



701 8th Street, NW, Suite 450, Washington, D.C. 20001

PHONE 202.545.4000 FAX 202.545.4001

GrowthEnergy.org

November 12, 2019

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

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The Honorable Patrick Fuchs
Vice Chairman
Surface Transportation Board
395 E Street SW
Washington, DC 20423

The Honorable Martin Oberman
Commissioner
Surface Transportation Board
395 E Street SW
Washington, DC 20423

RE: Docket No. EP 755 and EP 665 (Sub-No. 2)– Final Offer Rate Review and Expanding Access to Rate Review

Dear Chairman Begeman and members of the Surface Transportation Board:

Growth Energy is the world's largest association of biofuel producers, representing 100 U.S. plants that produce more than 8 billion gallons of ethanol each year; 94 businesses associated with the production process; and tens of thousands of biofuel supporters around the country. Together, we are working to bring better and more affordable choices at the fuel pump to consumers, improve air quality, and protect the environment for future generations. We remain committed to helping our country diversify our energy portfolio in order to grow more jobs, sustain family farms, and drive down the costs of transportation fuels for consumers.

Today, ethanol is blended into 98 percent of the nation's gasoline from coast to coast. We continue to support and rely on a strong rail system to ensure that our members' products can be transported safely and efficiently to all transportation fuel markets. In fact, nearly 70 percent of all ethanol and more than 50 percent of ethanol coproducts are shipped by rail, with our industry shipping more than 300,000 rail cars each year.

Our members have a strong interest in making any rate review procedures as efficient and cost-effective as possible. Today, as the board notes, often the litigation costs in smaller rate review cases outweigh the value of the case itself, disincentivizing those shippers from bringing these types of cases for review. As such, we commend the board for initiating the Rate Reform Task Force (RRTF) last year, and for following through on its commitment to reform and streamline its processes for rate review.

While we believe that more can and should be done to ensure fairness in rail shipping rates, we support the board proposed rule that reduces unnecessary and burdensome procedure and expands access to rail rate review. Specifically, we support the final offer approach as outlined in the proposal, as well as the accelerated timeline that promises a board decision within 135 days. We appreciate and support the board's attention to protracting the period for discovery as well as complementary proposed approach to demonstrating market dominance. We believe taken together, these efforts will indeed provide more access to rail rate review for shippers like our members.

We appreciate the continued oversight on these important issues that affect rail customers. Because our products are a vital part of the national fuel supply, anything that further increases the costs borne by biofuel producers and marketers ultimately hurts the American consumer with potentially increasing costs at the fuel pump.

Growth Energy and our members are happy to provide the board with any additional information needed.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Bliley", followed by a stylized flourish.

Chris Bliley, Vice President of Regulatory Affairs