

IFCA NEWS



ILLINOIS FERTILIZER & CHEMICAL ASSOCIATION

Our Mission Statement: *To assist and represent the crop production supply and service industry while promoting the sound stewardship and utilization of agricultural inputs.*

Spring 2013 Newsletter

IFCA Chairman's Report by Jeff Eggleston

This past year has been quite eventful for both the IFCA and its members. We will remember the 2012 drought and the effect it had on our business and our customers' operations for years to come. The impact on crop yields and the record low water levels on the Illinois River are just a couple examples of the challenges we faced. As always, the agricultural industry rose to the challenge and moved to the next growing season.

History shows that our industry has faced many challenges over the years, and we can expect more in the future. The recent explosion of a fertilizer storage facility in West, Texas resulted in negative publicity for our industry. Employees, neighbors and friends have questioned me about the personal and environmental safety of fertilizers and the possibility of a similar accident occurring at a local fertilizer plant in Illinois. As I answered their questions, realization set in. We as an industry have not spent the time necessary to educate the public on the advantages of modern agriculture and our improvements of the past decade in both safety and environmental stewardship. We have a great story to tell and should make the effort to communicate the facts about agriculture and the positive impact it has both economically and environmentally on the world population. Although the final determination of the cause of the explosion in Texas is yet to be determined, we can expect additional governmental regulations to be implemented within our industry. The leadership and staff of the IFCA will do their part to bring balance to discussions within our industry and with regulatory agencies.

Water quality and the increasing pressure to reduce nutrient loss is another challenge we face. The Fertilizer Institute, cooperating with other National and State associations developed the 4R program to help educate the fertilizer industry and its customers on best management practices to reduce the loss of valuable nutrients. This program has many merits and supports our efforts in improving our stewardship and protecting the environment. Please call the IFCA office if you would like additional information on the 4R program and Illinois' "Keep it for the Crop" initiative to reduce nutrient losses.

Many states including Illinois are holding hearings concerning labeling on all foods derived from GMO crops. This movement is being marketed to the public as their right-to-know but in reality their intent is to cause suspicion of GMO and is not based upon scientific data. The outcome of these hearings and the impact they will have on our industry is unknown at this time. However, the IFCA staff is participating in these hearings to provide fact-based, scientific data.

This past February, I accompanied IFCA staff members Jean Payne and Kevin Johnson, along with several other IFCA Board members to Washington, DC. We met with elected officials to discuss pending legislation critical to our industry. I am pleased to report IFCA is well represented in Washington. Jean and Kevin's relationship with our Senators, Representatives, and staff members is outstanding. We all need to recognize the work and positive impact the entire IFCA staff has at both the State and National level when representing our industry.

In closing, I hope Mother Nature looks down upon us in a positive way as we enter the critical months for corn and soybean production in Illinois. I would like to take this opportunity to wish all of our members a successful and prosperous 2013 growing season.

ARA & TFI Working On Fertilizer Code Of Practice

The Agricultural Retailers Association (ARA), in partnership with The Fertilizer Institute (TFI), has embarked on a Fertilizer Code of Practice initiative. This effort is intended to develop uniform safety guidelines for handling, storage and distribution of fertilizer products throughout the industry. The process leading to this initiative began in early 2013 when ARA's Board set an objective to evaluate existing codes of practice for anhydrous ammonia handling and storage. Following the tragic incident in West, TX on April 17, the scope of the initiative was broadened to include ammonium nitrate (AN). Workgroups will be meeting over the summer months of 2013 to develop the codes of practices and a communication/education platform to enhance stewardship nationwide at all ag retail facilities that handle bulk fertilizers.



**Illinois Fertilizer &
Chemical Association**
Supply • Service • Stewardship

IFCA Board & Staff

2013 Executive Committee

Chairman

Jeff Eggleston, Hintzsche Fertilizer, Inc., Maple Park

Vice Chairman

Brian Waddell, Marco NPK, Clinton

Finance Officer

Travis Weaver, CPS, Blandinsville

Secretary

Ryan Heldt, Dow AgroSciences, Peotene

Executive Committee Member

Eric Gordon, Brandt Consolidated, Lincoln

Past Chairman

Bill Romshek, Heritage FS, Gilman

2013 Directors

Martin Case, Koch Agronomics, Bloomington

Tony Juodis, Fertilizer Dealer Supply, Philo

Carl Kessler, Syngenta, Auburn

Jim Lillyman, United Suppliers, Mendota

Jeremy Maloney, Tri-County Chemical, Eldorado

Jim McNelly, Christian County FS Inc., Taylorville

John Musser, Stephenson Service Co., Stockton

Jamie Southard, Effingham Equity, Effingham

Regan Wear, Shipman Elevator Co., Shipman

Jason Wesslund, Heritage FS, Cissna Park

IFCA Staff

Jean Payne, President
jeanp@ifca.com

Leslie Forrest
Office and Membership Programs Coordinator
leslief@ifca.com

Kevin Runkle, Director Regulatory Services
kevinr@ifca.com

Kevin Johnson (KJ), Director of Government & Industry
Relations

kj@ifca.com

Visit us on the web at www.ifca.com

NEW IFCA MEMBERS

Ken Barker, Canton Crop Service, Inc., Canton, IL
Steve Coppenbarger, AAK Mechanical, Clinton, IL
Jason Glover, Nutra-Flo Company, North Sioux City, SD
Rob Haarberg, Orthman Manufacturing, Inc., Lexington, NE
Layne Herried, INTX Microbials, LLC, Kentland, IN
Scott Johnson, Simply Ag Services, LLC, Farmington, IL
Bruce Klein, Lexington, IL
Richard Payne, Ohio Valley Ag, Decatur, IL
Jerry Price, A&B Welding, Inc., Thompson, IA
Michael Puhl, Specialty Enterprises, LLC, Wautoma, WI
Mitchell Roberts, St Charles County Cooperative, St Charles, MO
Brent Sully, Sully Transport Inc., Sully, IA
Kyle Sulzberger, Dibble Enterprises, Inc., Gardner, IL
Kenda Van Wieringen, CHS, Inc., Rankin, IL
Kirsten Young, Integrys Energy Services, Chicago, IL
Stephen Downen, Eagle Valley, Inc., Shawneetown, IL

IFCA 2013 CALENDAR

INFO Ag: July 16-18—Crowne Plaza Hotel—Springfield

IFCA Golf Outings: July 25 @ Oak Ridge Golf Club in Seneca
August 1 @ Scovill Golf Club in Decatur

Safety School: August 20-21 @ Asmark Agricenter, Bloomington

MAGIE: August 21-22 @ McLean County Fairgrounds

Mark Stivers Memorial Motorcycle Ride: September, date TBA

IFCA Trap Shoot: September 19, Brittany Park, Bunker Hill

IFCA Winter Convention & Trade Show

January 20-22, 2014 @ Peoria Civic Center

Welcome New IFCA Board Members

At the IFCA annual meeting in January 2013, the membership elected two new Board Members.



Jeremy Maloney represents ag retail members in District 8 in Southern Illinois. He works for Tri-County Chemical in Eldora, IL and lives in Galatia, IL with his wife and two children. Jeremy replaces Terry Habrock of Terayne Ag Specialties who has retired from the Board.



Jason Wesslund represents ag retail members in District 5 in central-eastern Illinois. He works for Heritage FS, Inc. and lives in Loda, IL with his wife and three children. Jason replaces Bill Romshek, who has retired from the Board.

Jim McNelly of Christian County FS and **Travis Weaver** of CPS in Blandinsville were re-elected to a second term. Please visit the Board of Directors page at www.ifca.com for the full list of the IFCA Board.

Regulatory Update

Clarification On CDL Requirements

Illinois DOT and Office of Secretary of State (SOS) recently provided clarification regarding CDL requirements for ag retail operations. Most importantly, since anhydrous ammonia nurse tanks are considered implements of husbandry their weight (empty or full) does not apply toward the Gross Vehicle Weight Rating (GVWR) therefore a Class A CDL is **not** required. Ag retail employees can pull two fully loaded (85%) 1450 gallon NH₃ nurse tanks in tandem behind a pickup truck with a Class B CDL as long as they have the accompanying tanker and HAZMAT endorsement on their CDL.

The Illinois SOS office has also provided IFCA with another interpretation regarding CDL requirements for employees hauling liquid fertilizer/chemical tender wagons behind a pickup truck. A CDL is **not** required if a person is hauling a 1,000 gallon liquid fertilizer or chemical tender wagon behind a pickup truck. Specifically, the only reason a CDL is required is:

- 1) Gross Vehicle Weight Rating (GVWR) is over 26,001 lbs for a single unit
- 2) GVWR of trailer is over 10,001 lbs **and** pulling unit combined with trailer is over 26,001 pounds
- 3) Vehicle is carrying 16 or more passengers including the driver or hauling a placarded hazardous material

If you have any questions regarding these interpretations, please contact Kevin Runkle at the IFCA office.

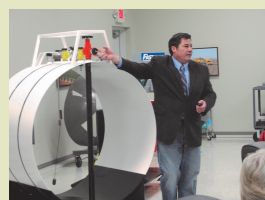
USDOT Increasing HAZMAT Audits

This spring there has been a significant increase in the frequency audits by USDOT Office of Pipeline HAZMAT Safety Administration (PHMSA). If you ship, receive or offer hazardous materials and have a HAZMAT registration or HAZMAT Safety Permit, be prepared for a visit from a compliance officer from PHMSA. USDOT has already visited facilities located in far Northern Illinois to Shawneetown. They are reviewing employee driver files, employee training records, security plans, security vulnerability assessment (SVA), DOT safety policy, emergency plan, HAZMAT transportation security awareness training, compliance with testing NH₃ nurse tanks with missing/illegible data plates (NTIP), maintenance records, shipping documents and vehicle inspection reports. If you have questions or need assistance with DOT compliance issues, please contact Kevin Runkle at the IFCA office.

IFCA Working to Improve Ammonia Safety with New Training Programs

Preventing accidental releases of anhydrous ammonia is a high priority for the IFCA. One area of concern is the rising number of releases when farmers are handling the product. To address this issue, IFCA, IDA, Illinois Corn Growers Association and Illinois Farm Bureau collaborated to develop a detailed web-based training program for farmers. IFCA submitted a grant proposal to the Nutrient Research and Educational Council (NREC) for the project and it was approved in February 2013.

IFCA and Illinois Department of Ag staff developed the on-line program that includes five training modules covering properties of ammonia, personal protective equipment, transportation of ammonia to and from the field, safe hook-up of ammonia tanks, emergency response and first aid procedures. After completing the training, farmers can take a knowledge assessment to determine their understanding of the material and print a certificate of completion for their records. The online training program can be accessed at <http://learning.ifca.com>. Please encourage your customers to take the training; several hundred farmers have already taken the on-online course and this voluntary effort demonstrates that Illinois agriculture groups are committed to the safe handling of anhydrous ammonia.



In January, Kevin Runkle also trained 90 farmers from McLean and Livingston counties on ammonia safety in the Asmark Agricenter's ammonia training room. The program was well received and the farmers asked a lot of questions about equipment specifications, regulatory compliance, first aid and the procedures to follow if a release occurs. IFCA is dedicated to improving farmer's access to ammonia training programs to lower the accident rate in Illinois.





Important Industry Issues



KIC Works to Address Water Quality Issues and High N Levels in Surface Water

With support from the Nutrient Research & Education Council (NREC), the “Keep it for the Crop” (KIC) program is growing the message of the 4R’s in Illinois: Right Source, Right Rate, Right Time, Right Place. Working directly with ag retailers in six priority watersheds, Dan Schaefer, Director of Nutrient Stewardship is helping to implement up to 50 N rate trials in farmer’s fields to help the growers and their crop advisors determine a reliable, responsible and defensible N rate for these farms. The N rate trials, in conjunction with the N WATCH soil nitrate monitoring program, are providing a wealth of information to farmers and retailers regarding nitrogen movement and how we can better manage nitrogen to reduce nutrient losses and improve crop yields.

The KIC program is a critical part of Illinois agriculture’s effort to demonstrate that we can work to reduce nutrient losses working directly with farmers on the voluntary MOM approach: Minimize Environmental Impact, Optimize Harvest Yield and Maximize Input Utilization. It comes at a time when we need it most. N WATCH revealed that we had substantial residual N left in many fields after the drought. N WATCH allowed retailers to inventory the residual N, differentiate that from the fall applied N, and track the movement of N as well as the conversion rate of the ammonium from fall application. We knew that there would be substantial N loss due to the heavy spring rains and the delayed planting season. This was confirmed when nitrate levels in Lake Springfield, Lake Bloomington, the Vermilion River and Lake Decatur saw high nitrate levels in early spring, and which have continued, forcing many of these municipalities to treat the water to get it below the standard of 10 ppm. Some of these water supplies don’t have treatment systems and would be required to provide bottled water to pregnant women and children if the levels exceed 10 ppm.



IFCA supervises the KIC program, and we communicate regularly with water supply officials, IEPA and IDA on our nutrient stewardship efforts. This fall, we will be working on a proactive fall nitrogen stewardship message, encouraging retailers and their farmer customers to split their nitrogen applications, wait until soil temps fall to 50 degrees and stabilize all fall N. This KIC approach enables retailers to provide agronomic advice, products and application techniques to manage nitrogen using an approach that minimizes the risk of large N losses due to extreme weather events.

Lincoln Land Community College Students Get Head Start In The Workforce

IFCA partnered with the Asmark Institute to offer a new one day training program to students enrolled in Lincoln Land Community College’s Agricultural program. Many of the students were planning on completing summer internships at ag retail locations in Illinois. The Head Start program focused on training students how to prepare driver qualification files in addition to receiving training in the following subjects: confined space entry, forklift safety training, blood borne pathogens, anhydrous ammonia safety, HAZMAT, Hazard Communication, Proper Personal Protective Equipment (PPE), Worker Protection Standards, Fire Extinguisher, Lockout/Tagout and Respirator Basics. Training courses taught by IFCA’s Kevin Runkle, John Rebholz from IDA and John Lee from the Grain & Feed Association, satisfies USEPA, OSHA, IDA and USDOT requirements. This is the first training course offered which gives college students a head start prior to entering the agriculture retail industry. Training was conducted at the Asmark Agricenter in Bloomington, IL.



West, TX

A mushroom cloud can be seen from a distance as a result of the West, TX explosion that destroyed the facility and the surrounding town when approximately 30 tons of ammonium nitrate detonated on April 17, 2013. The cause of the initial fire is yet to be determined but an incident of this magnitude is sure to create more regulatory requirements for the fertilizer industry or prompt the industry to create our own self-certification program in order to assure our government and citizens that the industry is in compliance with existing laws and going above and beyond with stewardship efforts to assure the safety of our facilities, our communities, and our employees. IFCA fielded many phone calls about fertilizer safety following this tragedy, and we were glad to share how the Illinois ag retail industry supports annual IDA inspections of fertilizer as well as industry led programs to ensure education and compliance with all regulations governing agrichemical storage. **IFCA is currently engaged with IDA on a review of the anhydrous ammonia rules (this began long before the West incident) to look at new technologies and methods to improve ammonia safety and prevent catastrophic releases.**





Legislative Update



US Senate Passes Water Resources Development Act

On March 13th the United State Senate passed S. 601, the Water Resources Development Act of 2013. The bill now moves to the House. The WRDA bill would authorize federal spending on lock & dams, port improvements, flood protection, and environmental restoration of which IFCA has been a longtime supporter. The cargo conveyed on the Mississippi River has an approximately \$115 billion annual impact on the nation's economy. The Mississippi River Basin connects 31 states and 2 Canadian Provinces through the third largest river basin in the world. This maritime superhighway drains over 1.29 million square miles or over 40% of the continental U.S. We all know the Mississippi River is extremely important to the ag input industry. Thirty percent of all the anhydrous ammonia used in the upper Midwest comes up the Mississippi River and thousands of tons of fertilizer come up the Mississippi River. IFCA has urged members of the Illinois House delegation to pass S. 601 before the August break.

Update from the State Capitol

GMO Food Labeling Hearings Set Across the State

Senator Dave Koehler, Chairman of the Ag Committee, introduced SB1666, which would require companies to label genetically engineered foods. IFCA and other ag groups had conversations with Sen. Koehler expressing concerns with the bill and he chose not to call it in committee. He does however intend to proceed with a series of hearings across the state on the issue. IFCA is taking an active role with our fellow ag organizations to ensure we present sound science and good testimony at the hearings. We encourage you to attend to ensure a strong presence from the ag community. The hearing will occur this summer at the following times and locations. If you have questions please contact KJ at the IFCA office.

June 20, 2013 at IL State University, Old Main Room @ Bone Student Center, 10 am—Noon

August 7, 2013 at SIU-C, location to be announced, Noon—2 pm

Chicago Hearing, likely in September, no date or location yet announced.

Weights & Measures Bill Update

IFCA, Illinois Grain and Feed Association and Illinois Association of Aggregate Producers have been collaborating with Illinois Department of Ag to clarify the Weights & Measures Act. We introduced legislation to remedy the issues, and HB 2273 passed unanimously in both chambers. We are now waiting on Governor Quinn's signature. We would like to thank Rep. Pat Verschoore and Senator John Sullivan for carrying this very important bill for IFCA. Major changes include:

- The word "new" is deleted in the statute, meaning all scales are required to meet Handbook 44 performance requirements for the scale regardless of the date of installation or the scale ownership status.
- Sets the date of July 1, 2012, by which if a scale has previously been certified by Illinois Department of Agriculture then a Certificate of Conformance (COC) is not required nor do the construction or installation requirement in Part 600.300 of the Weights & Measures regulations apply.
- Allows IDA to issue a new serial/identification plate if it is missing for registration and tracking purposes.

We are also working with IDA on rules to clarify the types of scales allowed in Illinois and a new permitting process for new scales; this will greatly improve the installation process and allow for approval of variances ahead of installation if they can be justified. IDA and industry both desire to have the rules in place before the end of the year.

Hydraulic Fracturing

On the last day of the session, a bill to allow hydraulic fracturing to release natural gas from rock deposits in Illinois passed both chambers. Industry and environmental groups worked collectively on SB 1715. IFCA spoke to many members of both chambers on the significance of this bill. "Fracking" involves drilling a mile or more down, then horizontally into the dense shale rock. At that point, integrity tests are conducted and then pressurized water, sand and additives (less than 1% of the overall mixture) are used to create small, often millimeter-thick fissures in carefully targeted sections of the shale rock. This releases the natural gas, allowing it to safely rise to the surface within the self-contained system. Many people believe the New Albany shale in southern Illinois has significant oil reserves. Governor Quinn has praised the measure as a jobs bill and said he would sign the bill.

IFCA
14171 Carole Drive
Bloomington, IL 61705

Return Service Requested

PRESORTED
First Class Mail
U.S. Postage
PAID
Springfield, IL
Permit No. 609

From the President's Desk *by Jean Payne*



"Extremes follow extremes." Our Director of Nutrient Stewardship Dan Schaefer said that to me earlier this spring when I was stressing about the drought-related nitrogen losses and the corresponding high levels of N in the "Keep it for the Crop" priority watersheds. I was worried how the nitrogen losses and impact on the surface water supplies would be perceived by those who seek to regulate agricultural nutrient use, despite the fact that Illinois has taken a very active role in promoting nutrient stewardship.

With the KIC program, Illinois agriculture has a definitive approach to address nutrient issues with ag retailers and farmers leading the way. But Mother Nature reminds us all that she is in control; blaming the weather won't get us anywhere, we need to continue to look ahead and strive to improve upon what we can control. Dan put me back on track with his comment about the extremes. That also made me realize how valuable it is to seek out positive-minded people and allow their outlook on life to influence your own attitude. It's so easy to let negativity take over; just watching the news in the morning can start your day out wrong if you let it. If you think about the people you admire, aren't they always the ones either in the past or present who found a way to manage challenges with a positive outlook, and inspired others in the face of tragedy or adversity? I think without exception that is true. A good example of this is what we accomplished with KIC and NREC; our state government was letting us down but instead of focusing on the bad, we forged a positive plan for the future of nutrient use in Illinois and we're going full speed ahead.

Despite the challenges facing our industry, the repercussions of the West, TX tragedy and the uncertainty of our state and our world, the team at IFCA has the attitude and the work ethic to keep moving forward, to deflect negativity and focus on positive outcomes. I am very proud of our staff members Kevin Runkle, Leslie Forrest, KJ Johnson and Dan Schaefer. They handle their responsibilities with a high level of commitment, with humor and with genuine respect for our IFCA members and what you do every day to keep our industry going strong. It's an honor to work in this industry. Thanks team!

