



UNITED STATES SENATOR · SOUTH DAKOTA

TIM JOHNSON

N E W S R E L E A S E



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Johnson Seeks Answers from Railroad About Costly Shipping Delays

Washington, D.C.— U.S. Senator Tim Johnson (D-SD) today requested a meeting with the head of Burlington Northern Santa Fe (BNSF) Corporation to discuss delays with the railroad system that are causing huge backlogs at grain elevators and increased costs for farmers.

“In the late 1990’s, the railroad expressed an interest in working with us to reduce similar delays,” Johnson said in a letter to BNSF Chairman Matthew Rose. “I would like to discuss communication and the effectiveness of the railroad’s Grain Operations Desk, and learn whether the desk has provided accurate information to shippers on the arrival time of railcars. I have also discovered that BNSF is planning to increase rates to grain shippers and I would like to discuss the rationale behind that apparent decision.”

Grain elevators are seeing delays as long as 40 days. Unless steps are taken to break the logjam, farmers will face increased transportation costs and reduced marketing opportunities, which can be crippling to a farm economy trying to recover from lingering drought conditions.

Last week, Johnson asked Agriculture Secretary Ann Veneman and Surface Transportation Board (STB) Chairman Richard Nober to investigate the delays.

When similar rail delays occurred in the late 1990’s, Johnson hosted a summit with then-Secretary of Agriculture Dan Glickman and then-STB Chairman Linda Morgan to examine what government, railroads, grain shippers, and farmers could do together to avoid future bottlenecks in grain transportation.

Glickman credited Johnson’s 1998 meeting for helping the USDA and STB form and sign a memorandum of understanding that same year that created a joint grain logistics task force. The task force established a system to provide grain shippers and railroads with early warnings for potential service and congestion-related problems. Since that time, the USDA has started issuing a weekly grain transportation report.

“I don’t know of a single person that wants to see increases in the costs of groceries as a result of further delays,” added Johnson. “It is critical to develop and refine communication tools to provide efficient service for shippers and agricultural producers.”

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For more information on Senator Tim Johnson visit his website at <http://johnson.senate.gov>.

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