

Regional Elevator Logistics and Rail Service Survey Results, 2013

Survey of corn, soybean, and wheat logistics in Minnesota, Nebraska, North Dakota, and South Dakota.

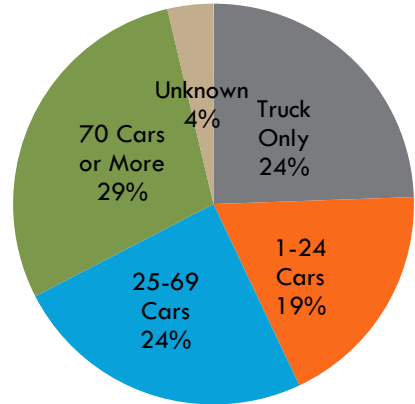
Table 1. Survey Response

State	Distributed	Valid Responses	Response Rate
MN	150	46	31%
ND	146	62	42%
NE	145	14	10%
SD	100	13	13%
Overall	540	136	25%

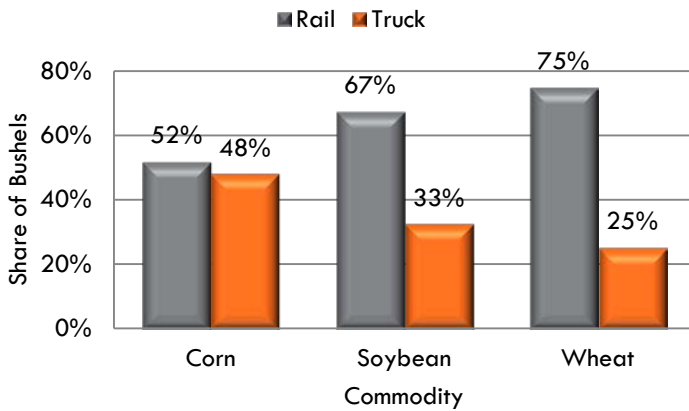
Notes: Response from a single barge user limited reporting of barge shipments. NE and SD elevators returned only about 10% of surveys which are incorporated for the regional results but individual state statistics are not presented.

Facility Type, by Rail Track Capacity

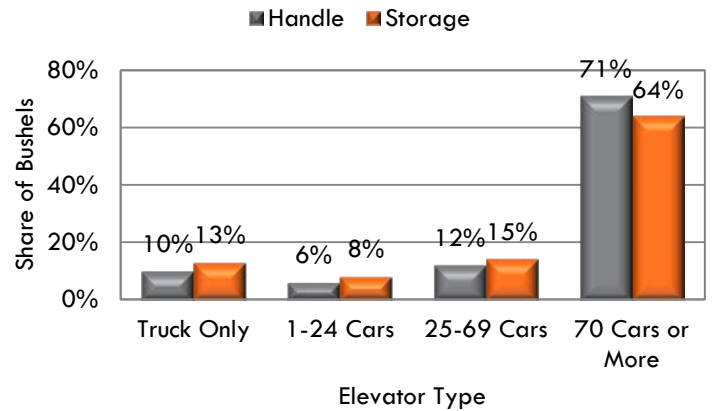
MN, ND, and NE had multiple responses for each facility type.



Elevator Shipments for Commodities, by Mode

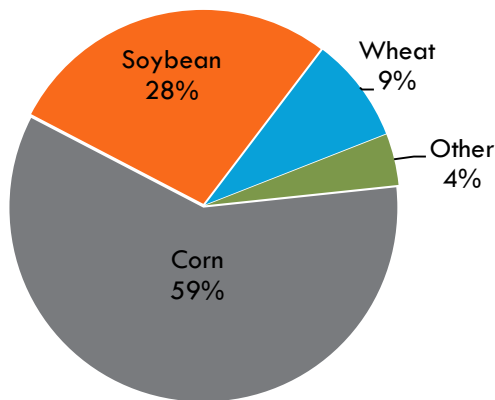


Elevator Handle and Storage, by Type



Grain Handled by Elevators, by Commodity

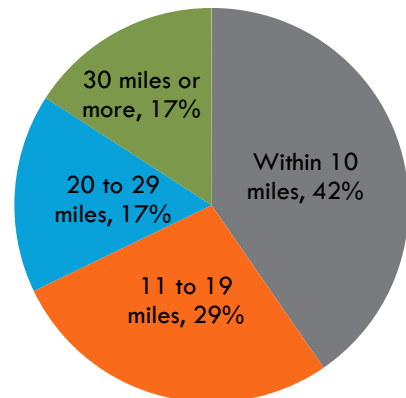
Share of Volume Handled



Corn accounted for more than half of the three major commodities (corn, soybeans, and wheat) handled by elevators in the region.

Grain Originated, by Distance from Elevator

Share of Volume Handled

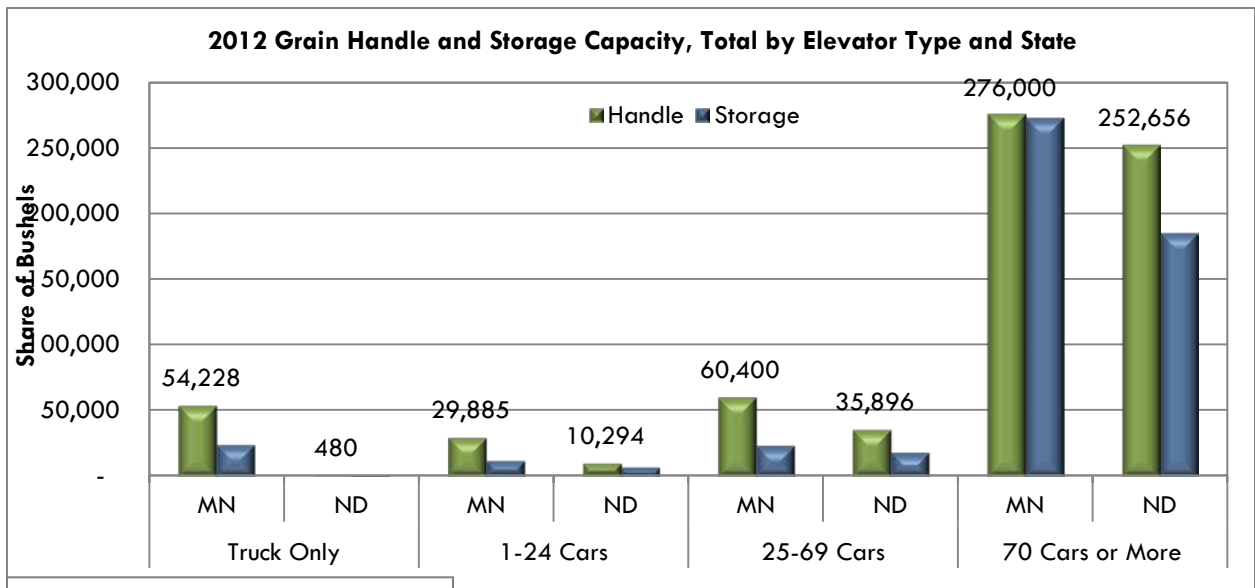


Elevators reportedly drew 42% of their grain handle from origins within 10 miles. More than one-third of the major grains were drawn from origins of at least 20 miles.

This survey was completed in cooperation with Minnesota Grain and Feed Association, Nebraska Grain and Feed Association, North Dakota Grain Dealers Association, North Dakota Wheat Commission, South Dakota Grain & Feed Association, South Dakota Wheat Commission, with funding support from the Federal Highway Administration.

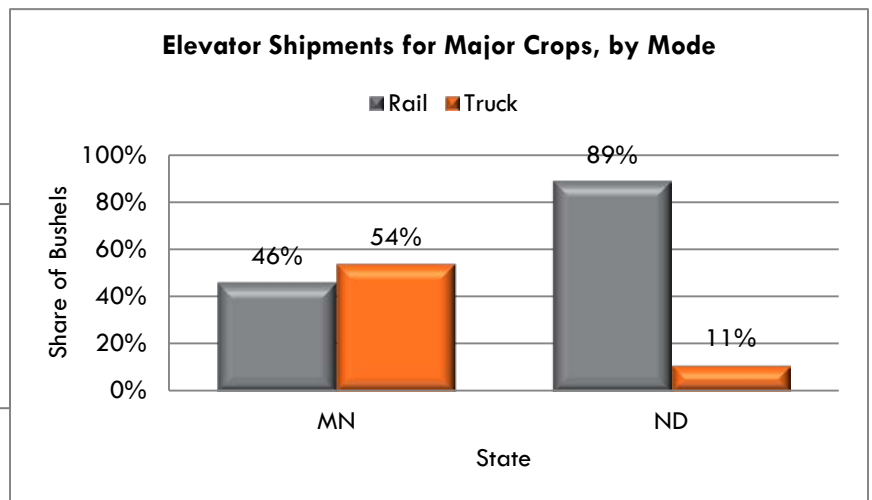
Upper Great Plains Transportation Institute, NDSU, is solely responsible for the content of the report, 701.231.7767, info@ugpti.org

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Elevators are grouped by the track space for rail cars to differentiate rail capabilities. The elevator activities offer some insight about shipping concentrations and rail marketing diversity in the region.

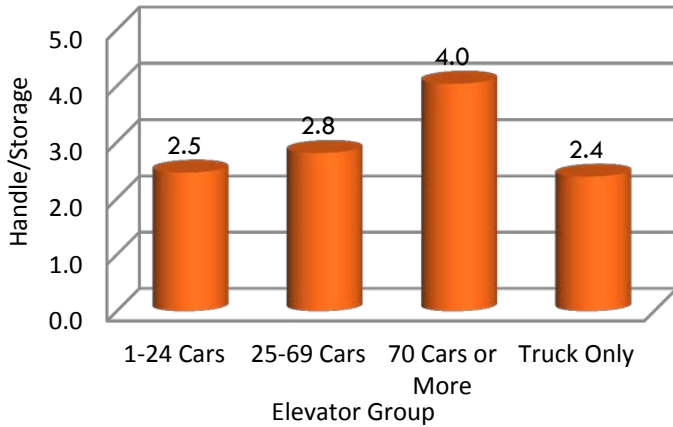
With more expansive local use and closer access to terminal markets, trucks are the leading mode for marketing major crops in Minnesota. North Dakota marketing is dominated by rail.



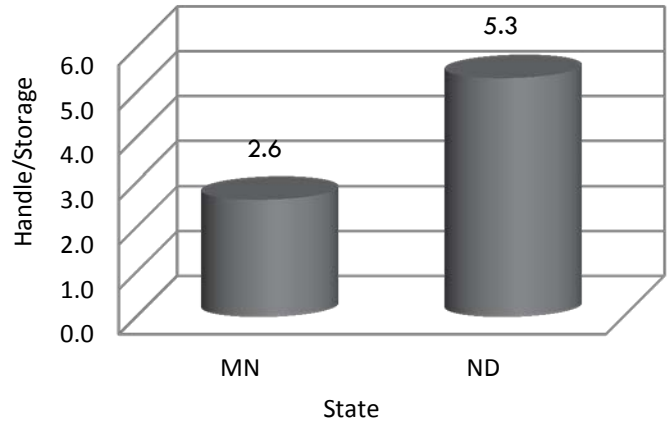
Market Flows of Corn, Soybeans, and Wheat, by Mode and Destination

Crop	Mode	In-State End User	Domestic East	Domestic West	Export Gulf	Export Pacific	Export Mexico	Export Canada	Domestic Other	Export Other
Corn	Rail	2.5%	1.5%	7.3%	2.3%	24.2%	0.3%	0.0%	0.3%	0.1%
	Truck	54.6%	1.5%	2.6%	0.3%	0.3%	0.0%	0.1%	1.2%	1.0%
Soybean	Rail	1.4%	3.6%	0.8%	3.7%	42.6%	0.2%	0.0%	0.8%	0.0%
	Truck	40.8%	1.5%	1.5%	1.5%	0.3%	0.0%	0.0%	0.8%	0.5%
Wheat	Rail	21.9%	12.1%	5.7%	19.1%	4.7%	0.0%	0.0%	0.0%	0.0%
	Truck	32.5%	1.2%	1.2%	1.5%	0.0%	0.0%	0.0%	0.1%	0.0%

**Annual Turnover Ratio in the Region,
by Elevator Group**
Weighted by Handle

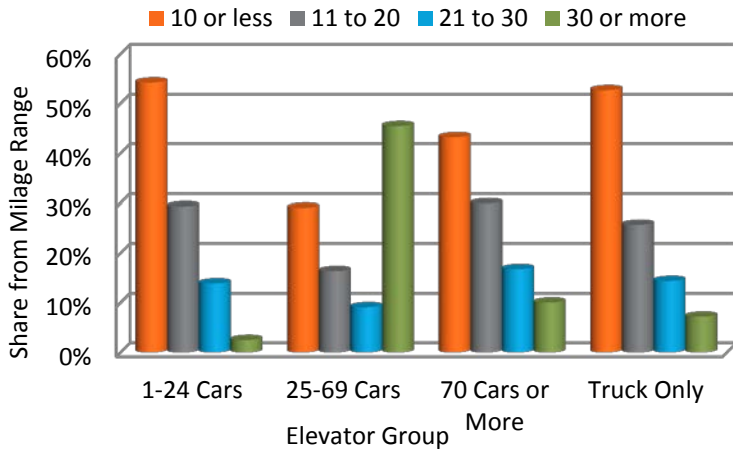


Annual Turnover Ratio, by State
Weighted by Handle

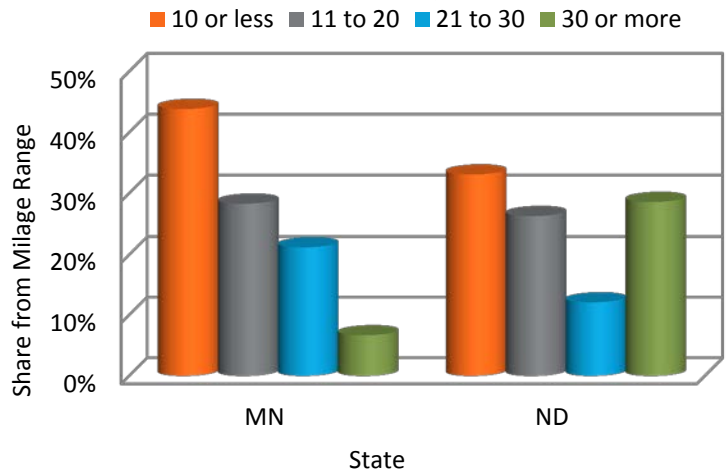


Turnover ratios were estimated for elevator groups and states, as an indicator of utilization and efficiency. The turnover ratio is the number of times a facility turns over its storage capacity, based on the reported annual handle. In calculating, the individual turnover ratios were weighted by total bushels handled to estimate the overall estimate for the group/state. Among the elevator groups, turnover ratios are positively related to elevators' rail car capacities. Individual elevator's turnover ratios ranged from 0.2 to 10.0.

Grain Origination, Elevator Group by Miles from Facility
Weighted by Handle



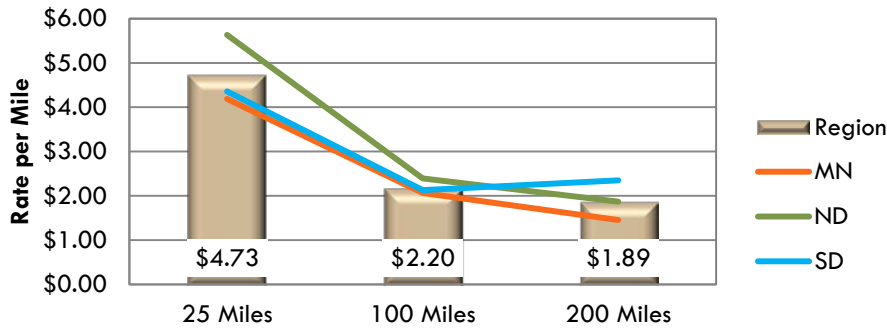
Grain Origination, State by Miles from Facility
Weighted by Handle



Elevator consolidation of grain for shipment to end-users is important to the efficiency of U.S. markets. Increasing length-of-haul from farms means additional road use by agriculture. The table below shows industry awareness of need for local roads investment in industry competitiveness. Responses above show that more than half the grain originated is hauled by truck at least 11 miles. In MN, ND, and SD 1 in 4 bushels is hauled at least 20 miles. With the largest elevators, 1 in 3 bushels is hauled more than 20 miles from farm to elevator.

Elevator Truck and Rail Market Response

Truck Rates, by State



Regional Truck Rates per Mile, 2012

Trip Distance, Loaded Miles	2012		
	25	100	200
MN	\$4.19	\$2.06	\$1.45
ND	\$5.63	\$2.39	\$1.87
SD*	\$4.36	\$2.13	\$2.35
Region 2012	\$4.73	\$2.20	\$1.89
Region 2011	\$3.87	\$2.49	\$2.45

Trip, Truck rates averaged \$4.73 per mile for local market hauls. This is an increase over 2011. Longer haul rates have decreased since last year. The rate per bushel-mile declines as distance increases based on efficiencies and backhaul opportunities.

Elevator Rail Market Response

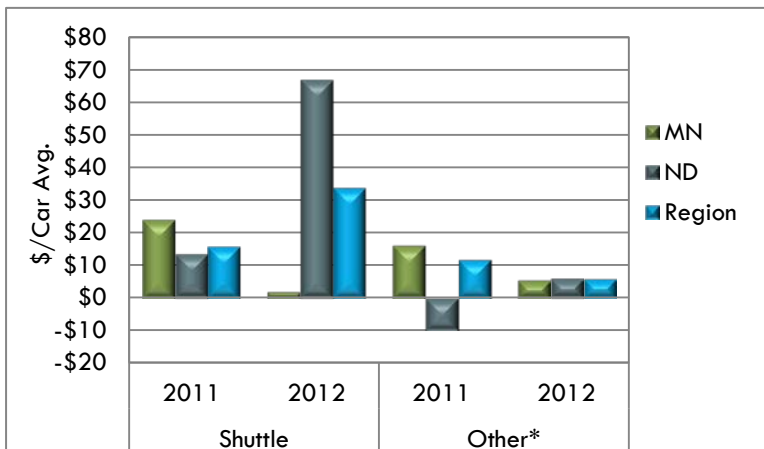
Responses Weighted by Rail Shipments

Rail Service Ratings for 2012, by Carrier

Railroad	N=	Marketing and Sales Service	Timely Delivery of Equipment	Car Ordering Alternatives /Process	Condition of Equipment	Availability of Order Information	Access to Marketing Personnel	2012 Average
Average Rating, 1=Poor to 5=Excellent								
BNSF	61	3.6	3.3	3.7	4.0	3.6	3.7	3.6
CP	12	3.5	3.0	3.6	3.5	3.8	3.9	3.6
NP	6	2.1	3.1	3.1	2.1	3.1	2.1	2.6
RRVW	7	3.5	3.7	3.3	3.8	3.3	3.3	3.5
UP	5	4.0	4.4	4.0	4.0	4.0	4.5	4.1
Other	3	4.2	4.0	4.0	3.2	4.2	4.0	3.9
Reg. Avg. 2012	4	3.5	3.4	3.7	3.9	3.6	3.7	3.6
Reg. Avg. 2011	3	3.7	3.7	3.6	3.6	3.2	3.5	3.5

If fewer than 3 responses for railroad, individual rating not included.

Guaranteed Rail Freight Premium/Discount



2012 Rail Shipments, Service Type

State	Average premium/discount for any guaranteed rail freight service purchased for next year		
	Share Ordered by March 15	Shuttle	Other Guaranteed*
\$ per car			
MN	21%	62	16
ND	6%	0	1
Region	22%	81	14

*Other Guaranteed includes COTs, GCAS, DET, CAPs, etc.