



Oklahoma Agribusiness Retailers Association
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June 30, 2008

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

Dear Sir/Madam:

The Oklahoma Agribusiness Retailers Association (OARA) 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, 2008.

The OARA is a voluntary non-profit trade organization of the Oklahoma agribusiness retail sector. Our membership includes fertilizer manufacturers, distributors and retail dealers. The primary crop grown in Oklahoma is wheat, and producers use a significant amount of anhydrous ammonia pre-plant. It is an essential plant nutrient for the growing of crops that are critical to our nation's food supply. Transportation of this material by rail is a safe and necessary method.

The railroad's common carrier obligation, codified by Congress in the Interstate Commerce Act in 1967 and reaffirmed by Congress in the Staggers Act, clearly shows the intent of Congress that railroads are not able to pick and choose which shippers to serve and which commodities to transport based purely upon their self-interest. While the STB may have an advisory role in making recommendations to Congress on railroad common carrier obligation, only Congress has the authority to change this obligation.

With increased concern over escalating food prices, as well as food shortages around the world, it is critical that American farmers have anhydrous ammonia when and where they need it. Without anhydrous ammonia, U.S. farmers would be unable to produce the amount or quality of food the world has come to rely on at an affordable price to the consumer. Anhydrous ammonia is the least costly and most effective source of nitrogen fertilizer. 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.

Agricultural infrastructure in many parts of the country, like Oklahoma, was built around the use of anhydrous ammonia. 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 nurse tanks to producers. Today's infrastructure simply would not be able to handle a shift of anhydrous ammonia transportation away from rail.

Surface Transportation Board
June 30, 2008
Page Two

Because of the unique characteristics of anhydrous ammonia, agricultural retailers who receive this essential plant nutrient have extensive employee training requirements, personal protective equipment and facility security. If the anhydrous ammonia was received by truck, a retailer would have to incorporate additional changes to their existing infrastructure including relocating unloading areas, increasing distribution access in order to receive many more trucks, and finding qualified commercial drivers with specialized hazmat licenses. In many cases, these additional requirements are either unavailable or too expensive to institute. Ag retailers could not provide this essential product to U S farmers without the ability to ship and receive by rail.

Rail is pretty much 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.

In response to the STB's request for potential policy solutions to the liability issue, OARA supports the solution proposed by The Fertilizer Institute (TFI), our national trade association in Washington, D C. TFI has proposed a business solution to the railroads regarding liability concerns which we believe is a more appropriate method to address this issue. We fully support TFI's comments to the STB and their efforts in this regard.

We thank the STB for considering our comments.

Most sincerely,

A handwritten signature in black ink, appearing to read "Joe N. Hampton". The signature is written in a cursive, flowing style.

Joe N Hampton
President