

# History of The Milwaukee Electric Railway & Light Company -- and the East Troy Electric Railroad

The East Troy Electric Railroad is the last remnant of The Milwaukee Electric Railway & Light Company's interurban rail system. In its glory years, TMER&L operated over 130 miles of track in Southeastern Wisconsin.

The first street railway in the city of Milwaukee was The River and Lakeshore Railway Company, which started operations with two horse-drawn trolley cars in 1860. The River and Lakeshore Company was absorbed by the Milwaukee City Railway Company in 1865.



**Horse-drawn trolley on Grand Avenue (Wisconsin Avenue) in 1885  
(Wisconsin Historical Society, WHS-7482)**

There were as many as 11 competing street railway companies in Southeastern Wisconsin between 1865 and 1890. The Milwaukee Street Railway Company,

which was organized in 1890, began to take over and consolidate as many lines as possible, but the company ran into financial difficulties and was sold in a foreclosure sale in 1896. The buyer quickly incorporated a new company and called it The Milwaukee Electric Railway & Light Co. (TMER&L).

The founder and chief financier of TMER&L Co. was Henry Villard, who was a major backer of Thomas Edison's General Electric Company. He was determined to bring order to the lighting and electric railway businesses in Milwaukee -- businesses that were vitally important to one another at the time.

Electricity was still a relatively new concept and the main use for electricity was to power electric light bulbs at night for a few hours. But power plants are most efficient when they operate around the clock -- and there was little demand for electricity during the day. Electric streetcars and trolleys could solve that problem -- providing a firm foundation upon which the light and power business could be built.

Villard began to assemble a utility empire, recruiting many local investors including familiar Milwaukee names such as Charles Pfister, Fred Vogel and Henry Payne. In 1902, John Beggs became the president of TMER&L and is credited with its development into one of the finest transportation and utility companies in the world.

Since the company had grown substantially, plans were developed for new a block-long office building and interurban terminal at 3rd and Sycamore (Michigan) in Milwaukee. The four-story structure was completed in 1905 and named the Public Service Building. There were 10 tracks inside the building and 3 outside. In 1906, the company offices were moved into the building. This building still serves as the headquarters for WE Energies at the current time.



**Headquarters of The Milwaukee Electric Rail & Light Co. in about 1905  
(Wisconsin Historical Society, WHS-54472)**

## **The Line to East Troy**

Construction of the line that would extend to East Troy began in 1902, and in June of 1903 service began to Hales Corners, which is 13 miles from downtown Milwaukee. One year later, in June of 1904, trains began running to St. Martins. By September 1st they were running to Muskego Center -- 19 miles from the downtown Public Service Building.

The Muskego Lakes Line was extended to Phantom Lake in Mukwonago by July 3rd, 1907 and on October 21st to Beulah Lake. On December 13th 1907 the line finally reached East Troy. Hundreds of people greeted the train, the East Troy Comet band played, and cheers and the booming of firecrackers filled the air. A parade brought everyone to the East Troy House, where speeches were given and a banquet was held honoring the men who put East Troy on the map by making it a railroad town.

In the years that followed, passenger traffic on the East Troy line was always lighter than many other routes in the system, but this did not diminish the importance of the line to those communities through which the railroad ran. In the summer, especially on weekends, the route was actually quite busy serving the many camps and resorts along the line. The interurban was the best and fastest way to travel to the beaches in Muskego, to the beautiful Beulah Lake Hotel and the Oak Park Hotel on Army Lake, and to the YMCA Camp at Phantom Lake. Many Milwaukee families also had summer cottages and homes on the lakes in the area.

Since the East Troy line was the only form of public transportation in the area, it was designated as a U.S. Mail route. And since there were no competing steam railroads serving East Troy, TMER&L decided to offer freight service on the line. This was profitable for the railroad and led to the growth of several businesses in the area, including a Standard Oil Distribution Center, East Troy Lumber, a United Milk Products Condensery, and Equity Co-op's feed and fuel plant.

By 1910, the TMER&L Co. system had nearly reached its peak in route mileage. Improvements after that date consisted only in short extensions to existing city routes, speeding up interurban schedules, and modernizing the fleet of trolleys and interurban railroad cars.

The interurban line from Milwaukee to Sheboygan was developed independently of the TMER&L Co. and formally remained a separate corporation (Milwaukee-Northern) until 1928. After Milwaukee-Northern experienced financial difficulties in 1922, TMER&L purchased the Milwaukee-Northern stock and operations of the Milwaukee-Northern were slowly integrated into the rest of the company. The Milwaukee-Northern Terminal in Milwaukee was closed and trains operated out of the Public Service Building. Offices in Cedarburg were consolidated with Milwaukee Electric offices in Milwaukee. On April 30, 1928, Milwaukee Northern was officially merged with the TMER&L Co.

Better roads and the fact that most families owned their own cars had begun to impact the trolley and interurban railroads across the country by the late 1920s. The great depression of the 1930's added significantly to the erosion of ridership and revenue. In October of 1938, TMER&L Co. was broken up into two separate companies. The Wisconsin Electric Power Company operated the power plants and handled electrical distribution; the Milwaukee Electric Railway and Transport Company (TMER&T) operated its transportation properties.



**The Public Service Building in Milwaukee in 1936**  
(Photo Provided by WE Energies)

The interurban lines to Watertown, East Troy and Burlington were all experiencing financial difficulties by the late 1930's. So the last interurban lines that were put into service were among the first to be abandoned. The Burlington line was abandoned from St. Martin's to Burlington on May 2, 1938. TMER&T petitioned the Public Service Commission to abandon the East Troy line as well. But the Village of East Troy and a group of concerned citizens opposed the abandonment because of the loss of freight service that was so important to area businesses.

After several hearings and almost a year of negotiations, TMER&T agreed to sell the line from Mukwonago to East Troy to the Village of East Troy for \$10,000. The agreement included an interchange with the Soo Line Railroad, which would allow freight traffic to continue. The Village of East Troy passed a referendum approving the purchase by a vote of 321 to 11.

The Muskego Lakes line from Hales Corners to Mukwonago was abandoned on August 12, 1939 with freight service being abandoned on September 4, 1939.

But TMER&T crews continued to operate and maintain the tiny electric railroad from Mukwonago to East Troy five days a week. Throughout the 1940s the railroad carried between 800 and 1,000 cars of freight each year. But due to increasing maintenance expenses and its desire to get out of the railroad business, TMER&T declined to renew its operating agreement in 1949, forcing the Village of East Troy to take over operation of the railroad in 1950. At this time the railroad officially became known as the Municipality of East Troy Wisconsin Railroad (METW).

Meanwhile, in 1945, TMER&T's transportation properties had been sold to Kenosha Motor Coach Lines. Wartime gasoline rationing had boosted traffic during the war, but ridership began to decline again after the end of the war. Kenosha Motor Coach Lines began to petition for abandonment of many of its trolley and interurban lines.

The South Sixth St. Line was abandoned in 1947. The Third Street, Burnham, and S.13th St. lines were abandoned in 1948 as was the line between Port Washington and Milwaukee.

On September 2, 1949, control of the remaining Waukesha interurban lines passed to Jay Maeder of Cleveland. The new management began operating under the name "Speedrail."

During this period, Speedrail was also operating the Hales Corners suburban line for the Kenosha Motor Coach Company on a cost per mile basis. On December 3, 1949, Speedrail acquired the line together with ten, two-car suburban trains (#31-50). Schedules were greatly improved, and operations of the two lines were coordinated. Five trains (#31-40) were equipped with seats and luggage racks, converted to single-end operation, and speeded up for the Waukesha Line.

Trolley lines in the city were still facing declining ridership, leading to additional abandonment petitions. The State St. Line was abandoned in 1950, followed by the important Fond du Lac and 12th Street lines in 1951.

In spite of improvements to the interurban equipment and schedules, Speedrail itself ran into financial difficulty in 1951 and the line was put into receivership. Even after fare increases and cuts to the schedules, monthly losses remained high. The trustee managing the line under terms of the receivership reported that no responsible group had been found to revitalize the line. Cash reserves were running low. He sought speedy abandonment.

Early in the evening of June 30, 1951, Car #63 made the last trip to Hales Corners. Shortly before midnight that same day, train #37-38 completed the final run to Waukesha. The line was dismantled in the spring of 1952 and the cars were scrapped at the Waukesha Gravel pit. This ended the era of electric rail transit between Milwaukee, Hales Corners and Waukesha.

The Milwaukee and Suburban Transport Corporation took over the remaining trolley lines in the city in 1952 and began to substitute electric buses on many lines. The Oakland, Kinnickinnic, and Farwell trolley lines were dropped in 1953. Finally, the Wells Street trolley line was abandoned on March 2, 1958, marking the end of streetcar service in Milwaukee.

The only remaining interurban service was the North Shore line, which connected Milwaukee with Chicago. That line was abandoned in 1963 after facing years of declining ridership.

Meanwhile, over in East Troy, on the only remaining segment of Milwaukee's once vast interurban and trolley system, freight traffic had continued to fall through the 1960's. By the end of the decade only three shippers were left and less than 350 cars of freight per year were being delivered.

Things began to look up in 1969 when Trent Tube, the largest employer in East Troy, built a new plant on East Troy's southeast side along with a mile long railroad spur to both its new and old plants. Trent Tube did not want to erect catenary (trolley wire), so the Village purchased a used 44-ton diesel locomotive. At first the diesel was only used on days when cars were destined for Trent. Eventually, however, the diesel was used every day.

But while electric *freight* operations ceased in the early 1970's, overall trolley operations increased. This was due to operation of The Wisconsin Electric Railway Historical Society's restored trolley equipment. The society began operating weekend trolley service and helped maintain the historic railroad starting in 1972.

In June of 1975, a Federal Railroad Administration (FRA) track safety inspection was made and the line failed to meet minimum Class I standards (There are six FRA track standards, Class I allows safe passage of freight trains at 10 mph and passenger trains at 15 mph. Class VI allows for operations at 110 mph).

By failing to meet minimum standards, freight trains were restricted to six miles per hour and could carry only one loaded car per trip. These restrictions made operations difficult and the race was on to repair the railroad.

A study completed in September of 1977 showed that if the railroad were to be abandoned, approximately 200 basic industry and 500 service jobs would be lost, with an annual loss in income of between 5 and 6 million dollars. In addition, the Village of East Troy could expect to lose about \$37,000 in revenue annually as a result of plant closings. Loss of the railroad would also cause the loss of potential industrial expansion -- and operation of the historic trolley equipment.

With this study in hand -- and through the tireless efforts of several local, state and federal officials -- the Village of East Troy raised over \$700,000 in local, state and federal funds to have the line rebuilt. Construction began in the fall of 1979 and was completed in the spring of 1981. The work included replacement of 12,500 ties, 600

feet of rail, installation of 8,000 tie plates and 9,000 cubic yards of stone ballast and the replacement of three old bridge overpasses with two new bridges.

However, during the early 1980's freight traffic continued to drop and the Village's expenses in operating the railroad continued to rise. Still, abandonment was not considered an option because of the work that had recently been completed, and because of the serious financial impact that would result.

In 1984, the Village cancelled the Historical Society's operating lease. What the Village wanted was an organization who would lease and operate the entire railroad, maintain the line, and take care of all expenses. The Village approached the Wisconsin Trolley Museum, which had a strong core of volunteers restoring trolleys at the old Milwaukee Road depot in North Prairie, WI. The Village asked if they would move to East Troy and take over the line.

The Wisconsin Trolley Museum agreed to a 25-year operating lease, and in the spring of 1985 it moved its collection of seven trolleys to East Troy and took over operation of the railroad. A new trolley car barn was built in East Troy, and a new power supply was installed to provide power to the overhead catenary system. Once again, electric trolleys were running in East Troy.

In 1993, the Friends of the East Troy Railroad began to negotiate with the Village of East Troy to purchase the property outright. The sale was completed on January 13, 1995.

So, since 1985 the East Troy Railroad Museum -- a 501 (c)(3) educational corporation -- has operated and maintained the entire railroad. Since 1995 the non-profit corporation has *owned*, operated and maintained the entire railroad staffed completely by volunteers.

The East Troy Railroad Museum is a unique entity, offering rides in historic trolleys over the longest continuously operating electric railroad of any museum in the country -- the last 7.5 miles of the original TMER&L trolley and interurban rail system. The volunteers, officers, directors and museum staff are dedicated to preserving the rail heritage of Wisconsin and America by maintaining and running historic electric trolley and interurban railroad cars in this beautiful and historic setting.