

New Annual Report

Surface Transportation Board's
National Grain Car Council
1998 Annual Report

In 1995, the National Grain Car Council ("NGCC") was first established by the Surface Transportation Board ("STB"), formerly the ICC, to facilitate discussions between grain Shippers, Railroads, and Freight car owners, in an effort to ease the historic delays in moving grains to market during peak seasons.

Two meetings were held during 1998. The first meeting, on February 5, 1998, in Chicago, Illinois, opened with a challenge by the STB's Vice-Chairman Gus Owen and Senator Bob Kerry of Nebraska, to change the "status-quo" and to examine the many concerns expressed by shippers and Railroads over grain car supply.

The NGCC established two sub-committees on grain market fluctuations and car supply obligations to meet regularly and report back at the next general meeting.

It was also suggested that the charter of the NGCC be contemporized as to voting methods, membership turnover, etc.

It was agreed that a revised charter be prepared for review at the next general session.

Throughout the remainder of the session, the conversation ranged over many operational issues from current car supply condition, policy on car pooling, demurrage, penalties on cancelled car orders, etc. (Refer to February 5, 1998, minutes for complete discussion.

Given the time of year there were no critical items of concern.

The second meeting of the year took place July 15, 1998, in Minneapolis, MN. Both Vice-Chairman Owen of the STB and NGCC chairman Dick Davidison opened the session with Vice Chairman Owen requesting that the membership be more candid in this discussion.

The first item of discussion was the revision of the NGCC charter which passed unanimously after several issues were discussed.

The agenda then moved to nominations for new officers of the NGCC; Dennis Wendland of Cenex Harvest was elected Chairman, Drew Collier of the Union Pacific Railroad's, Vice Chairman and Gerald D. Birmingham of GE Railcar Service as Secretary/Treasurer.

What followed was a general discussion by the membership of the current status of grain transportation by rail.

The Class I carriers outlined their freight car acquisition and operations programs for the coming harvest with a call for better Shipper/Railroad communication regarding surges in the market.

Shippers and Car suppliers also outlined their current status and preparation for the coming harvest.

The discussion then moved to the sub-committee assigned to review "service performance reports". Mr. Voss commented on the activities of the sub-committee four meetings that ended with the following commitment:

Statement of Principles:

Each Railroad will make a reasonable effort to arrange for a grain fleet to meet expected average annual consumptive demand.

Each Railroad will make publicly available its grain car distribution policies and/or rules.

Each Railroad will make publicly available its procedures for dispute resolutions, if any.

Distribution shall be in a manner consistent with statutory requirements and each individual Railroad's rules and/or policies.

Each Railroad will make publicly available information about status, availability and performance of its grain fleet.

Chairman Davidson closed the session by thanking the entire committee membership, STB's Chair Linda Morgan and Vice Chair Gus Owen for their commitment and support during his term as chairman of the NCGG.