



Illinois Fertilizer & Chemical Association

P.O. Box 1326, Bloomington, Illinois 61702-1326 • Telephone: 309.827.2774 • Fax: 309.827.2779 • www.ifca.com

August 1, 2007

Dr. Holly Stallworth
USEPA
Science Advisory Board (1400F)
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460

RE: Additional Comments on SAB Hypoxia Advisory Panel Report

On behalf of the members of the Illinois Fertilizer & Chemical Association (IFCA) I am submitting **additional** comments on the USEPA's Scientific Advisory Board Hypoxia (SAB) draft Hypoxia Advisory Panel report which was published July 23, 2007. These supplement the comments provided to you on June 29, 2007.

IFCA's membership consists of owners, managers and employees of retail agrichemical facilities located in Illinois, as well as representatives of pesticide, fertilizer and agricultural equipment manufacturers. The majority of IFCA's 1100+ members are directly responsible for serving the needs of Illinois' agricultural producers.

I serve not only as the representative of our organization in Illinois and the ag input suppliers, but also as the fertilizer industry representative on the Upper Mississippi Sub-basin Hypoxia Nutrient Committee (UMRSHNC) Stakeholder Group. As this representative I want it to be made very clear that the fertilizer industry in the upper Midwest is seriously disappointed with the July 23 report on several levels.

First of all, we must ask how the SAB could have possibly evaluated, in any professional or technical way, the comments submitted by industry and stakeholders including those by IFCA, The Fertilizer Institute, the Illinois Department of Agriculture, Iowa Farm Bureau and others prior to publishing the revised report on July 23rd.

I also challenge the assertions made in the July 23rd report on page 177 that draw conclusions on the amount of nitrogen applied in the fall. While I cannot speak for the fertilizer sales recordkeeping practices in Iowa, I am qualified to reply to the assumptions made regarding fertilizer sales in Illinois. Our Association, the IFCA, works closely with the Illinois Department of Agriculture on the rules and regulations pertaining to fertilizer tonnage reports. We provide guidance to our members (the fertilizer manufacturers, distributors and retailers) on the process of reporting to ensure compliance with this state law reports and with the Dept of Ag to ensure that the information is received in a timely and accurate manner. We are offended with the conclusions of the SAB that state fall application of nitrogen has increased two-fold from the 1970's and 1980's. It is simply wrong. It starts with the fact that the SAB admits that they are making these statements "assumed from sales" records. I didn't think it was the mission of the Science Advisory Board to "assume" anything, much less something as substantial as conclusions on fertilizer usage in a state as large as Illinois. On the contrary, UMRSHNC and IFCA believed it was the Science Advisory Board's charge to evaluate only the science of this issue and to draw only scientific conclusions on the potential causes of hypoxia.

Regardless, I will take this opportunity to provide clarity and a reasoned response to the fall fertilizer application assumptions.

1. **Correlating Sales Reports to Application Practices.** In response to the comments made in lines 28-33 of page 177, there is no scientific data on which to base the SAB's claim that there is a two-fold increase in fall N application from the 1970's to present in Illinois. The SAB admits this conclusion is "assumed from sales" therefore this conclusion is not based on any actual application data or application records. Sales of fertilizer are not a direct correlation to the amount of N applied on Illinois farmland. In fact, frequent inaccuracies such as double or even triple reporting by fertilizer manufacturers, distributors and retailers would reflect in tonnage reports. On the other hand, some companies may have also been unaware of the requirement to report sales, and thus thousands of tons likely were unreported each year. We know this to be true. The Illinois Department of Agriculture has shared with us that prior to 2003, tonnage reports were frequently inaccurate due to fertilizer manufacturers reporting sales, distributors reporting sales, and retailers also reporting sales...on the very same ton of nitrogen, phosphate or potash. Therefore, it is very likely that in many instances the same ton of fertilizer was reported three times, skewing the actual picture. The Illinois Department of Agriculture fertilizer tonnage reports were never intended to serve as any kind of environmental reporting system. Rather, they were intended to provide a framework in which to assess a tonnage fee to pay for state inspectors to inspect fertilizer products and facilities. If the inspector had to inspect the same ton of nitrogen, phosphate or potash three times as it traveled to three different facilities, so be it. The fee assessed at each transaction covered the inspection costs. The SAB cannot reasonably base any conclusions on fertilizer use and application using sales reports as basis for its findings. It is, as they say, apples and oranges. Certainly it is no basis upon which to draw a scientific conclusion regarding actual fertilizer applications.
2. **Increased Fall Fertilizer Application.** In Illinois, efforts to improve sales records went into effect in 2003 to reduce the likelihood of over-reporting, but the system is still far from perfect. Since 2003, the records have improved due to better compliance training within the fertilizer industry, better attention given by personnel, and better computer systems at IDA. But, the most important point is that sales reports cannot be correlated with application records. Sales made by a manufacturer in one quarter of the year cannot be correlated to that product be applied by the farmer in the same quarter, or even in the same year for that matter. The SAB admits that the fertilizer may have been stored at dealerships. That is at least one accurate assumption. However, the SAB follows this statement by saying "as producers in the Corn Belt farm more acres, there has been greater pressure to complete fertilization in the fall." What? Who is farming more acres? Crop acreage, particularly for major grain crops, has declined steadily in Illinois for the past decade. No doubt the same is true in other Midwest states. Urbanization takes hundreds of thousands of acres out of production each year in Illinois, and timber ground is NOT being destroyed to replace these acres. Has anyone on the SAB ever been to the Chicago suburbs? The suburbs now encompass counties that 10 years ago were largely in crop production. Our industry should be commended for meeting the demand for food on fewer acres each year. We have accomplished this by become more efficient in our crop production, still using less fertilizer than we did in the 1980's while corn yields in particular have increased 78% since the 1980's. USDA has these statistics. What data is the SAB using to make such a statement that there is more acreage in production?

To make assumptions like these and draw conclusions to support a recommendation to substantially reduce fall application, reduce overall nitrogen application by 45% and reduce phosphorus by 40% is more than disturbing. It demonstrates that the SAB is clearly disconnected from the reality of the crop production systems in the Midwest.

3. **Fall vs. Spring Application Assumptions.** Fall application of N is an alternative to spring application, but in many years inclement weather conditions often prohibit and greatly reduce fall applications of N. In years where weather permits, it is possible that 30-40% of nitrogen for corn may be fall applied in Illinois. Much of it is stabilized with a nitrification inhibitor and applied when soil temperatures are below 50 degrees, thus protecting it from loss. Early spring application of non-stabilized nitrogen under wet conditions when planting may be substantially delayed due to weather patterns can result in potential nitrogen loss perhaps more so than properly applied fall nitrogen. Every year is different, but nitrogen application recommendations in the Illinois Agronomy Handbook are based on years of research regarding application practices and corresponding crop yields prove this point. The Illinois Agronomy Handbook does not rely on assumptions when offering recommendations. We stand behind it.

If anything is contributing to the assumptions made regarding the hypoxia zone, it is more likely to be attributed to massive urbanization rather than farming practices. If these negative claims are to be made toward the agricultural industry, they should be backed by empirical evidence and scientific quantitative data analysis.

For these reasons we ask that Section 4.5.6 pertaining to assumptions made in Illinois be stricken from the report and corresponding recommendations on reducing fall application of nitrogen also be revisited and revised to encourage best management practices that we have frequently outlined—are supported—in our previous comments.

We also request that the SAB respond to UMRSHNC's requests and the requests of others to provide a reasonable comment period on the revisions to the report. It is difficult to understand the logic—or science—behind an effort to hurriedly push through recommendations that will impact the entire food industry and economy of the United States of America without full consideration of the scientific, technical, practical and reasonable mass of information available that should be utilized in a mature way to develop a response to hypoxia that balances the interests of all parties.

Thank you for considering our comments.

Sincerely,

The Illinois Fertilizer & Chemical Association



Jean Payne
President

cc: Dennis McKenna, Illinois Department of Agriculture
Charles Hartke, Illinois Department of Agriculture
Dean Lemke, Iowa State University