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Dear Darrel:

Mike Sol's "Letter #1" in the Summer issue evoked memories from me, too, of the famous electrification. As a result, I agree with him that it was Chairman Quinn's personal quest for affiliations with Burlington Northern that doomed the line and the entire system. However, when I asked him for an interview he refused, and his ~~letter of refusal is among my archives at the Wisconsin Historical Society in Madison.~~

I became involved while I was General Attorney in Union Station assigned, among many other things, to do what was necessary to get the commuter-service burden (\$1 million annual loss) off the railroad's back. That brought me into close contact with Government officials who had money to give away for the improvement of railroad commuter service. One day in 1971, shortly after another one of my efforts, the Louisville Entry, paid off, my boss VP-Law Raymond K. Merrill asked me, in a rather casual way (his style) whether there was any Federal money for the modernization of the electrified lines.

I had no idea, but I researched the subject and found that there was indeed a Federal program to encourage the electrification of railroads that had never been used. I consulted with Don Wylie and the Federal Railroad Administration (the latter, while I was on one of my periodic runs to it to defend the railroad's loose-brake and overtime violations), and wrote up a proposal to Merrill: 50 new locomotives, modernization of the entire electrification, "closing the gap" in the overhead, even some small extensions for efficiency's sake. To get cost estimates, I had to consult with General Electric and I spent several days in Schenectady and Erie. Their estimate was close to \$250 million, including several discounts such as salvage of existing wire and substation components. It was, all things considered, a bargain. On further consultation with the FRA, it seemed a doable project with Federal funds as the main source; no funds were to come from the railroad except for the salvage.

That brought me before the railroad's bankers, who had to release the liens they held on every piece of railroad physical property. As they did when I first appeared before them asking for release of liens on commuter equipment, they simply stared at me waiting for some magic word: they had nothing to offer, and the railroad financial officials accompanying me had nothing to say. Impasse seemed at hand.

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I reported all of this to Merrill with recommendation that the project go forward on the assumption that the lien problem would be solved eventually, for the bankers would be made to see that their liens on worn-out equipment would be replaced with liens on brand-new equipment. Furthermore, the salvage was not all that high an amount, just some \$10 million, and was not essential to the overall project. He and I discussed it at some length, and of course Don Wylie lent his full support. We had detailed engineering estimates and General Electric was ready to go upon FRA approval. All that was needed was the railroad's Board of Directors approval, and that required Chairman Quinn to put the proposition before them.

I never heard another thing about it. Of course Quinn was by now engaged in private talks with his former bosses at BN about selling the entire railroad to it, first by merger, then by stock sale, which effort consumed most of his time. In making this effort he had to disclose to them the innermost secrets of the railroad's financial position, and that included disclosing the results of the BN pro-MILW merger conditions: rather like telling the fox what was in the henhouse and how to get in. No doubt they used the information to ruin the traffic base, for that was the result as I trace in my book The Nation Pays Again, using BN's own internal memoranda as primary source.

I do not, however, ascribe to Quinn a particularly negative attitude regarding the electrified lines as Mike Sol does, since I had tried to use the coordination-of-lines ideas (worked out by others) in the BN litigation. Quinn simply had no regard or respect for the entire system, for the enterprise; it was something to be gotten rid of at the best possible price. Quinn didn't offer particular lines to BN without electrification, so far as I know, as an inducement to coordination, and one of my discoveries (reported in my book) was that BN never intended any coordinations with MILW anyway. The only coordination ever worked out was with UP (leader of the railroads) at Spokane for its World's Fair.

With cordial best wishes,

Mike! When will you publish?

Best!
Tom