisconsin Industrial Energy Group, Inc. (WIEG) is a non-profit association of large energy consumers that advocates for policies that drive cost competitive and reliable energy. Since the early 1970s, WIEG has been the premiere voice of Wisconsin ratepayers and an engine for business retention and expansion. WIEG members represent most major Wisconsin manufacturing industries such as paper, food processing, metal casting, fabricating and others.

Manufacturing is heavily dependent on a robust transportation network in order to remain healthy and, in turn, Wisconsin's economy is heavily dependent on manufacturing in order to remain vibrant. Wisconsin is one of the most manufacturing-intensive states in the United States as we are second in the nation in manufacturing jobs as a percentage of its total workforce.

Wisconsin-based businesses need freight rail to transport pulp and paper products, food and farm products, raw forest products and lumber, as well as many others. We also rely on freight rail for our power as at least 60 percent of our electric generation is coal-fired.

A recent report by the Wisconsin Taxpayers Alliance highlighted the fact that from 2000-09, electricity prices here rose faster than in all but five states. Wisconsin's electric rates have gone from some of the lowest in the country to now among the highest in the Midwest. One reason for escalating rates is the delivery issues and costs of coal. Wisconsin utilities have experienced an increase in rail rates as high as 93 percent in recent years. Further, rail-related issues have resulted in coal conservation and shortages as well as more natural gas-fired generation to fulfill load requirements.

TODD STUART
Executive Director, WIEG

SHANE HENRIKSEN
Board Chairman
Enbridge Energy, Limited Partnership

BOARD MEMBERS

BERNARD MALNARICK
Airgas Merchant Gases LLC

BRUCE WILLIAMS
Bemis Company, Inc.

ROBERT BEHNKE
Brillion Iron Works, Inc.

GEOFF BERTIN
ERCO Worldwide

CAL KOBYENGA
Fairbanks Morse Engine

PATRICIA BOWLES
Georgia Pacific Corp.

BILL CUMMINGS
Kimberly-Clark Corp.

TARI EMERSON
Kohl's Department Stores, Inc.

NATHAN HEINLE
Indish Forging

THOMAS SCHARFF
NewPage Corp.

MIKE POTTS
Orion Energy Systems Inc.

DAN GRAVES
Quad/Graphics Inc.

TONY KARWOWSKI
S.C. Johnson & Sons, Inc.

DAVID BREHM
TIM Technologies, Inc.

DARYLL FUENTES
USG Interiors, Inc.

WIEG, INC.

STB Chairman Elliott
Docket No. EP 705
Page Two

Wisconsin companies are seeing not only increased electric rates, but other factors contributing to increased production costs. In many areas of Wisconsin, one railroad has a monopoly for freight rail. These captive shippers have experienced unpredictable or insufficient freight rail service and it has harmed the competitiveness of the manufacturing industry in Wisconsin.

Access to reliable, reasonably-priced transportation services and affordable, reliable energy are an absolute necessity for Wisconsin's economy. WIEG appreciates the STB's willingness to solicit public comment on Docket No. EP 705 and we urge you to protect shippers from unfair and anticompetitive practices by the railroads.

Sincerely,

A handwritten signature in black ink, appearing to read "Todd Stuart". The signature is written in a cursive, slightly slanted style.

Todd Stuart
Executive Director