



National Grain and Feed Association

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March 30, 2007

Surface Transportation Board
Attn: STB Ex Parte No. 661 (Sub. No. 1)
395 E. Street, S.W.
Washington, D.C. 20423-0001

Re: Ex Parte No. 661 (Sub. No. 1); FR Notice Vol 72, No. 21, Feb 1, 2007

The NGFA submits the following comments regarding the Surface Transportation Board's proposed monthly reporting requirements of fuel surcharge activity of rail carriers.

We thank the Board for attempting in this proposal to balance the needs of rail customers for transparent information regarding the accurate and fair assessment of fuel surcharges by rail carriers with the need to limit the reporting burden of carriers. However, we are concerned that the extremely limited amount of information being required lacks several critical elements needed for clarity and comparability with individual business situations, and will prove to be less than satisfactory to either the STB for monitoring purposes or the individual rail customers for assessing the impact of fuel surcharges on competitive positions.

NGFA noted in its original comments that there is a compelling need for information on rail surcharge activity "... (because broad industry averages) do not tell the individual rail customer that may be shipping grain, coal, lumber or any other type of freight how his/her costs compare to the increased fuel costs for shipments and how individual surcharges compare with those applied to other types of rail traffic and competitors that may be shipping like commodities."

The STB proposes to have the individual carriers report monthly data on:

<u>DATA</u>	<u>AMOUNT (in thousands)</u>
• Total Fuel Cost	_____
• Gallons of Fuel Consumed	_____
• Increase or Decrease in Cost of Fuel	_____
• Revenue from Fuel Surcharges	_____

In order for shippers/receivers of non-exempt commodities to obtain an accurate appraisal of the overall equity in surcharges (separate from other exempt traffic which STB is choosing not to regulate in this proceeding); and for those rail customers to also be able to compare how their overall fuel surcharges compare with like (or at least relatively comparable) traffic, we would respectfully request the following changes to this reporting table as directed by the STB.

First, add one additional row (a 5th row) of data to the table requiring a report of “Fuel Consumption per Mile, Ton-Mile, Car-Mile or other Incremental Unit of Surcharge Assessment Used by the Carrier.”

Secondly, for every separate non-exempt business line of the carrier (e.g., grain, coal, etc.) for which the carrier maintains a separate surcharge assessment formula, additional columns should be added that break out such business segments for individual reporting of the five data points (relating to the five rows in the table) each month.

In the interest of supporting and requiring transparent communication by carriers to customers shipping and receiving non-exempt commodities, we would urge the STB to adopt these changes. We appreciate the opportunity to comment on the draft reporting requirements and would be happy to respond to any questions.

Sincerely yours,

A handwritten signature in black ink that reads "Kendell Keith". The signature is written in a cursive style with a large, sweeping initial 'K'.

Kendell Keith
President

