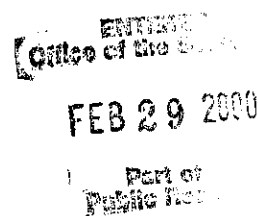
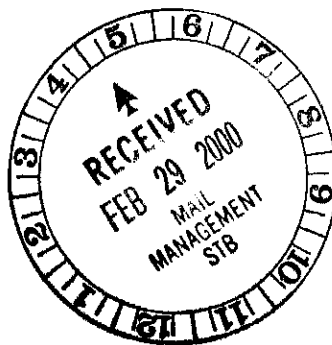


February 23, 2000

Mr. Vernon A. Williams, Secretary
Surface Transportation Board
Office of the Secretary
Case Control Unit
Attn: STB Ex Parte No. 582
1925 K Street N.W.
Washington, D.C.



Dear Mr. Williams

Terra International Inc. is an agricultural fertilizer producer with headquarters located in Sioux City, Iowa. We are a major user of rail service in the U.S. and Canada. Matter of fact; we are one of the largest fertilizer shippers located on the BNSF Railroad in the U.S. The purpose of this letter is to encourage comment on the issues to be discussed on March 8, 2000 in ExParte 582.

We encourage the Surface Transportation Board to focus on whether the proposed CN-BNSF merger is good for the shippers located on the new proposed railroad. We believe that the proposed merger should be judged on its own merits. Likewise, we believe that future mergers should be based on the same and not just "rubber stamped" as many shippers fear.

The timing of the proposed CN-BNSF merger is not the central issue for our company. Our concerns are: rate levels, rail competition, and service levels. We do not necessarily believe that bigger has necessarily been better for our company or the other producers in our industry. The Surface transportation Board should focus on ensuring that the proposed CN-BNSF combination and other future mergers deliver service, rail competition and "fair" rate levels.

Our stand does not imply approval of the proposed merger. We are not supporting them one way or another. We do think that the railroads should be allowed to state their case.

The Surface Transportation Board has a comprehensive process to evaluate railroad transactions and to protect the public interest. It should fairly evaluate the CN-BNSF combination according to that process.

Regards,

R. Michael Fox
Director, Supply Chain
Terra International, Inc.



Terra Industries, Inc.
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P.O. Box 6000
Sioux City, Iowa 51102-6000

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