Good morning Chairman Nober, Vice Chairman Buttrey and Commissioner Mulvey.

The Wisconsin and Southern Railroad Company is seeking an exemption from the prior approval requirements of 49 U.S.C. 10902 to acquire from the Union Pacific Railroad Company and operate a 14-mile rail line that runs between Sheboygan and Plymouth, WI. The Wisconsin and Southern proposes to lease from UP the portion between Kohler and Sheboygan and purchase the portion between Plymouth and Kohler. The draft decision before you grants the exemption subject to labor protective conditions and subject to a condition that the Wisconsin and Southern notify the shippers on the line of the proposed purchase and lease.

The Wisconsin and Southern wants to acquire the line as part of its project to acquire trackage north of Milwaukee, WI, and connect that trackage to its system. The Board recently authorized the Wisconsin and Southern to operate the 37-mile Plymouth Line between Saukville and Kiel, WI. The Wisconsin and Southern was also authorized to acquire overhead trackage rights over a 19.62-mile rail line between Saukville and North Milwaukee, WI. The line the Wisconsin and Southern proposes to acquire and operate here connects with the Plymouth Line at Plymouth.
The Wisconsin and Southern states that it has access to state funding to rehabilitate the line and maintains that, as a smaller, locally based carrier, it can provide more frequent and customer-centered service to shippers.

Also, to accommodate the Wisconsin and Southern’s request for expedited consideration, the draft makes the exemption effective on February 6, 2005. This is the earliest possible date following certification of compliance with the 60-day notice requirements for employees under our rules.

We will be happy to answer any questions you may have.