



NATIONAL POTATO COUNCIL

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223354

Surface Transportation Board
Attn: STB Ex Parte No. 677 (Sub-No. 1)
395 E Street, S.W.
Washington, D. C. 20423-0001

Dear Sir/Madam:

The National Potato Council (NPC) submits these comments in response to the notice of public hearing in Ex Parte 677 (Sub-No. 1), *Common Carrier Obligation of Railroads – Transportation of Hazardous Materials*, July 22.

The NPC is the only trade association representing commercial growers in 50 states. Our growers produce both seed potatoes and potatoes for consumption in a variety of forms. Annual production is estimated at 437,888,000 cwt. with a farm value of \$3.2 billion. Total value is substantially increased through processing. The potato crop clearly has a positive impact on the U.S. economy.

The potato is the most popular of all vegetables grown and consumed in the United States and one of the most popular in the world. Annual per capita consumption was 136.5 pounds in 2003, up from 104 pounds in 1962 and is increasing due to the advent of new products and heightened public awareness of the potato's excellent nutritional value. Potatoes are considered a nutritious consumer commodity and an integral, delicious component of the American diet.

The Interstate Commerce Act (1967) and the Staggers Act (1980) codified the railroad's common carrier obligation and mandate that the railroads respond to all "reasonable requests" for service. The clear intent of Congress is that railroads are not able to pick and choose which shippers to serve and which commodities to transport based purely upon their self interest. There has been debate by the Surface Transportation Board (STB) regarding the railroads' concern over the liability risk associated with rail transportation of toxic-by-inhalation (TIH) materials. Anhydrous ammonia, a TIH material, is a vital and essential plant nutrient that is critical to the nation's food supply. While the STB may have an advisory role in making recommendations to Congress on railroad



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common carrier obligation, only Congress has the authority to change this obligation.

Anhydrous ammonia is an essential agricultural nutrient used to grow our nation's food supply. Without anhydrous ammonia, U.S. farmers would be unable to produce the amount, or quality, of food the world has come to rely on. Anhydrous ammonia is the least costly and most effective source of nitrogen fertilizer for U.S. farmers. In addition to its direct application as a fertilizer, anhydrous ammonia is the primary ingredient in all other nitrogen fertilizers and is also used to produce phosphate fertilizers.

It has taken many years of careful planning and development to create a safe and sophisticated infrastructure to deliver anhydrous ammonia to the most rural areas and farms in the U.S. It is not feasible to think that we could "turn a switch" and provide this essential product to U.S. farmers without the ability to ship by rail from production facilities to ammonia terminals, distribution centers and dealer storage tanks that supply ammonia bullets, nurse tanks and farm production. Today's infrastructure simply would not be able handle a shift of anhydrous ammonia away from rail.

Rail is often the only alternative to trucks for the overland transportation of anhydrous ammonia. One tank car can transport as much anhydrous ammonia as four trucks. Rail transportation is not only more efficient than trucks; it takes a highly hazardous commodity off our nation's highways where the potential for accidents and public release are many times greater.

We thank the STB for considering our comments.

Sincerely,

John Keeling

Executive Vice President & CEO



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