

November 13, 2014

Chairman Daniel R. Elliott, III
Surface Transportation Board
395 E Street, S.W.
Washington, D.C. 20423-0001

RE: Ex Parte No. 722

The National Association of Chemical Distributors (NACD) writes in support of the comments submitted to the Surface Transportation Board (STB) by the Concerned Shipper Associations.

NACD is an international association of nearly 440 chemical distributors and supply-chain partners. NACD's membership comprises businesses representing in total more than 85% of the chemical distribution capacity in the nation and generating 90% of the industry's gross revenue. NACD members, operating in all 50 states through nearly 1,800 facilities, are responsible for more than 155,000 direct and indirect jobs. NACD members are predominantly small regional businesses, many of which are multi-generational and family owned. The typical chemical distributor has 26 employees and operates under an extremely low margin.

NACD supports the Concerned Shipper Associations in asking the STB to create a new standard for rates when a railroad has a market-dominant relationship with a customer and the railroad is revenue adequate. NACD believes this would be a new alternative to the burdensome and lengthy Stand Alone Cost standard the STB now uses, which requires a shipper to model hypothetical railroads in order to challenge a rate.

NACD endorses the comments by the Concerned Shipper Associations and urges the STB to consult the Concerned Shipper Associations' comments and supporting documentation in developing standards and procedures in the Notice of Proposed Rulemaking.

If you have questions or require additional information, please do not hesitate to contact me.

Sincerely,



Jennifer C. Gibson
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