



PPG Industries

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Mr. Ronald Molteni
Office of General Counsel
Surface Transportation Board
395 E Street S.W. Suite 1265
Washington, DC 20423-0001

Dear Mr. Molteni:

**Re: Comments of PPG Industries on Ex Parte No. 698
Establishment of the TIHCCTAC**

PPG Industries, Inc. is a global manufacturer of coatings, chemicals, glass, and fiber glass with sales exceeding \$15 billion. PPG produces and ships hazardous materials worldwide and is committed to the principles of Responsible Care®.

PPG's commodity chemicals segment produces chlor-alkali and derivatives including chlorine, caustic soda, vinyl chloride monomer, chlorinated solvents, and other chemicals. Most of these products are sold to other manufacturing companies in a variety of industries including, without limitation, plastics, rubber, chemical processing, minerals, metals, paper, and water treatment industries.

Efficient and affordable rail transportation is a business-critical component of the supply chain to PPG. PPG's chlor-alkali business segment operates three primary production facilities (two in the US and one in Canada) and employed over 2,000 people in 2009.

PPG has a substantial interest in this matter by the very nature of its core business and appreciates the opportunity to comment on this docket.

Ms. Sharon Piciacchio, Vice President of Marketing, Services, and Cal Hypo testified at the July 2008 hearing that STB held on Docket No. EP 677 Sub 1. At that time PPG stressed the importance of the common carrier obligation, its long-standing history, and that only the Congress is authorized to undertake a review to amend this obligation. PPG still believes that a review of the railroads' common carrier obligation to transport TIH chemicals is not warranted or justified and that any outcome of the committee must include the continuation of that obligation.

Because rail shipments of TIH commodities are vital to our economy and customers, and they satisfy a public need, PPG offered to work collaboratively with other key stakeholders to ensure a comprehensive review and analysis in order to develop and achieve a workable resolution. Following the hearing, PPG worked diligently with a major Class I railroad to address some of the concerns; however, for various reasons the process did not move forward and a collective review is more appropriate. To that end, PPG supports the formation of this federal advisory committee.

The committee should be large enough to represent the interests of the key stakeholders and small enough to effectively collaborate. Railroads and shippers should play the most prominent roles and lead the committee. It is important that the definition of a TIH shipper be broad enough to include large-sized receivers of TIH products. Furthermore, the railroads and shippers/receivers must have equal participation and voting positions. Also, individually the railroads and the shippers/receivers cannot move forward unless a majority position is achieved within either group.

The committee must remain focused solely on TIH commodities and cannot be expanded to additional hazardous or non-hazardous materials. The scope of this committee should encourage the key stakeholders to review and analyze the economic concerns related to TIH shipments. A wide range of testimony was offered during the July 2008 hearing. The STB should attempt to narrow the mandate of the committee by identifying clear areas of focus. PPG is concerned the entire record of those proceedings could be rehashed and debated amongst the committee members limiting collaborative dialog.

PPG, like many other rail customers, is concerned about the potential anti-trust implications of working on this type of committee. Any anti-trust implications must be clearly noted and addressed. All parties should receive formal clearance from the Department of Justice before proceeding and legal representation should be available at all meetings.

Respectfully submitted,



Michael H. McGarry