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October 13, 2006



Vernon A. Williams, Esq.
Secretary
Surface Transportation Board
1925 K Street, N.W.
Washington, DC 20423

By Hand Delivery

Re: Ex Parte No. 665
Rail Transportation of Grain

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Office of Proceedings

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Public Record

Dear Secretary Williams:

On October 11, 2006, the Board served a Notice in the captioned proceeding of a public hearing to be held on November 2, 2006, preceded by an opportunity to file written submissions of testimony no later than October 30, 2006. The purpose of this letter is to request a postponement of the hearing date and the date for filing testimony for a reasonable period of time following submission of all filings in Ex Parte No. 646 (Sub-No. 1), Simplified Standards for Rail Rate Cases, in which opening comments presently are due on October 24, 2006, reply comments are due on November 30, 2006, and rebuttal is due on December 21, 2006.

National Grain and Feed Association ("NGFA"), a national association with nearly 1,000 grain industry members, is planning to participate actively in Ex Parte No. 646 (Sub-No. 1). NGFA and other grain industry groups are preparing extensive submissions in that proceeding because of the serious consequences for the grain industry of inaccessibility to effective methodologies for correcting unreasonably high rail rates. However, the Board has requested that evidence for the November 2 hearing to be filed by October 30, just six days after opening com-

ments are due in Ex Parte No. 646 (Sub-No. 1), which poses a serious scheduling conflict that will leave less than a week to concentrate on responses in this proceeding.

The Board's October 11 Notice requests interested persons "to provide views and information about the market conditions that led" to observations by the Government Accountability Office (GAO) in its October 6, 2006 report to the effect that grain rates have diverged from downward trends in other rail rates and have exhibited comparatively high markups over variable costs notably between 1985 and 2004. The Notice also invites information regarding the interplay between the American and Canadian wheat markets, how the Canadian regulatory system differs from the American system, and what impact those differences might have on grain production in the United States. These are not simple questions that can be answered adequately with less than three weeks' notice, not to mention in less than a week if the conflicting schedule in Ex Parte No. 646 (Sub-No. 1) is taken into account.

There is no pre-existing, single source of information with which to respond to the Board's requests in this proceeding. We hope to make a good faith effort to compile meaningful answers to the Board's inquiries from the grain industry and to urge others to follow suit.

The following private interests join NGFA in making this request for a postponement:

Agricultural Retailers Association
American Farm Bureau Federation
American Soybean Association
Corn Refiners Association
National Corn Growers Association

National Oilseed Processors Association
National Sorghum Producers
North American Millers' Association
USA Rice Federation

The foregoing parties accordingly request a postponement of the November 2 hearing date and the October 30 date for filing testimony until after the proceedings in Ex Parte No. 646 (Sub-No. 1) have been concluded.

If this request for an extension cannot be granted in a timely way, we ask the STB to conduct the hearing in two separate proceedings, one on the announced date and a second hearing in January 2007 in order to permit interested parties an adequate time to fully develop data and testimony.

Respectfully submitted,



Kendell W. Keith
President
National Grain and Feed Association

cc: The Honorable Charles "Chip" Nottingham, Chairman
The Honorable Frank Mulvey, Vice Chairman
The Honorable Douglas Buttrey, Board Member