

238605

ENTERED
Office of Proceedings
June 10, 2015
Part of
Public Record



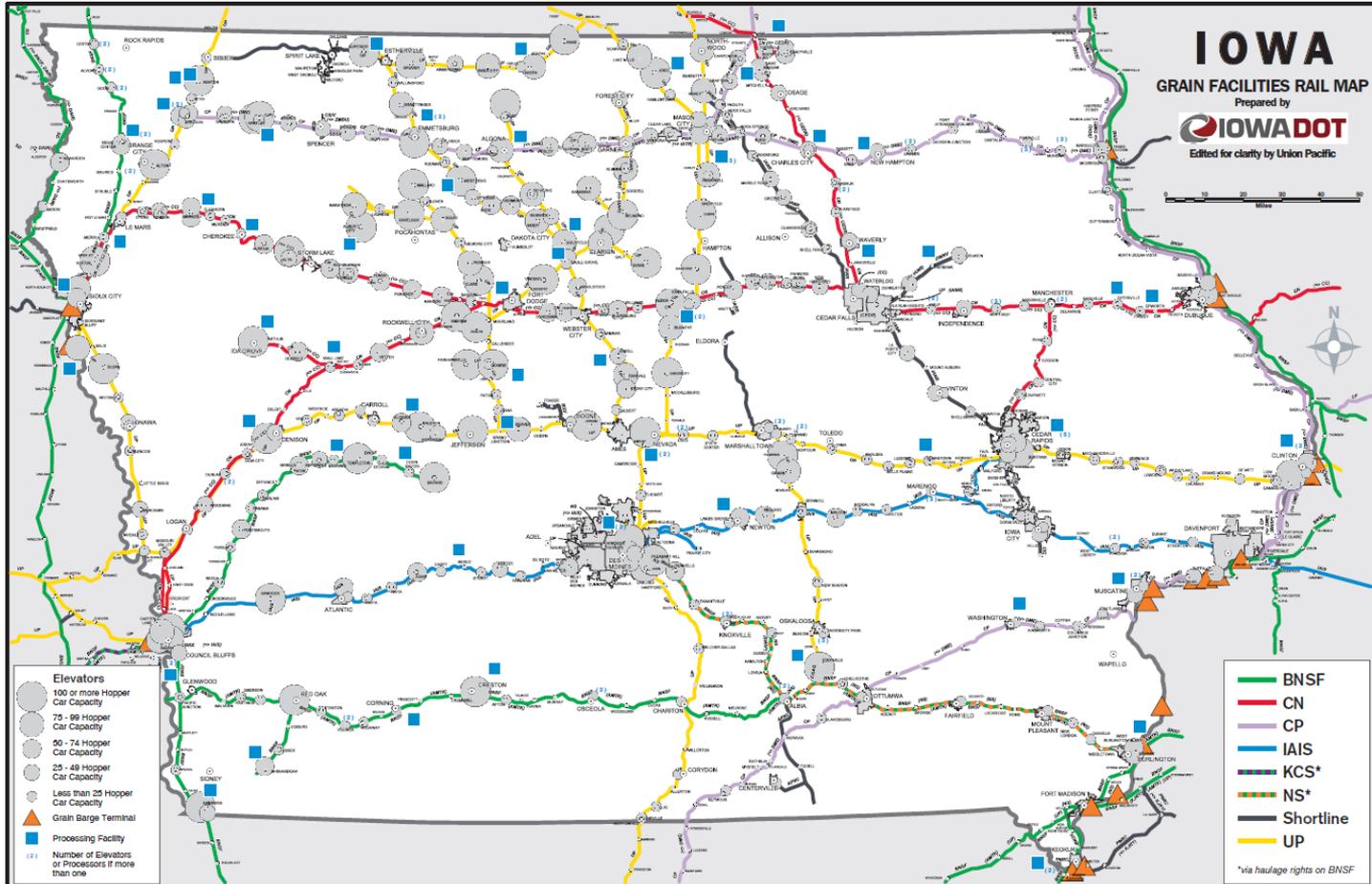
BUILDING AMERICA®

June 10, 2015

Ex Parte 665(1) Rail Transportation of Grain, Rate Regulation Review

Louise A. Rinn
Associate General Counsel

Grain Growers Have Choices



“Previous studies have concluded that many agricultural shippers have a range of transportation alternatives, that grain transportation markets are largely competitive, and that different modes of transportation often compete head-to-head to move grain.” USDA Reply Comments at p. 3.



URCS Costs Do Reflect Grain Train Efficiencies

Trainload Costs 37% Lower than Carload

2013 West Region URCS Hypothetical Movement

	Trainload per car	Carload per car	Variance per car
1 Gross Ton Mile	\$824.24	\$824.24	\$0.00
2 Locomotive Unit Mile	\$378.38	\$619.02	(\$240.64)
3 Carload Orig & Term Clerical	\$19.06	\$25.34	(\$6.28)
4 Carload Handled Other	\$2.80	\$2.80	\$0.00
5 Crew Wages	\$176.74	\$271.16	(\$94.42)
6 Train Mile Other	\$8.76	\$13.45	(\$4.69)
7 Switching	\$49.46	\$321.51	(\$272.05)
8 Car Mile Running	\$149.41	\$149.41	\$0.00
9 Car Mile Yard	\$1.55	\$5.05	(\$3.50)
10 Car Day Running	\$76.32	\$76.32	\$0.00
11 Car Day Yard	\$81.42	\$264.61	(\$183.19)
12 Car Mile Running Accessorial	\$3.67	\$3.67	\$0.00
13 Car Mile Yard Accessorial	\$0.04	\$0.13	(\$0.09)
14 Car Day Running Accessorial	\$1.12	\$1.12	\$0.00
15 Car Day Yard Accessorial	\$1.20	\$3.90	(\$2.70)
16 Loss & Damage	\$2.96	\$2.96	\$0.00
17 Ex Parte Adjustments - Make Wholes	\$0.00	\$245.64	(\$245.64)
18 Variable Cost Per Car @ 2013 Cost Level	\$1,777.14	\$2,830.33	(\$1,053.19)

Grain Can Also Cost More

- Longer cycle times for cars to Mexico
- Car storage due to variability and seasonality
- Fuel costs for export trains moving over Blue Mountains