

Soy Transportation Coalition

Railroad Movement of Soybeans and Soy Products



Michigan

| | <u>Soybeans</u> | <u>Soybean Meal*</u> | <u>Soybean Oil*</u> |
|--|-----------------|----------------------|---------------------|
| Tons Produced | 2,097,900 | n/a | n/a |
| Tons Originated by Railroads | 624,723 | n/a | n/a |
| % of Tons Moved by Railroads | 29.78% | n/a | n/a |
| Total Rail Carloads | 6,172 | n/a | n/a |
| Average Railroad Mileage Haul | 920 | n/a | n/a |
| <u>Railroads – Tons Originated by:</u> | | | |
| BNSF | 0 | 0 | 0 |
| Canadian National | 0 | 0 | 0 |
| Canadian Pacific | 0 | 0 | 0 |
| CSX | 494,000 | n/a | n/a |
| Kansas City Southern | 0 | 0 | 0 |
| Norfolk Southern | 130,000 | n/a | n/a |
| Union Pacific | 0 | 0 | 0 |
| Other Railroads | 0 | 0 | 0 |
| TOTAL | 624,723 | n/a | n/a |

Railroad Rates & Revenues:

| | | | |
|----------------------------------|--------------|-----|-----|
| Total Railroad Freight Charges | \$15,981,000 | n/a | n/a |
| Average Railroad Charges Per Car | \$2,589.22 | n/a | n/a |
| Average Railroad Charges Per Ton | \$25.58 | n/a | n/a |

Revenue/Variable Cost Ratios (R/VC)*:

| | | | |
|---|------------|------------|------------|
| % Tons: >180% (R/VC) – Excessive Rates? | 22% | n/a | n/a |
| Tons: \geq 180% (R/VC) | 139,885 | n/a | n/a |
| Tons: \geq 180% and <200% (R/VC) | 39,500 | n/a | n/a |
| Tons: >200% and <300% (R/VC) | 43,264 | n/a | n/a |
| Tons: >300% (R/VC) | 57,121 | n/a | n/a |
| Tons: Under 180% (R/VC) | 484,838 | n/a | n/a |
| % Tons: Under 180% (R/VC) | 78% | n/a | n/a |

*For some regions of the United States, it was not possible to identify precise figures regarding the amount of soybeans, soybean meal, or soybean oil transported by railroads. The Surface Transportation Board's Public Waybill Sample frequently omits origin and destination information in order to provide confidentiality. In most cases, supplemental sources of information can be utilized to nonetheless identify and determine particular volumes and revenues and ascribe those volumes and revenues to origin and destination areas and railroads. However, on occasion such additional information is not available.

*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%.

Full report can be accessed at www.soytransportation.org

