

Farmers ask 'Where's the train to ship my grain?'

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Senator Kathleen Vinehout writes about the delays Wisconsin farmers face in shipping grain to market.

MADISON - "The farmers are coming to me saying 'we need drivers to get the corn to market. We need barges and trains to get the harvest to market.'" Barb Gronemus recently told me. "Kathleen you need to pay attention to problems with shipping grain."

Former State Representative Barb Gronemus might be retired, but she's still on duty answering the phone and making calls. One of those calls was to alert me to a growing problem farmers are facing getting grain to market. I began researching the situation and found former Rep. Gronemus was spot on.

Increased oil and sand shipments in the Midwest are delaying grain shipments. Some say the railroad companies are playing favorites because the oil industry pays a premium. Farmers worry they are losing money as their grain sits in storage instead of being transported to market.

Last month, the USDA predicted a record harvest in 2014. With abundant rain and cooler temperatures, corn yields are expected to top last year's record with over 14 billion bushels according to the Wall Street Journal. The USDA also estimates a record soybean harvest in the next few weeks.

Recent studies conducted at the request of elected officials in North Dakota and Minnesota show significant losses to farmers because of a failure by rail companies to move grain.

North Dakota Governor Jack Dalrymple recently called the grain delays in the upper Midwest “an emergency situation” as he urged federal regulators to use their power “to provide an oversight role” as farmers struggle to get grain to market in a transportation system overburdened by the oil industry.

North Dakota Senator Heidi Heitkamp released a study she commissioned from North Dakota State University showing her state's farmers lost over \$66 million in four months because of delayed grain shipments. Researchers estimated a loss of over \$95 million for delays in shipping the 2013 crop - which continue through the end of the year. No estimates were made for the 2014 crop.

Minnesota Governor Mark Dayton also urged federal action to aid farmers.

In a letter to the feds, Dayton asked that a study conducted for his administration be part of the National Grain Car Council's agenda:

“We recently calculated that Minnesota farmers suffered losses of \$109 million from March through May of this year... The study will highlight for the Council the dire circumstances that Minnesota farmers face and the need for increased accountability and clarity from the Burlington Northern Santa Fe (BNSF) and the Canadian Pacific (CP) Railroads.”

Minnesota's governor further wrote that the feds compelled the railroad companies to publically report their progress on reducing the backlog in grain shipments. Farmers were promised by the railroad companies “matters would be different in this harvest season” and “transparency would be the new normal.” Yet, the mid-August filing with the federal government accounted for only 10% of the grain cars within the BNSF failed to address the backlog of grain shipments.

Federal officials are concerned CP cannot fill 30,000 requests for rail cars for grain and other products by October. In a New York Times article from late August federal sources reported the requests and a backlog of 1,336 rail cars for BNSF and nearly 1,000 for CP.

Wisconsin farmers suffer when grain can't ride the rails. I could not find estimates on losses to Wisconsin farmers similar to the North Dakota and Minnesota studies. But local farmers and grain dealers are concerned.

Local farmers also expressed concerns that barges and trucks are filled with sand and the sand headed for the oil fields takes up valuable transport space for grain.

Yet, Wisconsin officials have made no mention of the impending crisis.

It's time Governor Walker and Agriculture Secretary Brancel join our Midwestern neighbors in calling for federal action to put a priority on grain shipments. It's also time Wisconsin researchers provide data on the potential loss to Wisconsin farmers if grain can't move out of the state.

We don't want Wisconsin farmers dumping grain because nobody's answered the question, "where's my train?"

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