

NORTH DAKOTA GRAIN DEALERS ASSOCIATION

206851

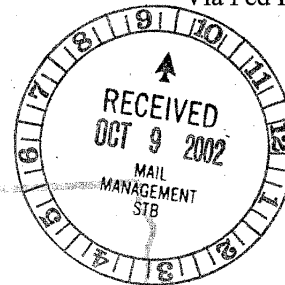
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October 8, 2002
Via Fed Ex

Honorable Vernon A. Williams
Office of the Secretary
Case Control Unit
Surface Transportation Board
1925 K. Street, NW
Washington, DC 20423-0001



Attention: Ex Parte No. 542 (Sub-No. 4)

Gentlemen:

Enclosed for filing in this case are the original and 10 copies of written testimony submitted by the North Dakota Grain Dealers Association in this proceeding.

Sincerely,

NORTH DAKOTA GRAIN DEALERS ASSOCIATION

Steven D. Strega
Executive Vice President

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Office of Proceedings

OCT 9 2002

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Public Record

Enclosures: One original and ten copies

206351

BEFORE THE
SURFACE TRANSPORTATION BOARD



Ex Parte No. 542 (Sub-No. 4)

REGULATIONS GOVERNING FEES
FOR SERVICES PERFORMED IN
CONNECTION WITH LICENSING AND
RELATED SERVICES -2002 NEW FEES

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COMMENTS OF THE
NORTH DAKOTA GRAIN DEALERS ASSOCIATION

Due Date: October 11, 2002

BEFORE THE
SURFACE TRANSPORTATION BOARD

Ex Parte No. 542 (Sub-No. 4)



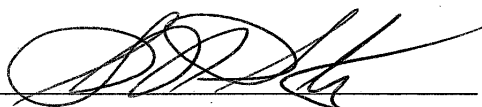
COMMENTS OF THE
NORTH DAKOTA GRAIN DEALERS ASSOCIATION

The North Dakota Grain Dealers Association (NDGDA) is a 91 year-old voluntary membership trade association representing members who operate more than 350 of the 400+ country grain elevators in North Dakota. These elevators are the first point of sale for most grain production of North Dakota farmers. This grain is then cleaned, blended, conditioned and shipped to both domestic markets and export locations. In a typical year, over 80% of the grain shipped to out-of-state markets moves by rail.

NDGDA applauds the Surface Transportation Board's reduction of the \$6,000 filing fee for a "small" rate case to \$150. This will remove one hurdle that rate-payers must jump over to seek rate relief.

However, we must quickly point out that this is only a small step in leveling the regulatory playing field on which shippers with "small" rate cases feel it necessary to challenge giant railroad companies. The rest of the complex process remains as a barrier to shippers. Railroads have deep pockets, plenty of lawyers, and an incentive to drag things out as they continue to collect high rates. In addition, no case has been fully litigated under the "small" rate case provisions, Ex Parte 347 (Sub-No.2). One reason is because the Board's guidelines make it difficult to try to predict the outcome of a complaint under those procedures. Even a "small" case is likely to be far from a small expense for a small volume shipper, not to mention a drain on human resources. Under the Board's guidelines, there are a series of "benchmarks" to which proof must be directed, but the Board has never said how these benchmarks will be blended to arrive at a result. The Board should recognize that shippers will continue to be reluctant to start such a case unless they can foresee the reasonable prospect of a favorable outcome.

In summary, while we applaud the Board's action in substantially reducing the filing fee, we also remind the Board that there is much other work to be done if shippers with "small" rate cases are to have practical access to STB resolution.


Steven D. Strege, Executive Vice President
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