

**BEFORE THE  
SURFACE TRANSPORTATION BOARD**

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**STB Docket No. EP 665 (Sub-No. 1)**

**PUBLIC HEARING ON RAIL TRANSPORTATION OF GRAIN, RATE REGULATION  
REVIEW**

**JUNE 10, 2015**

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**JOINT STATEMENT OF INTERESTED AGRICULTURAL PARTIES**

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The undersigned interested agricultural parties, the identity and interests of each of which are summarized in Exhibit 1, submit this statement commending the Board for conducting this hearing on proposals for new railroad rate-reasonableness rules applicable to agricultural commodities, and urge the Board to promptly proceed hereafter to issue a proposed rulemaking to resolve the issues that have prevented current rate rules from being usable by captive agricultural commodity shippers, as outlined by the National Grain and Feed Association ("NGFA") in its statement at this hearing, as well as in its Opening Comments and Evidence.

The undersigned parties concur with the NGFA, the Alliance for Rail Competition ("ARC"), and the U.S. Department of Agriculture ("USDA") that the Board's current rail rate reasonableness rules are not usable to test the reasonableness of railroad rates for the transportation of agricultural commodities. For the multitude reasons explained by these parties, the current rules are too costly, too unwieldy, too time consuming and provide no opportunity for relief to the vast majority of captive rail shippers of agricultural commodities. As such, the

undersigned parties support the development by the Board, through a notice-and-comment rulemaking, of new rules and procedures that would be used to test the reasonableness of such rates. More specifically, the undersigned parties believe that the new "grain"-specific rail rate reasonableness methodology proposal submitted by the NGFA in its opening submission and as amplified upon during this public hearing provides the Board with a unique opportunity to adopt a set of rules for agricultural rail rates that would be relatively simple to apply, would permit cases to be processed a timely manner and at a lower cost than the current rules, and would produce relief to captive agricultural shippers while protecting the revenues of rail carriers necessary to maintaining and enhancing their infrastructure and capacity.

We share NGFA's belief that having a rate-complaint process in place that is viewed by both captive shippers and railroads as being reasonably "accessible and usable" will have broad beneficial effects in disciplining unreasonable and predatory rate behavior.

The undersigned parties also believe that the opening submissions of ARC and USDA contain additional interesting and different concepts that should be debated as part of a rulemaking proceeding on agricultural commodity rate rules.

We thank the Board for its consideration.

Respectfully submitted,

/s/ Beth Bechdol  
President  
Agribusiness Council of Indiana

/s/ Dale More  
Executive Director, Public Policy  
American Farm Bureau Federation

/s/ Richard Gupton  
Sr. V.P., Public Policy & Counsel  
Agricultural Retailers Association

/s/ Wade Cowan  
President  
American Soybean Association

/s/ Tom R. Tunnell  
President/CEO  
Kansas Grain and Feed Association

/s/ Jim Byrum  
President and Secretary/Treasurer  
Michigan Bean Shippers Association

/s/ Kevin Natz  
Vice President, Legislative and Reg. Affairs  
National Council of Farmer Cooperatives

/s/ Thomas A. Hammer  
President  
National Oilseed Processors Association

/s/ Stu Lechter  
Executive Vice President  
North Dakota Grain Dealers Association

/s/ Dr. Rick Grant  
President  
Northeast Agribusiness and Feed Alliance

/s/ Kathy Zander  
Executive Director  
South Dakota Grain and Feed Association

/s/ Tom Bressner  
Executive Director  
Wisconsin Agribusiness Association

/s/ Jim Byrum  
President and Secretary/Treasurer  
Michigan Agri-Business Association

/s/ Robert Zelenka  
Executive Director  
Minnesota Grain and Feed Association

/s/ Carol Freysinger  
Executive Director  
National Pasta Association

/s/ Richard Sanne  
Executive Vice President  
Nebraska Grain and Feed Association

/s/ Chris Henney  
President and CEO  
Ohio Agribusiness Association

/s/ John P. Long  
Interim President  
Texas Grain and Feed Association

/s/ Rebecca Brater  
Executive Director  
US Dry Bean Council

**Agribusiness Council of Indiana** (ACI) has deep roots in Indiana's agribusiness community. Formed in 2001, ACI brings together two longstanding agribusiness associations: the Indiana Grain and Feed Association (formed in 1902) and the Indiana Plant Food and Agricultural Chemicals Association (formed in 1966). ACI has approximately 450 member companies spanning the Midwestern grain, feed, fertilizer and ag chemical industries.

**Agricultural Retailers Association** is a national non-profit trade organization for agricultural retailers and distributors of agronomic crop inputs with members covering virtually all of the 50 states and representing over 70 percent of all crop input materials sold to America's farmers. These inputs are used to nourish and protect a wide variety of crops, from major row crop commodities to specialty crops. Members not only sell agronomic crop inputs but actually apply with their own equipment basic crop nutrients and crop protection products; over half of our members custom apply fertilizer for their customers on about 45% of their total acres served. ARA membership is diverse, from small family-run businesses of 10 employees to farmer cooperatives with one thousand or more employees and large corporations with thousands of employees and multiple branches. Suppliers of the products sold by retailers are also members of the association.

**American Farm Bureau Federation** is the nation's largest general farm organization, representing more than 6 million member families and growers of virtually every commodity.

**American Soybean Association** represents all U.S. soybean farmers on domestic and international issues of importance to the soybean industry. ASA's advocacy efforts are made possible through voluntary farmer membership in 30 states where soybeans are grown.

**Kansas Grain and Feed Association** is a 118-year-old trade association representing 98 percent of all commercially licensed grain storage capacity in Kansas. Its members own and operate nearly 1,000 grain storage and handling locations across the state.

**Michigan Agribusiness Association**, with roots dating to 1903, represents businesses that form the backbone of Michigan's agriculture sector – the second largest industry in Michigan, which employs more than 1 million people across the state and generates more than \$71 billion for its economy. MABA's diverse membership includes companies in the grain, fertilizer, crop protection, feed, transportation, milling and dry bean sectors. MABA members also include companies that process and sell food and food products, supply goods and provide services to every corner of the agriculture industry.

**Michigan Bean Shippers Association** consists of approximately 100 member companies, which represent most of the U.S. and international canners and packagers of Michigan-grown beans. Allied interests and agribusiness suppliers in 24 states also are affiliated with MBSA.

**Minnesota Grain and Feed Association**, which consists of more than 250 competing cooperative and independent country grain elevators and feed mills operating in Minnesota, has been providing member and industry information, education and representation for more than 107 years.

**National Council of Farmer Cooperatives**, established in 1929, represents regional and national farmer cooperatives, which are in turn comprised of nearly 3,000 local farmer cooperatives across the country. The majority of America's 2 million farmers and ranchers belong to one or more farmer cooperatives. NCFC members also include 26 state and regional councils of cooperatives. Farmer cooperatives handle, process and market almost every type of agricultural commodity; furnish farm supplies; and provide credit and related financial services, including export financing. Earnings from these activities are returned to their farmer members on a patronage basis, helping improve their income from the marketplace. Farmer cooperatives also provide over 250,000 jobs, with a total payroll in excess of \$8 billion, and contribute significantly to the economic well-being of rural America.

**National Oilseed Processors Association**, established in 1929, assists the U.S. soybean, canola, flaxseed, sunflower seed and safflower seed processing industries to be the most competitive and efficient in the world by utilizing the combined expertise, knowledge and resources of its members to foster market- and science-based policies. NOPA represents 13 member companies who process over 1.6 billion bushels of oilseeds annually at 63 plants in 19 states.

**National Pasta Association**, founded in 1904, is the U.S. trade association of pasta industry manufacturers and suppliers. NPA strives to increase the consumption of pasta, to promote the development of sound public policy, and to act as a center of knowledge for the industry and the consumer.

**Nebraska Grain and Feed Association**, organized in 1896, was formed to promote the common business interests of the grain and feed industry; to seek and obtain improvement of business conditions of the grain and feed trade; to acquire and disseminate information to facilitate the proper conduct of business in the grain and feed trade; and to promote the general welfare of the association and its members.

**North Dakota Grain Dealers Association (NDGDA)** traces its history to 1911, and currently consists of 300 member companies that constitute approximately 90 percent of the grain elevator storage capacity in the state. NDGDA consists of both cooperative and privately owned companies that are engaged in the handling, processing and distribution of grain and other like commodities.

**Northeast Agribusiness and Feed Alliance** is a 275-member association representing feed manufacturers, dealers and other agribusinesses in New York and throughout New England.

**Ohio AgriBusiness Association** is a state trade association whose member companies and their employees are committed to supplying modern agriculture with the basic needs and essential support necessary to grow Ohio's number-one industry. Our membership includes businesses in manufacturing, wholesale and retail, which represent business sectors including agronomic inputs (seed, plant food, crop protection), livestock feed and nutrition, grain marketing and operations, insurance, equipment and financial services.

**South Dakota Grain and Feed Association** is a statewide, non-profit trade association composed of grain elevator firms and other agribusinesses involved in the grain, feed and farm supply business.

**Texas Grain and Feed Association** represents more than 400 member firms engaged in the warehousing, processing, marketing and transportation of grain, feed and flour products and ingredients. From small family owned elevators to large out-of-state corporate firms, TGFA is the oldest and most diverse agribusiness trade association serving the agriculture industry of Texas.

**Wisconsin Agri-Business Association** represents, and provides programs and services that advance, protect, and develop the common interests of the agricultural business industries of Wisconsin. It also brings all segments together as a strong, unified voice. With over 320 member companies that conduct approximately 85 percent of the grain, feed and agronomy business in the state, the Wisconsin Agri-Business Association is the voice for agri-business in the State of Wisconsin.

**US Dry Bean Council**, the USDBC is a private trade association comprised of leaders in the bean industry with the common goal of promoting the U.S. edible bean trade, both in the United States and abroad, and educating U.S. consumers about the benefits of beans. The USDBC also is a resource for information on U.S. exporters, overseas importers, U.S. dry bean classes, trade policy issues and the role of U.S.-grown beans in international food-aid efforts.