

# Soy Transportation Coalition

## Railroad Movement of Soybeans and Soy Products



### Minnesota

	<u>Soybeans</u>	<u>Soybean Meal</u>	<u>Soybean Oil</u>
Tons Produced	7,945,800	4,742,418	1,168,737
Tons Originated by Railroads	3,889,040	2,152,170	832,152
% of Tons Moved by Railroads	48.94%	45.38%	71.20%
Total Rail Carloads	36,268	22,414	8,672
Average Railroad Mileage Haul	1,540	996	817

#### Railroads – Tons Originated by:

BNSF	2,658,000	27,000	153,000
Canadian National	36,000	0	0
Canadian Pacific	1,051,000	35,000	13,000
CSX	0	0	0
Kansas City Southern	0	0	0
Norfolk Southern	0	0	0
Union Pacific	12,000	2,090,000	665,000
Other Railroads	132,000	0	0
<b>TOTAL</b>	<b>3,889,040</b>	<b>2,152,170</b>	<b>832,152</b>

#### Railroad Rates & Revenues:

Total Railroad Freight Charges	\$180,011,000	\$78,459,000	\$24,888,000
Average Railroad Charges Per Car	\$4,963.36	\$3,500.45	\$2,869.94
Average Railroad Charges Per Ton	\$46.29	\$36.46	\$29.91

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

	<b>30%</b>	<b>12%</b>	<b>29%</b>
<b>% Tons: &gt;180% (R/VC) – Excessive Rates?</b>			
Tons: $\geq$ 180% (R/VC)	1,157,579	248,155	245,105
Tons: $\geq$ 180% and <200% (R/VC)	651,279	80,615	87,997
Tons: >200% and <300% (R/VC)	306,181	116,864	121,909
Tons: >300% (R/VC)	200,119	50,676	35,199
Tons: Under 180% (R/VC)	2,737,461	1,904,015	587,047
% Tons: Under 180% (R/VC)	70%	88%	71%

\*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](http://www.soytransportation.org)

