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GrowthEnergy.org

April 8, 2022

The Honorable Martin Oberman
Chairman
The Surface Transportation Board
395 E St., S.W.
Washington, DC 20423

Dear Chairman Oberman and members of the Surface Transportation Board:

Given the Board's continued oversight of rail-service issues and their impact on shippers of energy and agricultural commodities, on behalf of Growth Energy, the nation's largest organization of biofuel producers, I write to make you aware of significant service delays and disruptions in the rail supply chain facing the biofuel industry.

Growth Energy represents 89 producers of nearly 9 billion gallons of American made ethanol and 100 businesses associated with the ethanol production and supply chain. Today, ethanol makes up more than 10 percent of our nation's fuel supply, and we ship nearly 70 percent of ethanol by rail to key distribution points throughout North America. With ethanol trading 80 cents to a dollar per gallon less than wholesale gasoline, it is essential that ethanol reach its destination to benefit American drivers facing high gasoline prices.

We have heard from a number of our members about the disruptions caused on their rail shipments and at times on their ethanol production. Here are a few key examples:

- Across the industry, biorefineries, whose storage is full, have had to curtail production waiting on delayed empty cars to arrive.
- Destination fuel terminals have run out of ethanol waiting on cars to arrive resulting in retail customers unable to blend fuel for their driver customers.
- Manifest traffic has been on average 2-4 days slower and in some extreme situations on certain lanes, it has been 10-14 days delayed.
- Unit train traffic has seen inconsistent pulls and severe delays on getting loaded trains offsite. Unit traffic is averaging 3-4 days of delay with multiple occasions of 5-7 day delays, and extremes of 9-12 day delays. One train sat for 12 days before moving from its origin.

While we certainly understand that a variety of factors have contributed to these rail disruptions, it is imperative that all possible actions be taken by the nation's railroads to ensure that these

critical fuel supplies are immediately prioritized and reach markets as quickly as possible. Further delays could not only impact our industry but could ultimately increase fuel costs for American drivers.

We would be happy to work with the Board and your staff to provide any further information you may need. If you have any questions, please let us know.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read "Chris Bliley". The signature is stylized and cursive.

Chris Bliley
Senior Vice President of Regulatory Affairs
Growth Energy