

September 30, 2015

The Honorable John Boehner  
Speaker of the House  
H-232, U.S. Capitol  
Washington, DC 20515

The Honorable Mitch McConnell  
Majority Leader  
S-230, U.S. Capitol  
Washington, DC 20510

The Honorable Nancy Pelosi  
Democratic Leader  
H-204, U.S. Capitol  
Washington, DC 20515

The Honorable Harry Reid  
Democratic Leader  
S-221, U.S. Capitol  
Washington, DC 20510

We write to request your support for an extension of the deadline for implementation of Positive Train Control (PTC) technology. Logistical considerations make it urgent that Congress pass an extension of the PTC deadline no later than October 31<sup>st</sup>.

Congress required rail carriers to install PTC technology by the end of this year. While progress has been made, the American Association of Railroads, Government Accountability Office, and the Federal Railroad Administration have made it clear that the vast majority of rail carriers will not meet this deadline. What makes this issue so urgent is statements made by rail carriers just this month that, absent a PTC deadline extension, they will not ship certain materials on lines where PTC technology is not yet implemented. Failure to secure an extension by October 31, 2015, will have severe and far-reaching consequences. We want to highlight how this could impact agriculture and the farmers who rely on the safe and timely delivery of products that help them grow the food that feeds the world.

One of the products that would be negatively impacted is anhydrous ammonia, a nitrogen fertilizer and one of the most widely used crop nutrients. In 2014, about 16,000 tank cars, each carrying 80 tons of anhydrous ammonia, shipped in the United States. There are not enough tank trucks in existence to handle this volume.

Anhydrous ammonia is applied directly to crops, used in the production of phosphate fertilizers, and is the building block of all nitrogen fertilizers. Approximately 80 percent of all fertilizer used in the U.S. is affected. Farmers, by extension, will be hurt by the lack of availability of these necessary crop inputs. Research confirms that 40-60 percent of crop yields are attributable to the nutrient inputs of fertilizers. Hence its value to the farmer. The inability to produce or deliver crop nutrients to farmers will negatively impact crop yields and food supply.

A service stoppage would also force fertilizer manufacturers to curtail or cease production. Manufacturers have only limited storage capacity at their facilities, and therefore must ship anhydrous ammonia and other products year-round to continue production and “work within the capacity constraints of the transportation network.”<sup>1</sup> Without access to rail transportation, on-site storage would quickly reach capacity. Because facilities typically operate at full capacity, these production losses cannot be made up at a later date, and could result in nationwide shortages of crop nutrients.

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<sup>1</sup> Office of the Chief Economist and the Agricultural Marketing Service, “Rail Service Challenges in the Upper Midwest: Implications for Agricultural Sectors – Preliminary Analysis of the 2013-2014 Situation,” *United States Department of Agriculture*, January 2015

As farmers at the April 10, 2014, Surface Transportation Board (STB) hearing on rail service testified, timely fertilizer shipments are a very serious concern. An effective rail transportation system is critical each and every day to ensure farmers have what they need, when they need it.

We respectfully urge Congress to pass an extension of the PTC deadline no later than October 31<sup>st</sup>. Serious logistical decisions, including manufacturing facility closures and removal of tank cars from the rail system, must be made well before December, requiring that this issue be addressed as soon as possible.

Sincerely,

The Fertilizer Institute  
Agricultural Retailers Association  
Agriculture Transportation Coalition  
American Farm Bureau Federation  
American Malting Barley Association  
American Soybean Association  
Corn Refiners Association  
National Association of State Departments of Agriculture  
National Association of Wheat Growers  
National Barley Growers Association  
National Corn Growers Association  
National Council of Farmer Cooperatives  
National Farmers Union  
National Onion Association  
National Pork Producers Council  
National Sunflower Association  
U.S. Dry Bean Council

AgriBusiness Association of Kentucky  
Agribusiness Council of Indiana  
Alabama Agribusiness Council  
Delaware-Maryland Agribusiness Association  
Far West Agribusiness Association  
Florida Fertilizer & Agrichemical Association  
Georgia Agribusiness Council  
Illinois Fertilizer & Chemical Association  
Kansas Agribusiness Retailers Association  
Michigan Agri-Business Association  
Minnesota AgriGrowth Council  
Minnesota Crop Production Retailers  
Missouri Agribusiness Association  
Montana Agricultural Business Association  
North Dakota Agricultural Association  
Ohio AgriBusiness Association  
Oklahoma Agribusiness Retailers Association  
Oregonians for Food & Shelter  
Rocky Mountain Agribusiness Association  
South Carolina Fertilizer & Agrichemicals Association  
South Dakota Agri-Business Association  
Washington Farm Bureau

Washington Friends of Farms & Forests  
Western Plant Health Association  
Wisconsin Agri-Business Association  
Wyoming Ag-Business Association

Cc: U.S. Congress