

Soy Transportation Coalition

Railroad Movement of Soybeans and Soy Products



MINNESOTA

	<u>Soybeans</u>	<u>Soybean Meal</u>	<u>Soybean Oil</u>
Tons Produced	8,019,750	4,895,500	1,218,699
Tons Originated by Railroads	3,478,097	2,357,552	678,300
% of Tons Moved by Railroads	43.37%	48.16%	55.66%
Total Rail Carloads	33,565	24,064	7,064
Average Railroad Mileage Haul	1,665	1,038	806
<u>Railroads – Tons Originated by:</u>			
BNSF	2,377,131	29,520	124,920
Canadian National	32,228	0	0
Canadian Pacific	940,154	38,800	11,000
CSX	0	0	0
Kansas City Southern	0	0	0
Norfolk Southern	0	0	0
Union Pacific	10,648	2,289,232	542,280
Other Railroads	117,936	0	0
TOTAL	3,478,097	2,357,552	678,300
<u>Railroad Rates & Revenues:</u>			
Total Railroad Freight Charges	\$140,222,784	\$76,606,404	\$17,667,572
Average Railroad Charges Per Car	\$4,178	\$3,183	\$2,501
Average Railroad Charges Per Ton	\$40.32	\$32.49	\$26.05
<u>Revenue/Variable Cost Ratios (R/VC)*:</u>			
% Tons: >180% (R/VC) – Excessive Rates?	29.77%	11.53%	24.51%
Tons: ≥180% (R/VC)	178,973	55,512	0
Tons: ≥180% and <200% (R/VC)	582,460	88,308	55,052
Tons: >200% and <300% (R/VC)	273,828	128,016	113,904
Tons: >300% (R/VC)	178,973	55,512	0
Average R/VC	181%	138%	141%
Tons: Under 180% (R/VC)	2,442,836	2,085,716	520,344
% Tons: Under 180% (R/VC)	70.23%	88.47%	75.49%

*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%.