



September 9, 2009

Mr. David A Cole, Commissioner
Maine Department of Transportation
16 State House Station'
Augusta, ME 04333

Dear Commissioner Cole:

The purpose of this correspondence is to express our support for the proposed Transportation Investment Generating Economy Recovery (TIGER) Discretionary Grant application entitled "Madawaska Subdivision Project". The impact of eliminating rail service from Millinocket to Madawaska is, in our opinion, significant.

As you undoubtedly know, Maine Public Service is the electric utility serving most of the geographical area north of Millinocket. Our service territory is rural and we strive to provide service in a cost effective manner which includes the delivery of most of our pole needs via rail service. With this in mind, we asked our current pole supplier to provide us with any increased annual pricing should we lose rail and require all deliveries by truck. Their response was our direct costs would increase by \$65,000 annually. This represents an increase in our pole pricing of over 20% and we view this as significant.

Please keep in mind, the above figure is a direct cost increase to us. We also are certain other vendors and suppliers would incur costs which we would see indirectly. Rail service to Northern Maine is critical for this region to stay competitive.

Sincerely,

Michael I. Williams, Sr. Vice President
CFO, Treasurer, and Asst. Secretary

Copy: Rodney K. Leach, Manager
MPS Supply Chain & Facilities