

Preface

Preface

This study was required by Congress in Section 6206 of the Food, Conservation, and Energy Act of 2008 (PL 110-246), which directs the Secretaries of Agriculture and Transportation jointly to conduct a study of rural transportation issues.

The results of this study are presented in 15 chapters. The primary focus is on the need for, and performance of, the transportation system in moving agricultural commodities and other products important to rural America, including examinations of issues important to stakeholders. The study provides information on:

- The importance of freight transportation to agriculture
- How freight transportation supports rural America
- The transportation of biofuels and coal
- Modal information on rail, barge, truck, and ocean freight transportation
- The sufficiency and performance of rail competition, rates, service, capacity, investment, and rate grievance processes
- Multimodal and policy issues

The Act establishes these requirements:

Sec. 6206. Study of Rural Transportation Issues.

(a) In General—The Secretary of Agriculture and the Secretary of Transportation shall jointly conduct a study of transportation issues regarding the movement of agricultural products, domestically produced renewable fuels, and domestically produced resources for the production of electricity for rural areas of the United States, and economic development in those areas.

(b) Inclusions—The study shall include an examination of—

(1) the importance of freight transportation, including rail, truck, and barge, to—

(A) the delivery of equipment, seed, fertilizer, and other such products important to the development of agricultural commodities and products;

(B) the movement of agricultural commodities and products to market;

(C) the delivery of ethanol and other renewable fuels;

(D) the delivery of domestically produced resources for use in the generation of electricity for rural areas;

(E) the location of grain elevators, ethanol plants, and other facilities;

(F) the development of manufacturing facilities in rural areas; and

- (G) the vitality and economic development of rural communities;*
- (2) the sufficiency in rural areas of transportation capacity, the sufficiency of competition in the transportation system, the reliability of transportation services, and the reasonableness of transportation rates;*
- (3) the sufficiency of facility investment in rural areas necessary for efficient and cost-effective transportation; and*
- (4) the accessibility to shippers in rural areas of Federal processes for the resolution of grievances arising within various transportation modes.*
- (c) Report to Congress—Not later than 1 year after the date of enactment of this Act, the Secretary and the Secretary of Transportation shall submit to Congress a report that contains the results of the study required by subsection (a).*

Acknowledgements

The process of creating a work of this breadth and detail requires the collaboration of many talented and skilled people. USDA appreciates the efforts of all the individuals responsible for the study.

The study was prepared by a team from the Transportation Services Division (TSD) of USDA's Agricultural Marketing Service (AMS), with assistance from our external partner, the Transportation Research Group (TRG) of Washington State University (WSU). The staff of the U.S. Department of Transportation (DOT) cooperated by reviewing and providing input on the study.

Bruce Blanton, Director of TSD, managed the study and contributed to all chapters. Dr. Ken Casavant, Professor of Economics, WSU, was the primary author for five chapters and contributed to all chapters. Dr. Eric Jessup, Associate Professor of Economics, WSU, created the GIS maps and was a statistical sounding board for the project.

Chapter Authors and Other Contributors

Contributions by the study team were as follows:

Name*	Contribution
Dr. Ken Casavant	Ch. 1 – Introduction and Overview
Marina Denicoff, Dr. Eric Jessup, April Taylor, and Daniel Nibarger	Ch. 2 – The Importance of Freight Transportation to Agriculture
David Sears, Dr. Ken Casavant	Ch. 3 – How Freight Transportation Supports Rural America
Marina Denicoff, Hayk Khachatryan	Ch. 4 – Biofuels Transportation
Dr. Vicki McCracken, Dr. Ken Casavant, Dr. Eric Jessup	Ch. 5 – Coal Transportation
Dr. Marvin Prater, Dr. Ken Casavant, Dr. Eric Jessup	Ch. 6 – Rail Competition and Its Importance to Agriculture
Dr. Ken Casavant, Dr. Marvin Prater	Ch. 7 – Rail Rates
Dr. Ken Casavant, Dr. Marvin Prater	Ch. 8 – Rail Service Performance
Dr. Ken Casavant, Dr. Marvin Prater	Ch. 9 – Rail Capacity
Dr. Ken Casavant, Dr. Marvin Prater	Ch. 10 – Rail Investment
Pierre Bahizi, Daniel Nibarger, Johnny Hill, and Isaac Weingram	Rail data, analysis and graphing
Jeanne O’Leary, Dr. Marvin Prater	Ch. 11 – Rail Rate Relief Processes for Shippers
Nick Marathon	Ch. 12 – Barge Transportation
Brian McGregor, Dr. Ken Casavant	Ch. 13 – Truck Transportation
April Taylor and Dr. Surajudeen Olowolayemo	Ch. 14 – Ocean Transportation
Marina Denicoff, Nick Marathon, Brian McGregor, Dr. Marvin Prater, Daniel Nibarger, April Taylor, and Dr. Surajudeen Olowolayemo	Ch. 15 – Multimodal Issues
Mike Smith	Editor
Jessica Ladd	Layout
John V. (Jack) Wells, Randolph (Randy) Resor	DOT review
Ron Hagen, Camia Lane, Daniel Nibarger. Dr. Delmy Salin and Francine Torres	Covering extra workload while other team members focused on the study

* Primary authors are listed first; other contributors follow.

USDA expresses its appreciation to the staff of the Surface Transportation Board (STB) for their assistance in providing the waybill data required for the USDA analysis for the rail chapters of the report. Specifically, William Huneke, William Brennan, Paul Aguiar, Michael Smith, Scott Zimmerman, and Jamie Rennert.

USDA thanks the following individuals or organizations for their assistance, contributions and insights to the study:

Dr. Harry Baumes, USDA, Office of the Chief Economist; Allen Baker, Richard Stillman, Nathan Childs, Agnes Peres, David Nulph, and James McDonald, USDA, Economic Research Service; Johnny Broussard, USA Rice Federation; Promod Chandhok, DOT, Bureau of Transportation Statistics; Howard Froelich, USDA, Farm Service Agency; Scott Greene, Joel Palley, and Raquel Wright, DOT, Federal Railroad Administration; Pam Guffain, The Fertilizer Institute; Susan Hassett and Shaku Jain, U.S. Army Corps of Engineers; Jay Johnson, USDA, National Agricultural Statistics Service; Howard McDowell, USDA, AMS, Dairy Program; Tony Furst and Michael Sprung, DOT, Federal Highway Administration; LeAnn Oliver, USDA, Rural Development; Joan Glickman, U.S. Department of Energy; Jerry Norton, USDA, World Agricultural Outlook Board; Laurits R. Christensen Associates; Tom Crowley, L.E. Peabody & Co.; Richard Jorgenson, Steve Cohen, and Steve Brown, Government Accountability Office; Shade May, Escalation Consultants; Terry Whiteside, Whiteside and Associates; Dr. Stephen Fuller, Texas A&M University; Gerald W. Brown, Retired, Cargill Marine Transport; Russ Byington and Mike Yarrington, DOT, Maritime Administration; and Cory Cinque, Federal Maritime Commission.

Not an Endorsement

The USDA study team is solely responsible for the facts, analyses, and findings in this report. Any mistakes, inconsistencies, or omissions are those of the study team. While USDA appreciates the assistance of the many individuals listed above, they are not responsible for any errors or the study's content, nor should their assistance be construed as an endorsement.