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United States Senate

REPUBLICAN LEADER
COMMITTEES:
AGRICULTURE
APPROPRIATIONS
RULES AND ADMINISTRATION

November 8, 2010

The Honorable Daniel R. Elliott III
Chairman
Surface Transportation Board
395 E Street, SW
Washington, D.C. 20423-0012

Dear Chairman Elliott:

I write on behalf of my constituent, Mr. Jeff Hall, regarding Arkema and its concern with representation on the Surface Transportation Board's Toxic by Inhalation Hazard Common Carrier Transportation Advisory Committee.

As you will see from the enclosed correspondence, Mr. Hall is concerned with under representation of non-chlorine and non-anhydrous TIH shippers on the Committee. I hope you will review and respond to his request for consideration to include broader representation of the TIH shipper community. Please direct any inquiries and all relevant information to Jenny Mueller in my Washington, D.C. office.

Thank you for your time and assistance. I will look forward to receiving your response.

Sincerely,



MITCH McCONNELL
UNITED STATES SENATOR

MM/jm

Enclosure



October 28, 2010

The Honorable Mitch McConnell
United States Senate
361A Russell Senate Office Building
Washington, DC 20510

Dear Senator McConnell:

As a major chemical manufacturer, Arkema, Inc. depends upon access to safe, reliable, and reasonably priced rail transportation to move both raw materials and finished products to and from our manufacturing facilities. Given this reliance, I write to bring to your attention the creation of the Toxic by Inhalation Hazard Common Carrier Transportation Advisory Committee (TIHCCTAC or Committee) by the Surface Transportation Board (STB or Board) and to highlight the importance of this Committee to Arkema.

Two of Arkema's three key facilities in Kentucky: Calvert City and Carrollton, use toxic by inhalation hazard (TIH) chemicals as raw materials in their production processes. TIH materials are used in many essential products that provide a variety of benefits, including, for example, the refrigerants produced at the Calvert City facility. This modern operation employs more than 260 people and annually contributes more than \$56 million to the region's economy. Both Calvert City and Carrollton receive TIH shipments by rail – the safest form of transportation for these materials.

Arkema applauds the STB for announcing the formation of the TIHCCTAC, which will help the Board address TIH rail transportation issues that affect both railroads and TIH shippers. Under the structure initially proposed by the STB, both railroads and TIH shippers would have representation on the TIHCCTAC.

According to the Department of Transportation, there are more than 20 TIH materials that are shipped by rail; however, only two TIH materials (chlorine and anhydrous ammonia) are given representation on the TIHCCTAC. While chlorine and anhydrous ammonia represent over 78 percent of total TIH shipments, other TIH materials, including those used at Arkema's facilities in Calvert City and Carrollton, play a critical role for U.S. industry and consumers every day. It is important that the TIHCCTAC provide representation from across the entire TIH shipper community.

As such, in comments dated September 24, 2010, Arkema urged the STB to include non-chlorine and non-anhydrous TIH shippers on the TIHCCTAC so that the full range of

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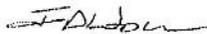
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TIH shipping issues can be reviewed and analyzed by the committee and the STB. It is important that shippers of these materials have a seat at the table as these important issues are discussed.

Given the important role that TIH transportation plays in the Kentucky economy, with thousands of Kentuckians employed at facilities that manufacture or use TIH materials, we wanted to take this opportunity to make you aware of our views regarding the proposed structure of the TIHCCTAC. With the STB recently announcing that it will take additional time to review issues associated with the formation of the TIHCCTAC, we are hopeful that the Board will address our concerns.

The continued safe and efficient operation of our facilities in Kentucky depends on the transportation of these raw materials and final products by rail. Arkema will continue to monitor actions related to the TIHCCTAC and the TIH rail transportation issue broadly, and we look forward to working with you and your staff in the time ahead.

Sincerely,



Jeff Hall
Plant Manager