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**SURFACE TRANSPORTATION BOARD**

**Ex Parte No. 670**

**ESTABLISHMENT OF A RAIL ENERGY TRANSPORTATION  
ADVISORY COMMITTEE**

**Comments of the**

**EDISON ELECTRIC INSTITUTE**

**August 9, 2007**

The Edison Electric Institute (EEI) is pleased to respond to the request of the Surface Transportation Board (STB) for nominations to the a Rail Energy Transportation Advisory Committee (RETAC). The mission of the RETAC will be vital to EEI and the operations of its member companies, which collectively serve approximately 75 percent of the Nation's electricity consumers.

As the STB knows, coal is responsible for more than 50 percent of the Nation's electricity generation, and an adequate supply of coal is, therefore, essential to EEI's members and to the Nation. The creation of a RETAC is particularly timely, because, although the United States has vast amounts of domestic coal, the transportation of coal for electricity generation in 2005-06 was substantially insufficient and limited the ability of EEI member companies to generate electricity at the lowest possible cost. Indeed, the rail transportation of coal was so inadequate for a time that it affected the ability of many EEI member company utilities to maintain their usual level of generation of electricity from domestic coal supplies, and in some cases forced utilities to pursue less cost-effective alternative measures such as fuel-switching to natural gas or importation of coal.

Although the situation involving rail transportation of coal and other commodities seems to have improved somewhat in 2007, it is still not sufficient (nor is it as efficient as it should be), and there are great concerns that factors affecting rail capacity, such as a larger than normal Fall grain harvest, weather, or simply an overall increase in rail traffic, could again jeopardize the adequacy of rail transportation of coal. The RETAC could (and we believe would) perform a vital advisory role with respect to such matters, if it is

composed of persons with the experience, creativity, and interest in finding solutions to these vexing problems.

Accordingly, EEI is pleased to present the names of four senior executives of EEI member companies for consideration by the STB as members of RETAC:

Mr. Richard C. Kelly  
Chairman, President and CEO  
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Mr. C. Joseph Hopf  
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Ms. Gianna M. Mannes  
Senior Vice President  
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Mr. Charles E. (Chuck) Zebula  
Senior Vice President  
Fuel, Emissions and Logistics  
American Electric Power  
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Each of these senior executives is experienced in coal transportation issues and the impacts that coal transportation has on the economics of electricity production as well as inter-fuel competition. Mr Kelly also serves as Chairman of EEI's CEO Rail Task Force, which serves as EEI's primary policy making body on rail transportation issues. These individuals represent some of the largest users (and, more importantly, shippers) of coal in the United States. Their companies include technology leaders in the development of clean coal technologies that will make possible the continued use of coal in the production of electricity even under ever-more stringent environmental rules.

EEI believes that these individuals would also be able to address other topics that are relevant to RETAC's mission, such as the transportation by rail of chemicals important to control of emissions at coal-fired plants and the transportation by rail of spent nuclear fuel and other radioactive materials.

Attached are biographies for each of these four individuals.

Finally, EEI was pleased to see that the National Association of Rural Electric Cooperatives nominated Mr Duane Richards to be a member of the RETAC. While Mr Richards is not affiliated with an EEI member company, he is an appropriate representative of rural electric cooperatives, and his long involvement in coal transportation by railroad means that he would be a very valuable member of the RETAC, along with the persons EEI has nominated.

Please let the undersigned know if you need any further information or if we may be of further assistance.

Respectfully submitted,

A handwritten signature in black ink that reads "David K. Owens". The signature is written in a cursive style with a large, stylized 'D' and 'O'.

David K. Owens

Executive Vice President

Edison Electric Institute

## **Richard C. Kelly**

Richard C. Kelly serves as Chairman, President and Chief Executive Officer (CEO) of Xcel Energy. From October 2003 until June 2005 he was president and chief operating officer (COO). Mr. Kelly previously was chief financial officer of Xcel Energy.

Xcel Energy was formed in August 2000 by the merger of Northern States Power Company of Minneapolis, Minnesota, and New Century Energies (NCE), Denver, Colorado. The company is now among the 10 largest utilities in the country, operating in 10 states from Minnesota to Texas. It provides electricity to 3.3 million customers, and natural gas to 1.8 million customers.

Prior to the merger of Public Service Company of Colorado and Southwestern Public Service Company to form New Century Energies, Mr. Kelly was chief financial officer.

Mr. Kelly has held a number of positions with Public Service Company since he joined the company's auditing department in 1968. Those include being named senior vice president, finance, in 1990, vice president, financial services, in 1987, treasurer in 1986, manager of accounting and assistant controller in 1983, corporate reports manager in 1976, and staff assistant to the manager of accounting in 1974.

Mr. Kelly holds a Master of Business Administration degree and Bachelor of Science degree in accounting from Regis University. He attended the University of Colorado's Executive Education Conference and the University of Michigan's Public Utility Executive Program.

He is Chairman, Board of Trustees of the Science Museum of Minnesota, a member of the Board of Trustees of Regis University and a board member of the Minnesota Orchestra, Capital City Partnership, Denver Metro Chamber of Commerce and Edison Electric Institute. He is a member of the Minnesota Business Partnership, Itasca Project, National Petroleum Council, Colorado Forum and Colorado Concern. Kelly is a former member of the boards of Colorado Public Expenditure Council, Mercy Housing and Regis Accounting Advisory Committee. He is a past president of the Arvada Optimist Club and a past director of the Ronald McDonald House and the Denver Metro Chamber of Commerce.

## **C. Joseph Hopf President-PPL EnergyPlus**

**Joe Hopf leads PPL's energy marketing and trading operations and directs an expanding energy marketing business.**

C. Joseph Hopf is president of PPL EnergyPlus, which manages PPL's wholesale and competitive retail energy sales and services operation. PPL EnergyPlus markets all the electricity generated by PPL's domestic power plants, making sales in key U S regions, and sells electricity to retail customers in the eastern and western United States.

Hopf joined PPL in October 2005 as senior vice president-Energy Marketing for PPL Corporation. He was named president of PPL EnergyPlus in July 2006. Previously, Hopf served as vice president of energy trading for Goldman Sachs in New York, where he developed the company's 24-hour energy trading operation. Prior to joining Goldman Sachs, he spent four years as a vice president at Ameren Energy in St. Louis, where he was responsible for an asset-backed operation similar to that of PPL's.

Hopf has more than 25 years' experience in the electricity business, as well as expertise in risk management and credit issues. He began his career in power plant operations at PSI Energy in Indiana, where he advanced to supervisor of PSI's energy control center before the company merged with Cincinnati Gas and Electric to form Cinergy. He was supervisor of Cinergy's control center before becoming director of Midwest trading for the company. Hopf advanced to managing director of trading and operations for Cinergy before joining Ameren in 1999.

## **Duke Energy Executive Profile**

*For more information, contact media relations, 704-382-8333*

### **Gianna M. Manes**

**Senior Vice President – Regulated Portfolio Optimization and Fuels**

Gianna Manes is senior vice president of regulated portfolio optimization and fuels for Duke Energy's U S Franchised Electric and Gas organization. She leads the organization that is responsible for optimizing Duke Energy's regulated generation assets in North Carolina, South Carolina, Indiana and Kentucky through electricity purchases and sales with the wholesale market, and purchases and delivery of coal and natural gas to the generation fleet.

She joined the company in June 1987 as an engineer for Texas Eastern Gas Pipeline in Houston, Texas. After a series of promotions in the materials and procurement group, she was named manager of administrative and financial services in 1991 and manager of gas measurement in 1994. Manes was named director of northeast development for PanEnergy Power Services in 1996 and led the development and construction of Bridgeport Energy, the first merchant power plant in the Northeast U S.

In 1998, Manes became director of development for Duke Energy International and managing director of European business development in London in 1999. In 2001, she was named senior director of asset management for Duke Energy North America (DENA) where she was responsible for power plant operations in Connecticut, Maine and Canada. In May 2004, she was named energy generation region vice president responsible for the operation of DENA's power plants in Pennsylvania, Ohio, Indiana and Illinois. In 2005, she was named vice president of integration for the Duke Energy-Cinergy merger. She was named to her current position in April 2006.

The Lafayette, La., native earned a bachelor of science degree in industrial engineering from Louisiana State University and a master of business administration degree, with honors, from the University of Houston. Manes is a member of the Institute of Industrial Engineers, the Society of Women Engineers and is a fellow with the American Leadership Forum.

She and her husband Ted, have two sons.

Duke Energy Corp., one of the largest electric power companies in the United States, supplies and delivers energy to approximately 3.9 million U S customers. The company has nearly 37,000 megawatts of electric generating capacity in the Midwest and the Carolinas, and natural gas distribution services in Ohio and Kentucky. In addition, Duke Energy has more than 4,000 megawatts of electric generation in Latin America, and is a joint-venture partner in a U.S. real estate company.

Headquartered in Charlotte, N C, Duke Energy is a Fortune 500 company traded on the New York Stock Exchange under the symbol DUK. More information about the company is available on the Internet at [www.duke-energy.com](http://www.duke-energy.com)

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| <b>Executive biographies</b> |  |
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**Chuck Zebula**

Senior Vice President - Fuel, Emissions and Logistics, American Electric Power

Chuck Zebula is senior vice president-Fuel, Emissions and Logistics for American Electric Power in Columbus, Ohio, a position he was appointed to in February 2004.

His group is responsible for all fuel purchases (coal and natural gas) and transportation logistics to AEP power plants. In addition, his group is responsible for emissions marketing and position management as well as the purchasing of bulk commodities needed for post-combustion emission controls (urea purchasing for SCRs, lime and limestone purchasing for scrubbers). Zebula is also responsible for the management of AEP's River Operations and Cook Coal Terminal (in Metropolis, Illinois).

Prior to this most recent position, Zebula was senior vice president-Asset & Production Management for AEP. He was responsible for real time power generation functions related to balancing system resources with load obligations. Functions include those having 24/7 responsibilities such as generation dispatch, generation production coordination and hourly marketing. Also, his group provided generation and load forecasting and financial analysis in support of generation capital budgeting and asset valuation needs. He was also responsible for managing the needs of the company related to fundamental analysis of the power, coal, natural gas and emissions markets.

Prior to joining AEP in 1998, Zebula was a senior associate for Putman, Hayes & Bartlett, and economic and management consulting firm located in Washington, D.C. (from 1995-1998). His assignments included a number of projects in the energy and environmental areas.

From 1985 to 1995, Zebula enjoyed a decade-long tenure as a process engineer serving several industries. At ICF Kaiser Engineers (1988-1995), he served as a process/project engineer in the industries related to coal preparation, kaolin beneficiation, alumina refining, and environmental remediation. For GAF Corporation (1985-1988), he served as staff process engineer with responsibilities for process design for four manufacturing facilities.

Zebula earned a bachelor of science degree in mining engineering (1982) and a master of science degree in mineral processing (1990) from The Pennsylvania State University. In 1995, he received a master of science degree in Industrial Administration from Carnegie Mellon University.

Zebula is a Registered Professional Engineer (P.E.) in Pennsylvania.