

# Soy Transportation Coalition

## Railroad Movement of Soybeans and Soy Products



# MICHIGAN

	<u>Soybeans</u>	<u>Soybean Meal</u>	<u>Soybean Oil</u>
Tons Produced	2,148,000	n/a	n/a
Tons Originated by Railroads	658,154	7,280	11,000
% of Tons Moved by Railroads	30.64%	n/a	n/a
Total Rail Carloads	6,702	80	160
Average Railroad Mileage Haul	976	774	636
<u>Railroads – Tons Originated by:</u>			
BNSF	0	0	0
Canadian National	0	0	0
Canadian Pacific	0	3,920	0
CSX	520,893	3,360	11,000
Kansas City Southern	0	0	0
Norfolk Southern	137,261	0	0
Union Pacific	0	0	0
Other Railroads	0	0	0
<b>TOTAL</b>	<b>658,154</b>	<b>7,280</b>	<b>11,000</b>
<u>Railroad Rates &amp; Revenues:</u>			
Total Railroad Freight Charges	\$13,480,348	\$182,280	\$364,120
Average Railroad Charges Per Car	\$2,011	\$2,279	\$2,276
Average Railroad Charges Per Ton	\$20.48	\$25.04	\$33.11
<u>Revenue/Variable Cost Ratios (R/VC)*:</u>			
<b>% Tons: &gt;180% (R/VC) – Excessive Rates?</b>	<b>22.39%</b>	<b>0.00%</b>	<b>38.91%</b>
Tons: ≥180% (R/VC)	147,371	0	4,280
Tons: ≥180% and <200% (R/VC)	41,614	0	800
Tons: >200% and <300% (R/VC)	45,579	0	3,480
Tons: >300% (R/VC)	60,178	0	0
Average R/VC	125%	139%	158%
Tons: Under 180% (R/VC)	510,783	7,280	6,720
% Tons: Under 180% (R/VC)	77.61%	100%	61.09%

\*Revenue to Variable Cost Ratios (R/VC) are used by the U.S. Surface Transportation Board (STB) to evaluate and measure the profitability and reasonableness associated with railroad freight charges. For example, if a railroad's freight charges are \$2,000 per carload and the variable costs for that movement are \$1,000 per carload, the R/VC would be 200%. In order for a rate to be regarded as potentially excessive, and subject to STB jurisdiction, the R/VC ratio must be equal to or greater than 180%.