



June 18, 2018

The Honorable Ann D. Begeman  
Chairman  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 20423

The Honorable Deb Miller  
Vice Chairman  
Surface Transportation Board  
395 E Street, SW  
Washington, DC 20423

***Re: Rail Service Challenges in North America***

Dear Chairman Begeman and Vice Chairman Miller:

On behalf of The Fertilizer Institute (TFI) and the American Chemistry Council (ACC), thank you for your oversight of rail service challenges.<sup>1</sup> Thank you, too, for the opportunity to meet with your staff through informal stakeholder meetings regarding the Surface Transportation Board's (STB or Board) directed service regulations. The thoughtful engagement and discussion between our staffs is much appreciated.

Rail shippers need effective directed service remedies when a serious disruption in service is causing irreparable harm and/or forcing a facility to shut down. Unfortunately, we believe the Board's existing procedures are too long and too burdensome and it is too difficult to get an alternate carrier. Despite serious rail service problems over the past 12 months, not a single shipper sought relief through the Board's existing emergency service remedies. This underscores the need to modernize them so there are viable options available when poor rail service jeopardizes the operations of rail customers.

In our informal stakeholder meeting, TFI and ACC proposed a series of realistic changes that seek to prevent facility shut downs and make the current remedies more usable. While the modifications we propose would help shippers in emergency situations, we also believe these ideas for modernization will limit the need for Board intervention by encouraging rail carriers to prevent service disruptions before they happen.

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<sup>1</sup> TFI represents the nation's fertilizer industry, which includes companies that are engaged in all aspects of the fertilizer supply chain. Fertilizer is a key ingredient in feeding a growing global population, which is expected to surpass 9.5 billion people by 2050. Half of all food grown around the world today is made possible through the use of fertilizer. The U.S. fertilizer industry generates more than \$154 billion in economic benefit each year and provides approximately 89,000 direct jobs and 406,000 indirect jobs for a total of 495,000 U.S. jobs. TFI's full-time staff, based in Washington, D.C., serves its members through legislative, educational, technical, economic information and public communication programs.

ACC represents the leading companies engaged in the business of chemistry. ACC members apply the science of chemistry to make innovative products and services that make people's lives better, healthier and safer. ACC is committed to improved environmental, health and safety performance through Responsible Care®, and pursues safety enhancements through a risk-based framework for every aspect of hazmat transportation. The business of chemistry is a \$768 billion enterprise and a key element of the nation's economy. It is one of the nation's largest exporters, accounting for fifteen percent of all U.S. exports. Chemistry companies are among the largest investors in research and development.

The proposals we discussed with your staff were thoughtfully developed with the strong engagement and support of our memberships. Our members remain actively involved and want us to work with the Board to modernize directed service remedies.

Following the stakeholder meetings, we look forward to the next steps and continuing our engagement with you on this important matter.

Thank you again for your ongoing interest in rail service challenges.

Sincerely,



Chris Jahn  
President  
The Fertilizer Institute



Cal Dooley  
President and CEO  
American Chemistry Council

Cc: Senate Committee on Commerce, Science, and Transportation  
House Committee on Transportation and Infrastructure