

Soy Transportation Coalition

Railroad Movement of Soybeans and Soy Products



Railroad Rates

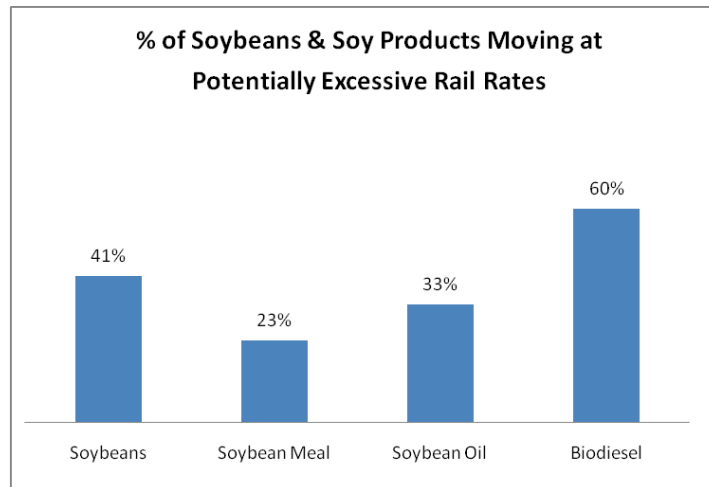
Average Freight Charges Per Carload:

	<u>Soybeans</u>	<u>Soybean Meal</u>	<u>Soybean Oil</u>	<u>Biodiesel</u>
2007	\$3,047.09	\$2,590.43	\$2,457.65	\$3,989.54
2008	\$3,688.55	\$3,104.98	\$2,650.14	\$3,934.61
% Change Since 2007	21.08%	19.86%	7.83%	-1.38%

Average Freight Charges Per Short Ton:

	<u>Soybeans</u>	<u>Soybean Meal</u>	<u>Soybean Oil</u>	<u>Biodiesel</u>
2007	\$30.50	\$29.64	\$27.09	\$46.81
2008	\$35.58	\$32.78	\$28.87	\$44.41
% Change Since 2007	16.66%	10.59%	6.57%	-4.91%

Excessive Rates?



Excessive Rates? – STB Jurisdictional Traffic: Revenue to Variable Cost Ratio \geq 180%

	<u>Soybeans</u>	<u>Soybean Meal</u>	<u>Soybean Oil</u>	<u>Biodiesel</u>
Short Tons Moving at R/VC \geq 180%	9.89 million	4.50 million	2.50 million	1.71 million
% of Total Short Tons	41%	23%	33%	60%

*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%.