



Quorum  
Corporation

## ***Grain Monitoring Program***

**Fall 2005 Stakeholder Presentation**

September – November 2005

*... Monitoring the Western Canadian GHTS*



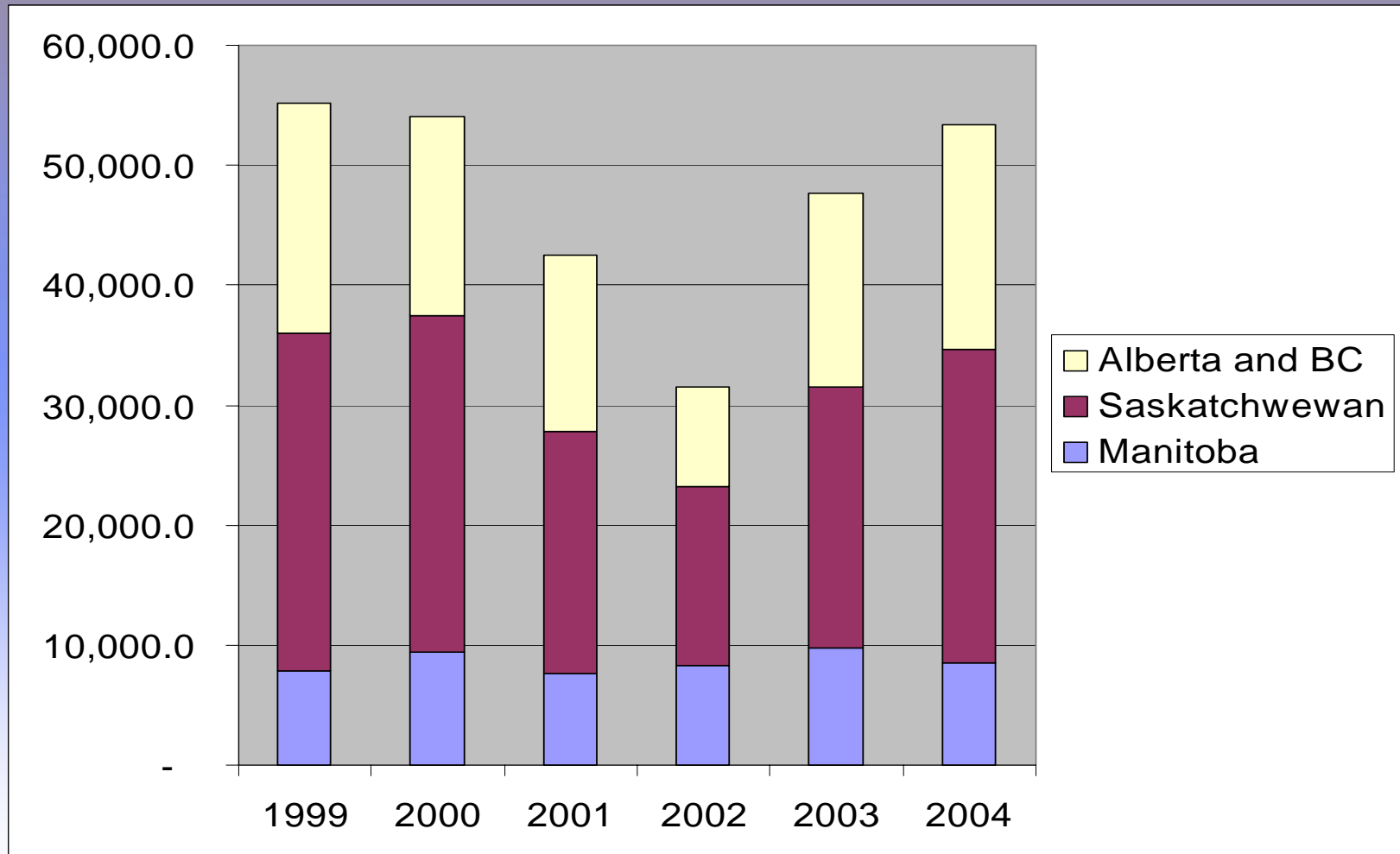
# *Topics*

- ⇒ GMP “Dashboard”
- ⇒ Current Industry Status
- ⇒ Review of Stakeholder Issues and Positions
- ⇒ Other Issues











# ***GHTS System Performance***

# *Western Canada Annual Crop Production*



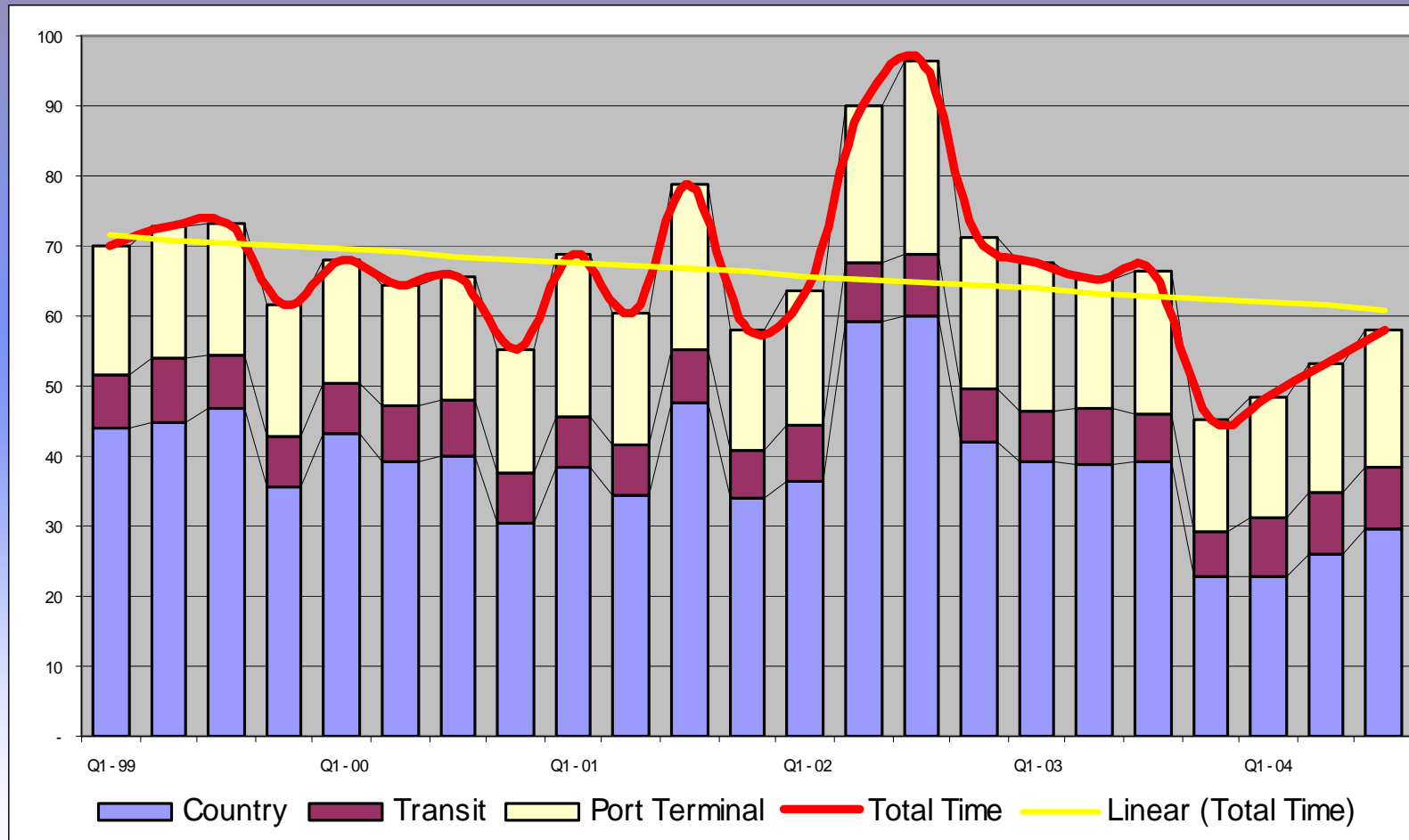
# System Performance (Q3 2004-05)

- ⇒ Supply Chain - Time in System: 58.1 Days  6.7%
  - Loaded Car Cycle (Transit Time): 8.8 Days  1.1%
  - Time In Store – Country: 29.6 Days  14%
  - Time in Store – Terminal: 19.7 Days  3.6%
- ⇒ Vessel Time in Port: 5.2 Days  30%
- ⇒ Elevator Turnover Ratio
  - Country: 4.3 (YTD)  49%
  - Terminal: 7.0 (03-04)  40%
- ⇒ Total Car Cycle: 17.9 Days  7%

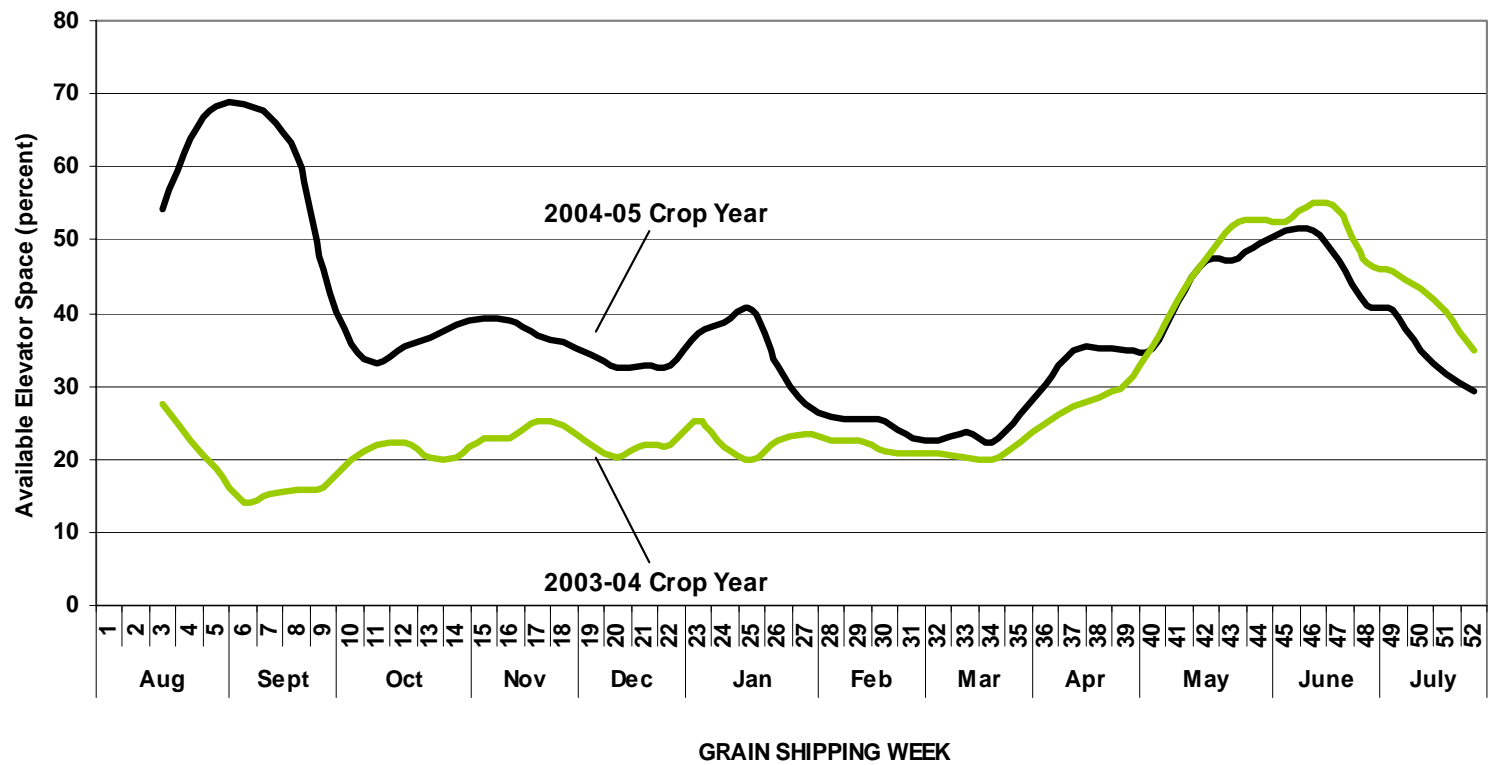


# *Current Industry Status*

# *Time in the Supply Chain*

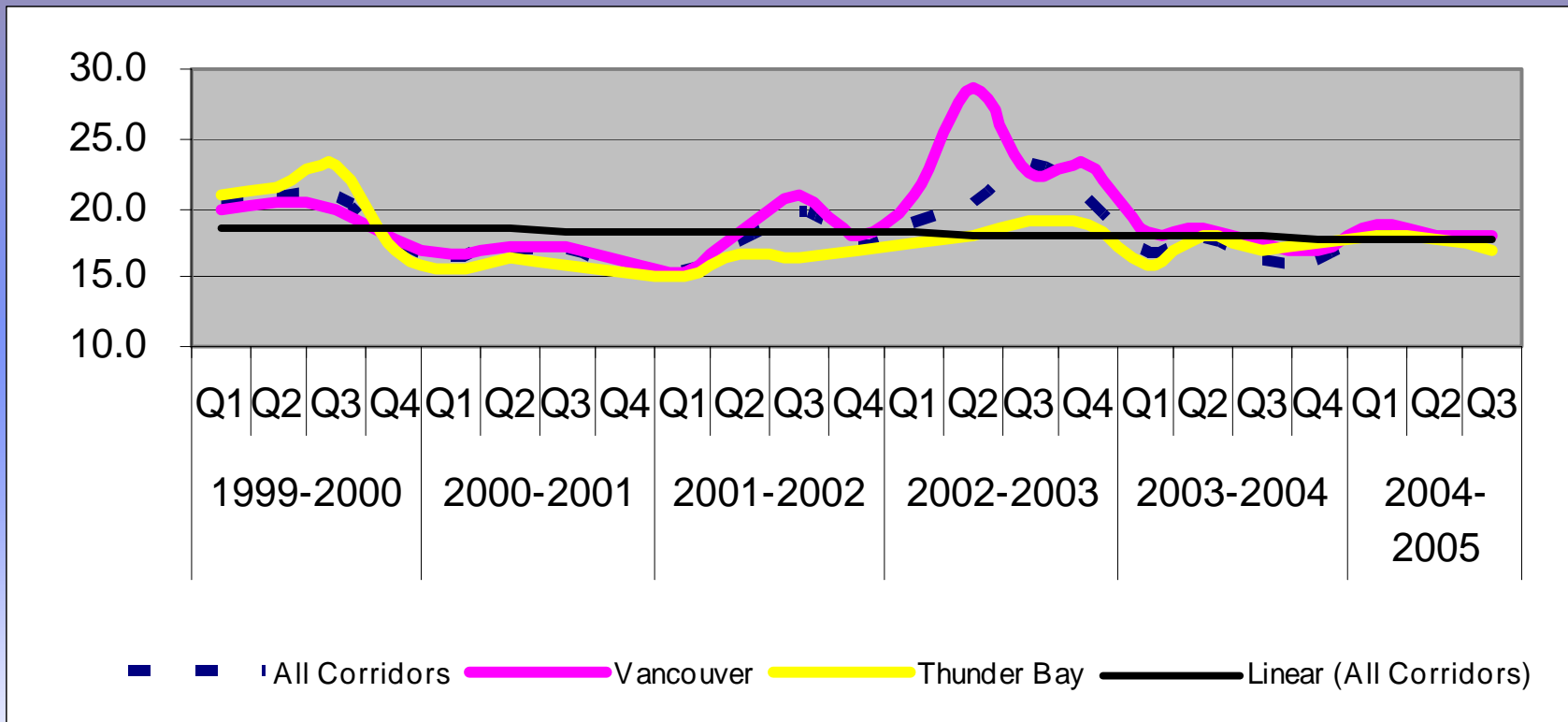


# Available Elevator Space

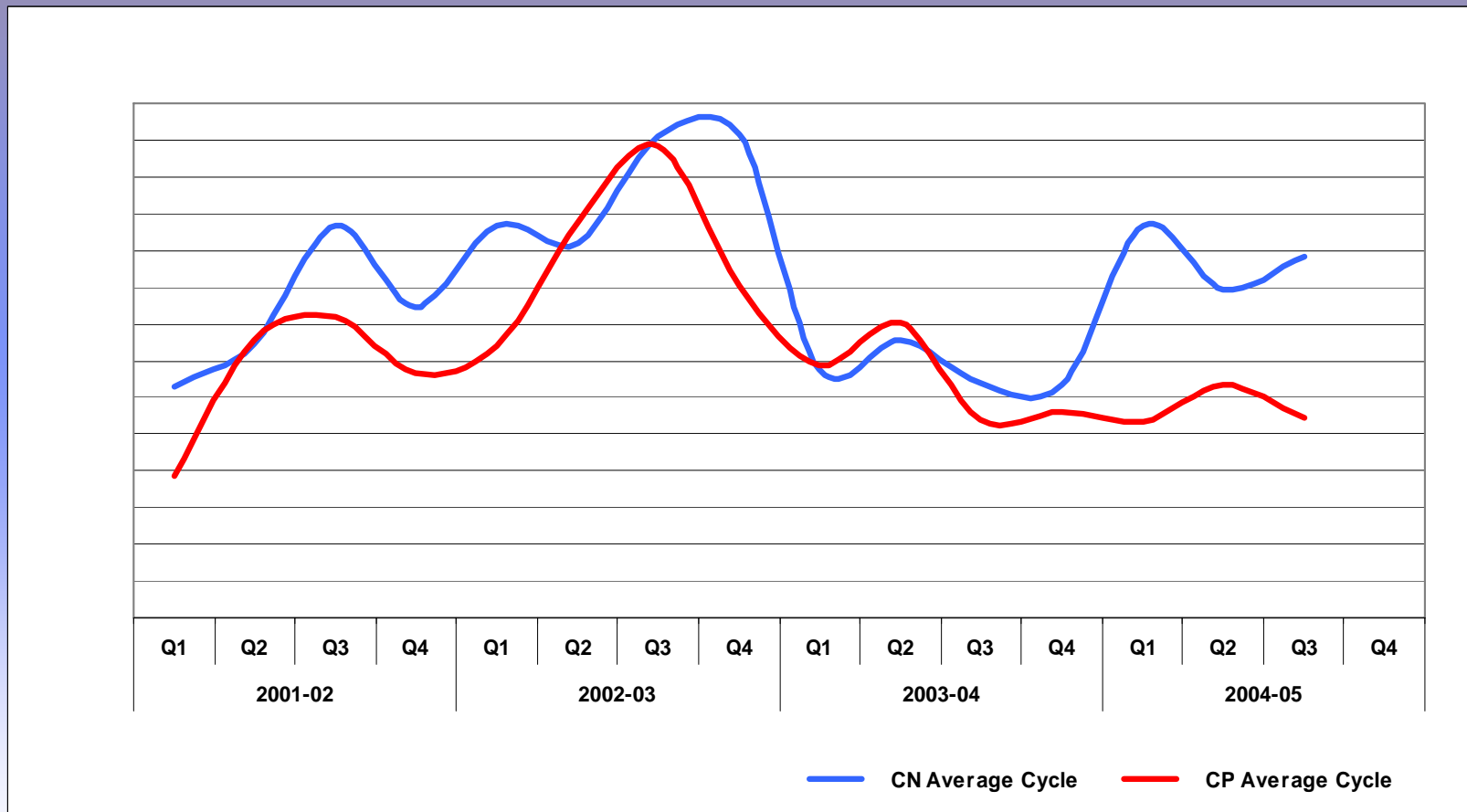




# Western Canada Car Cycles

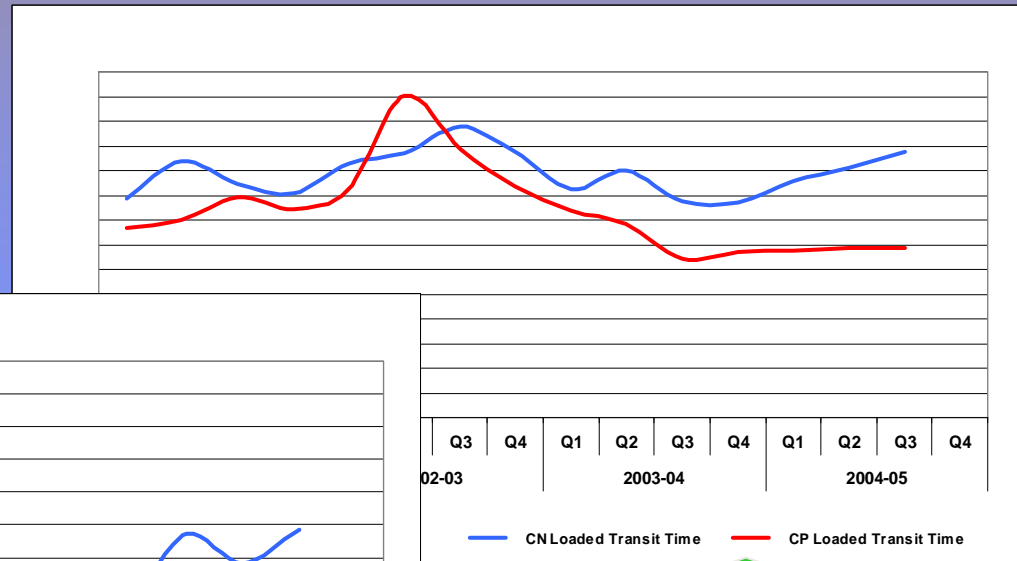
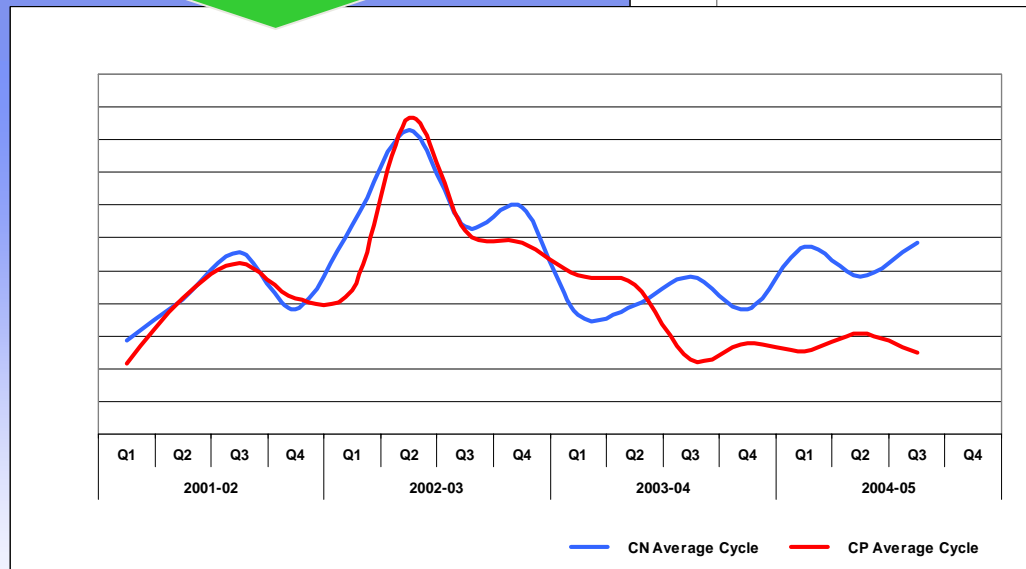


# Comparative Total Car Cycles

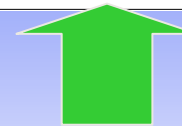


# Vancouver Comparative Cycles

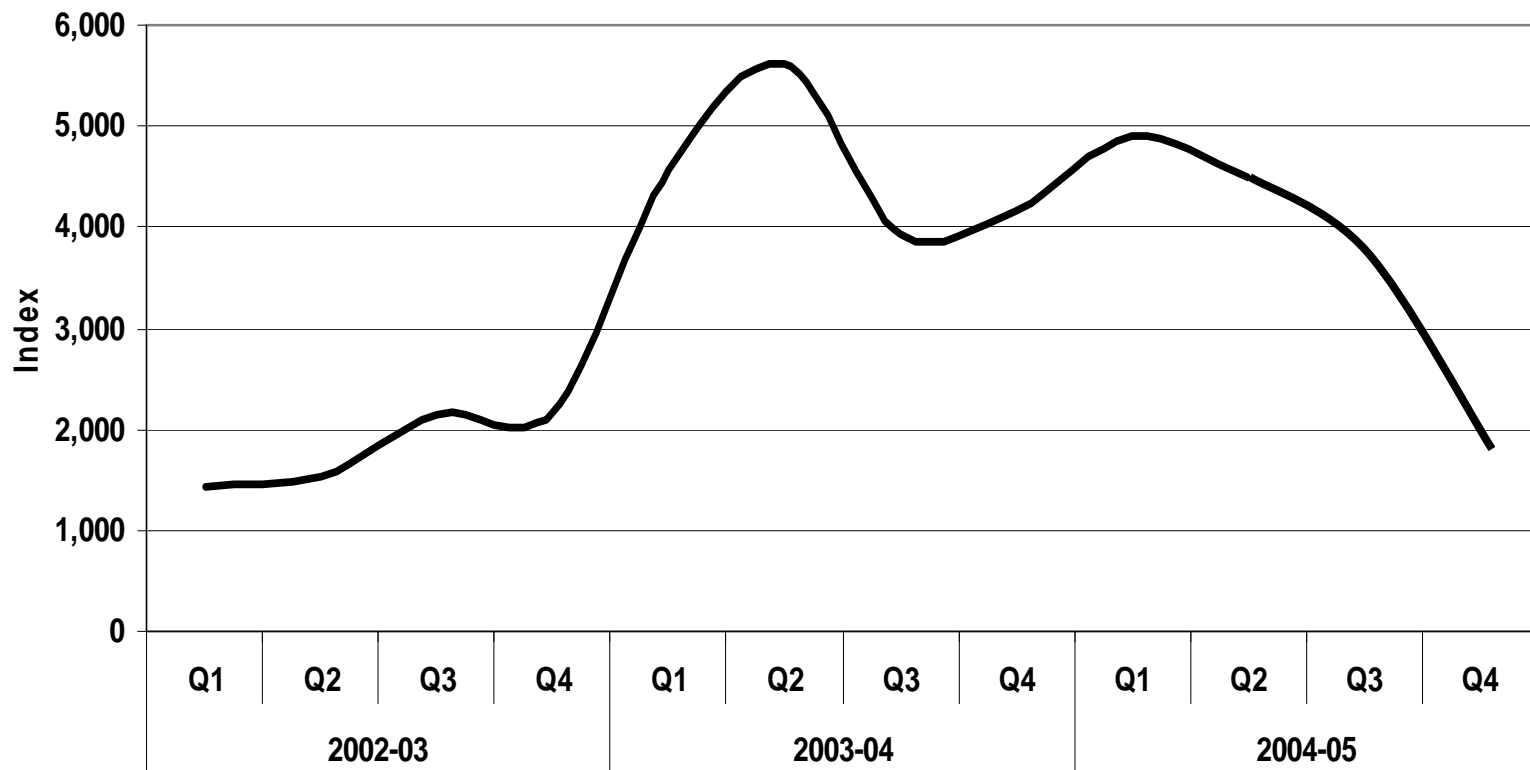
Total Vancouver Cycle



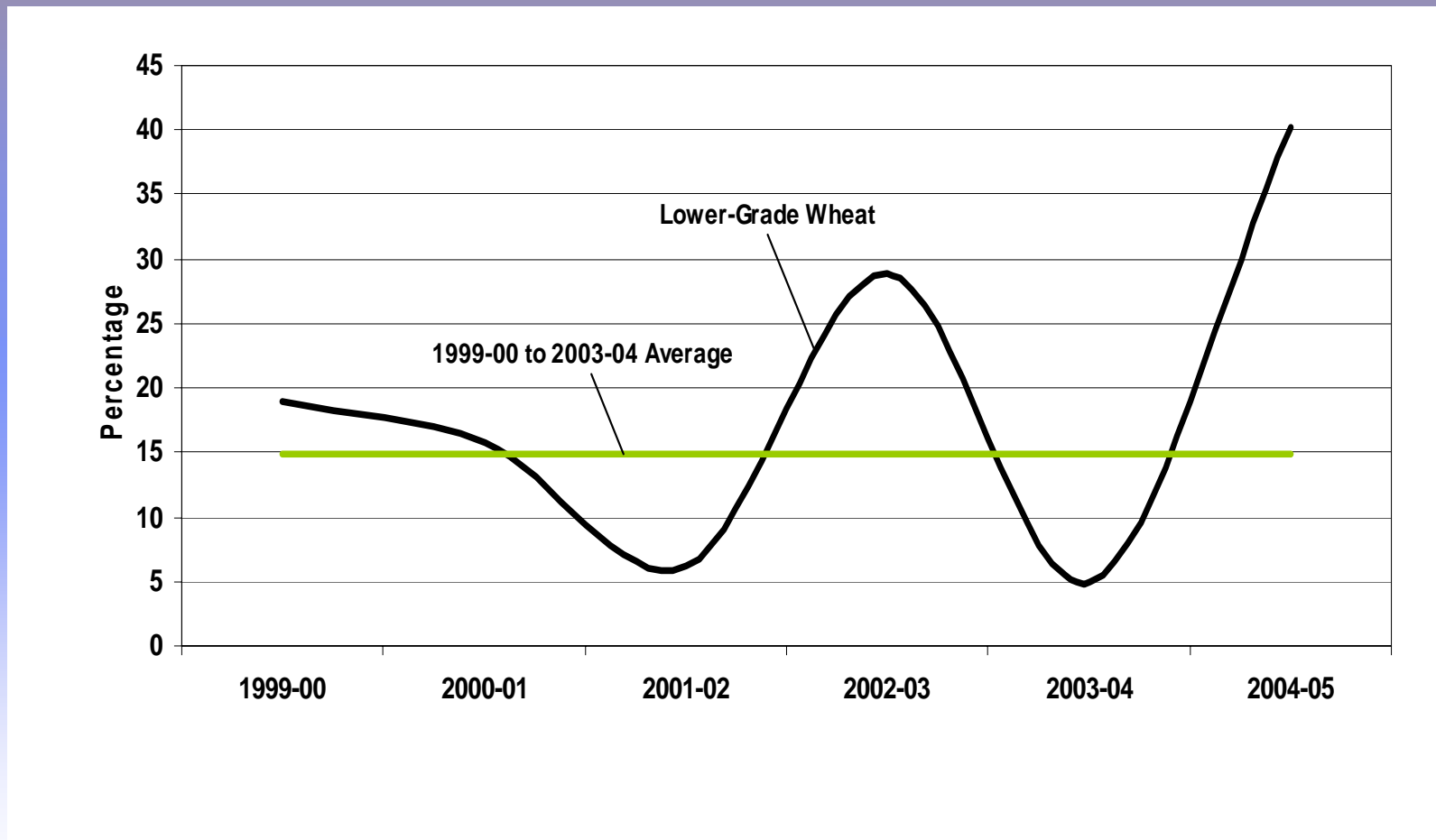
Loaded Vancouver Cycle



# *Baltic Dry Index of Ocean Rates*

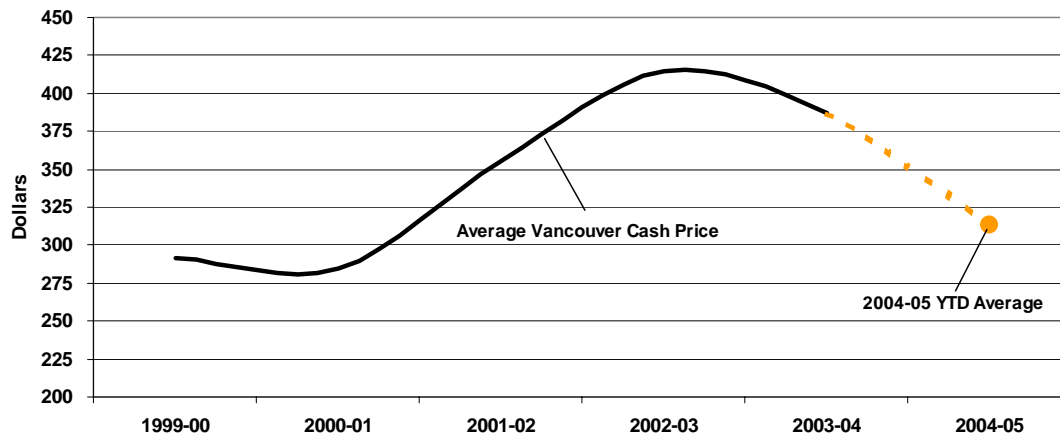
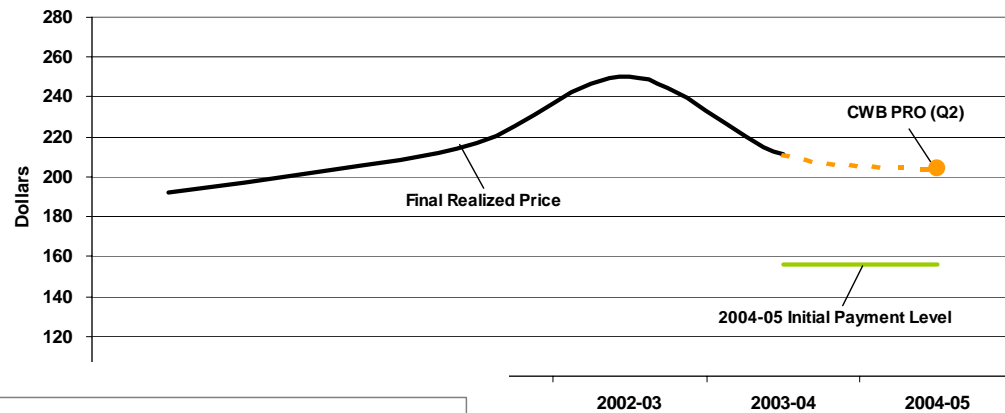


# *Impact of Quality on Movement*



# Commodity Price Changes

1CWRS

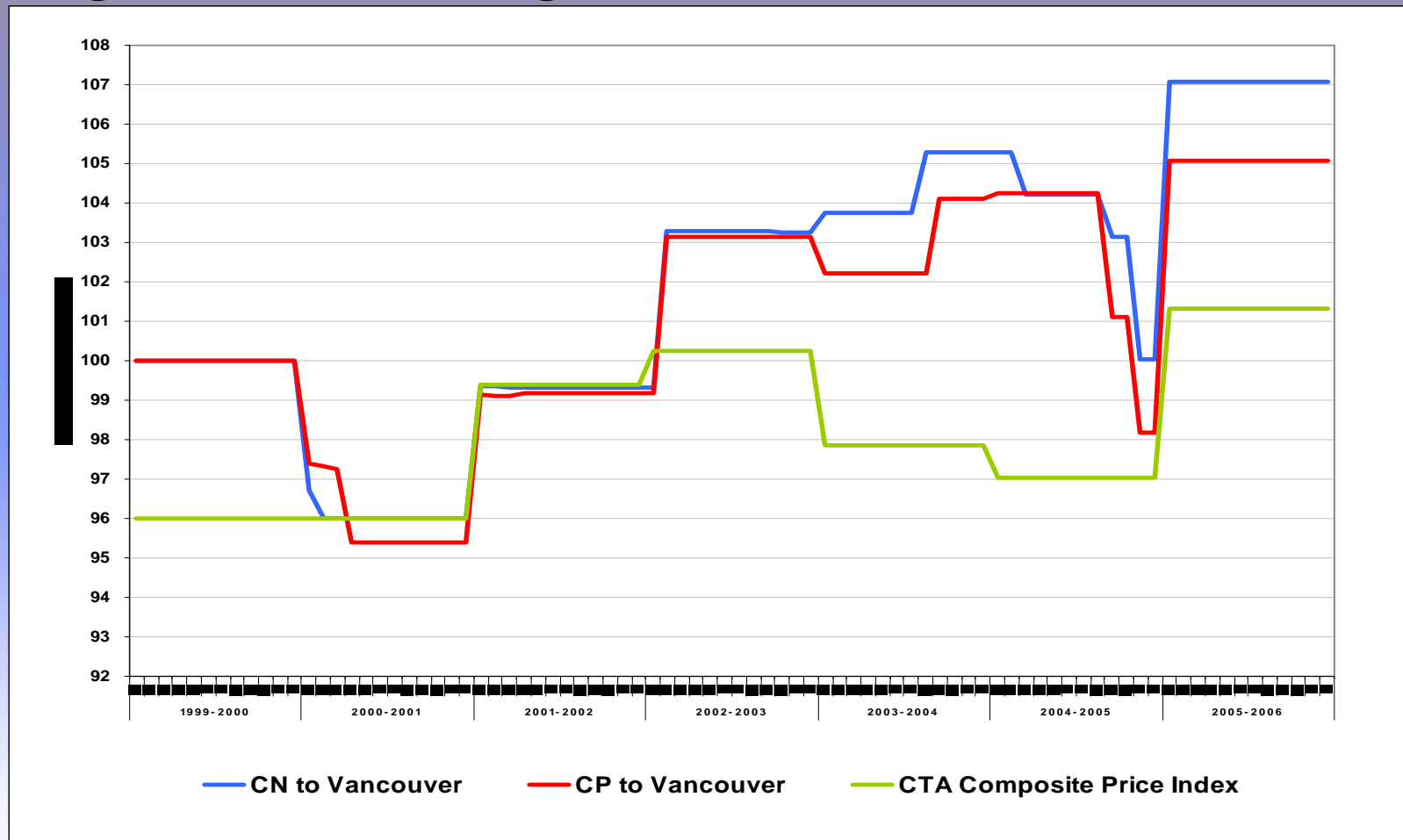


Canola

# *Impact to Producers*

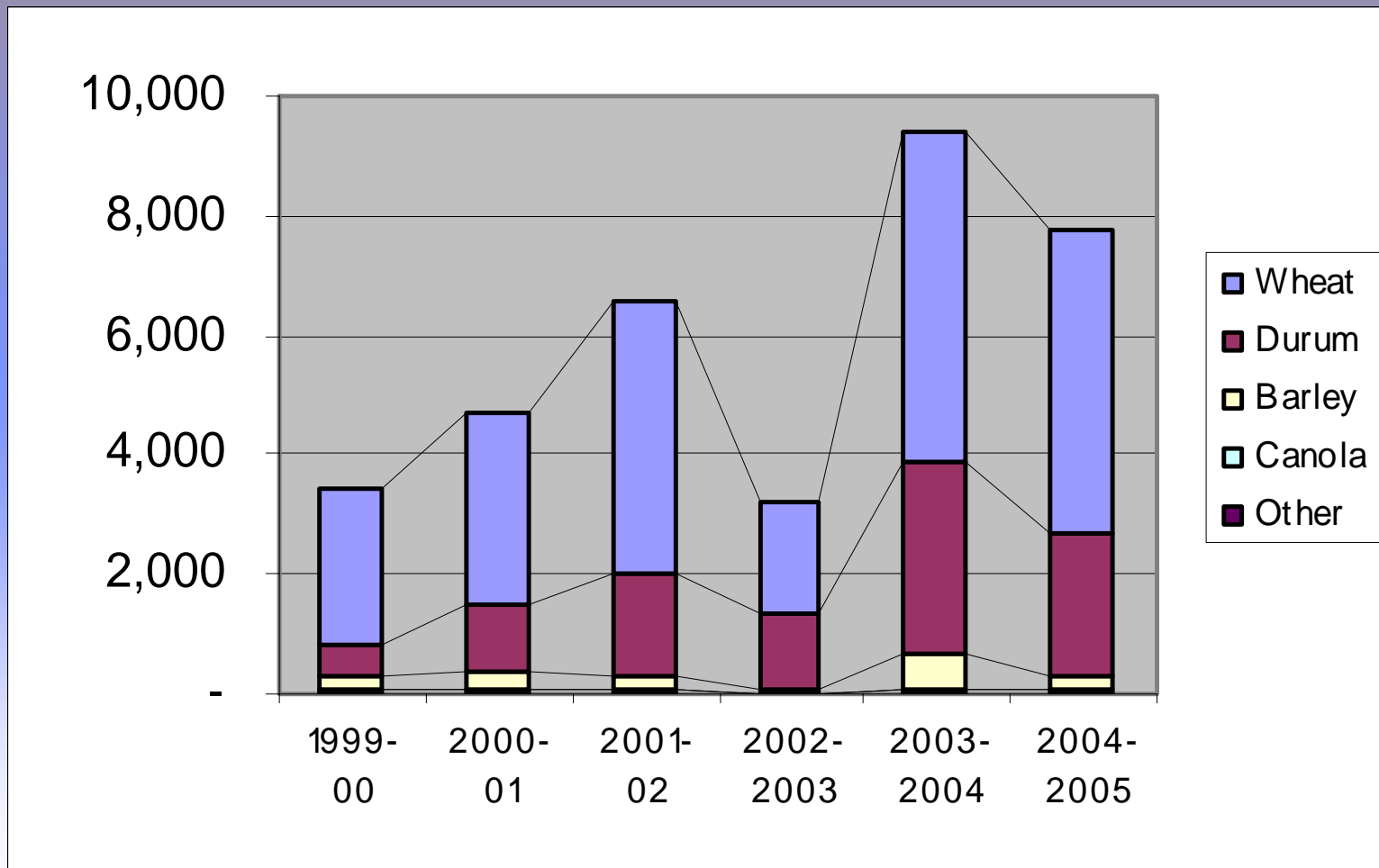
1 CWRS	1999-00	2002-03	2003-04	03-04 over 02-03	5 Yr Var	2004-05 Est	Approx. 2004-05
<b>FREIGHT COSTS</b>							
Weighted App. Freight	31.87	34.73	33.32	4.1%	4.5%	1.5%	33.82
Weighted CFAR	0.00	(0.61)	(0.71)	16.4%	100%	0% -	0.71
Trucking	5.94	5.94	5.94	0.0%	0.0%	13.6%	6.75
Elevation, Cleaning, W & I	13.69	15.53	15.92	2.5%	16.3%	0.9%	16.06
CWB Costs (gross)	5.40	7.72	7.79	0.9%	44.3%	-10.0%	7.01
Trucking Premiums	(2.32)	(3.96)	(4.25)	7.3%	83.2%	6.0% -	4.51
CWB Transportation Savings	0.00	(2.70)	(3.14)	16.3%	100%	-50% -	1.57
<b>TOTAL - EXPORT BASIS</b>	54.58	56.65	54.87	<b>-3.1%</b>	<b>0.5%</b>	3.6%	56.86

# Single Car Rates to Vancouver August 1999-August 2005

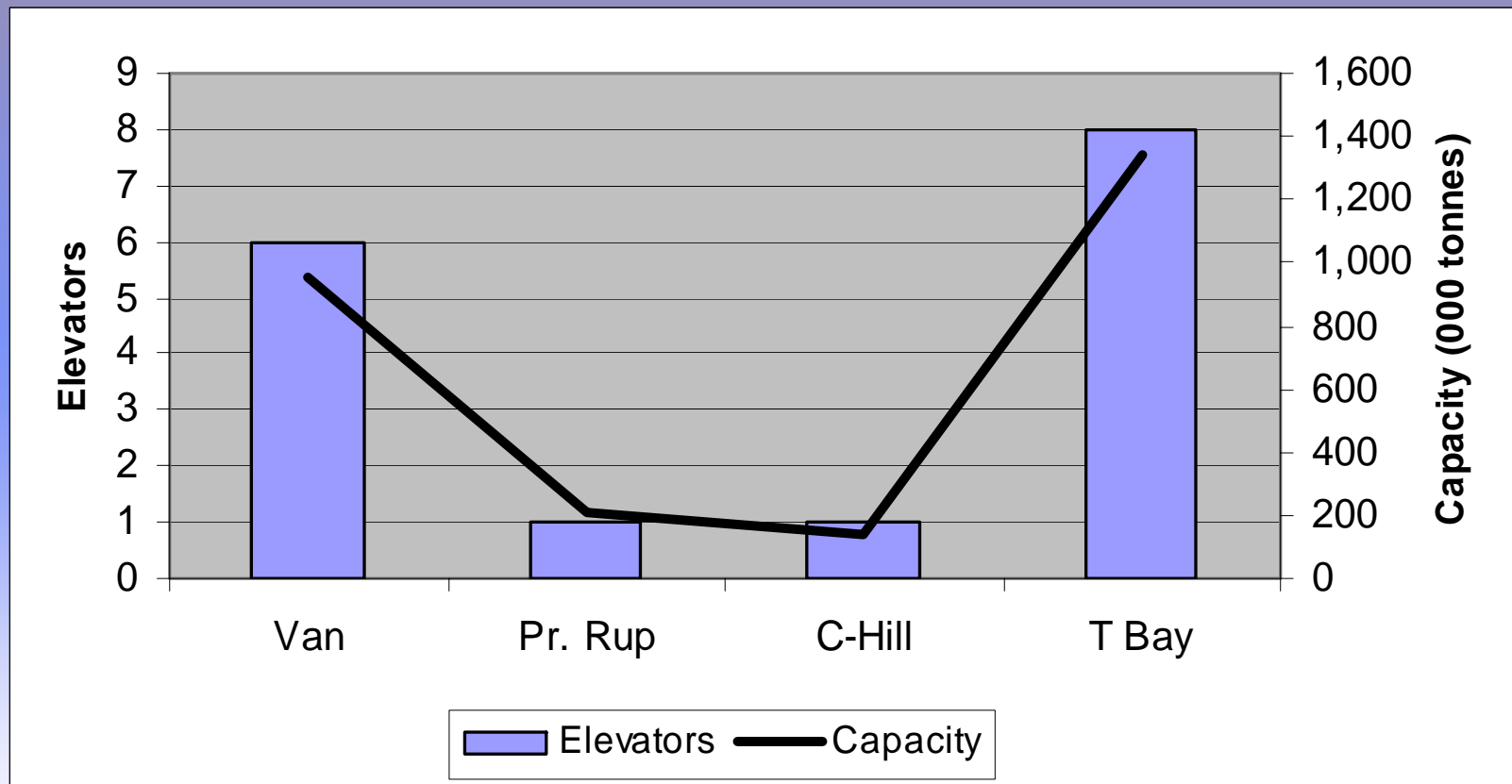




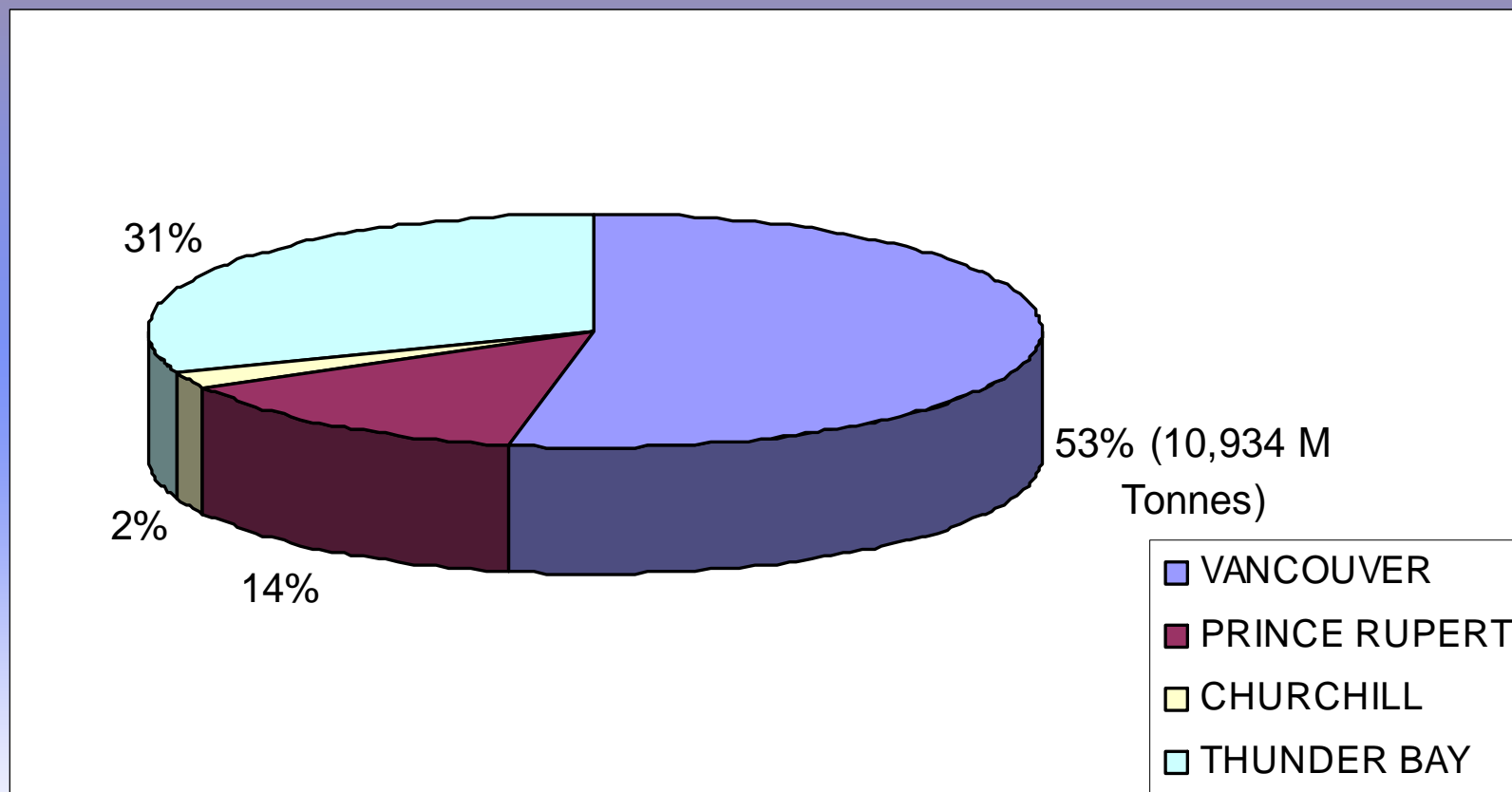
# Producer Car Volumes

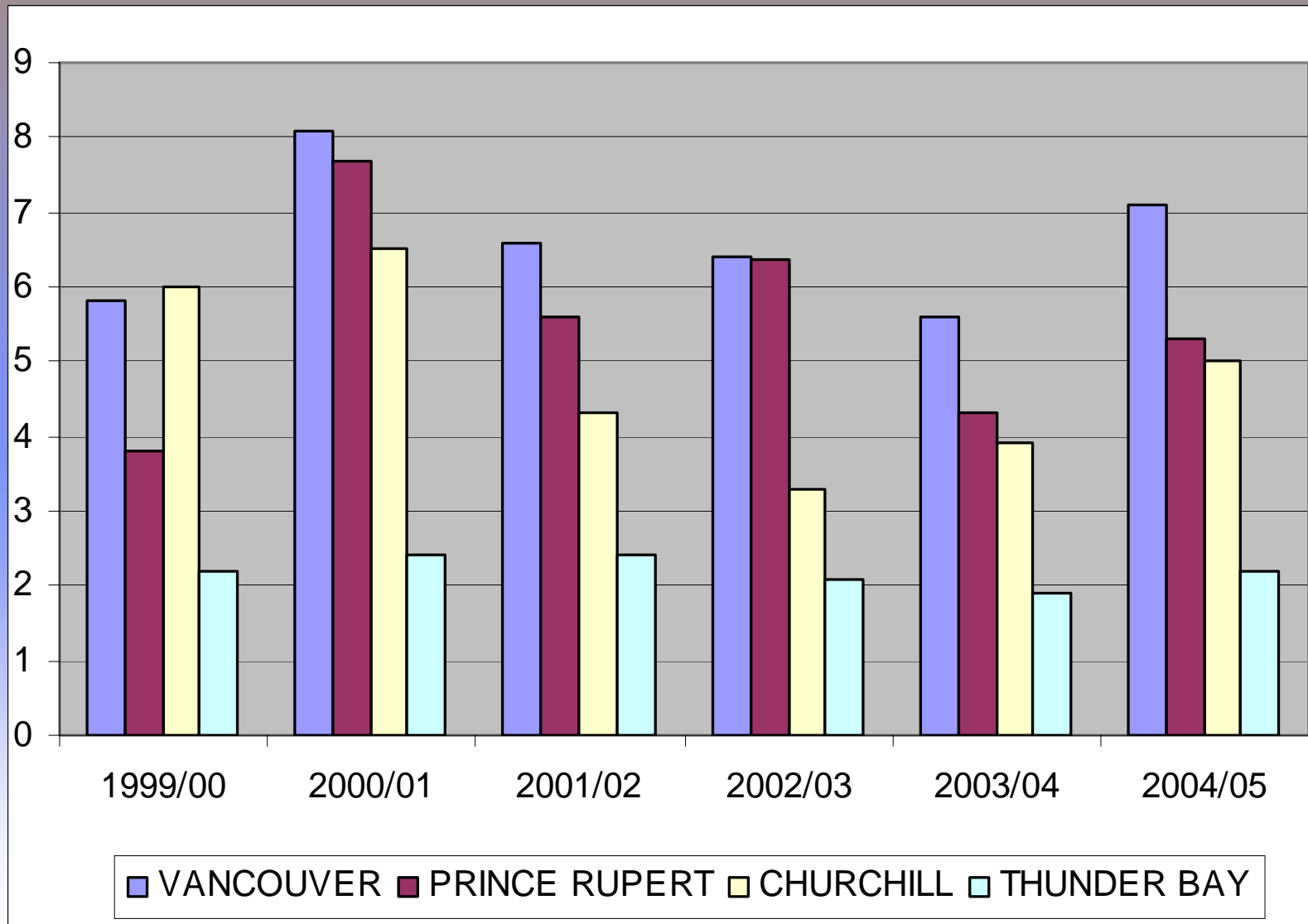


# *Western Canadian Grain Terminal Facilities*

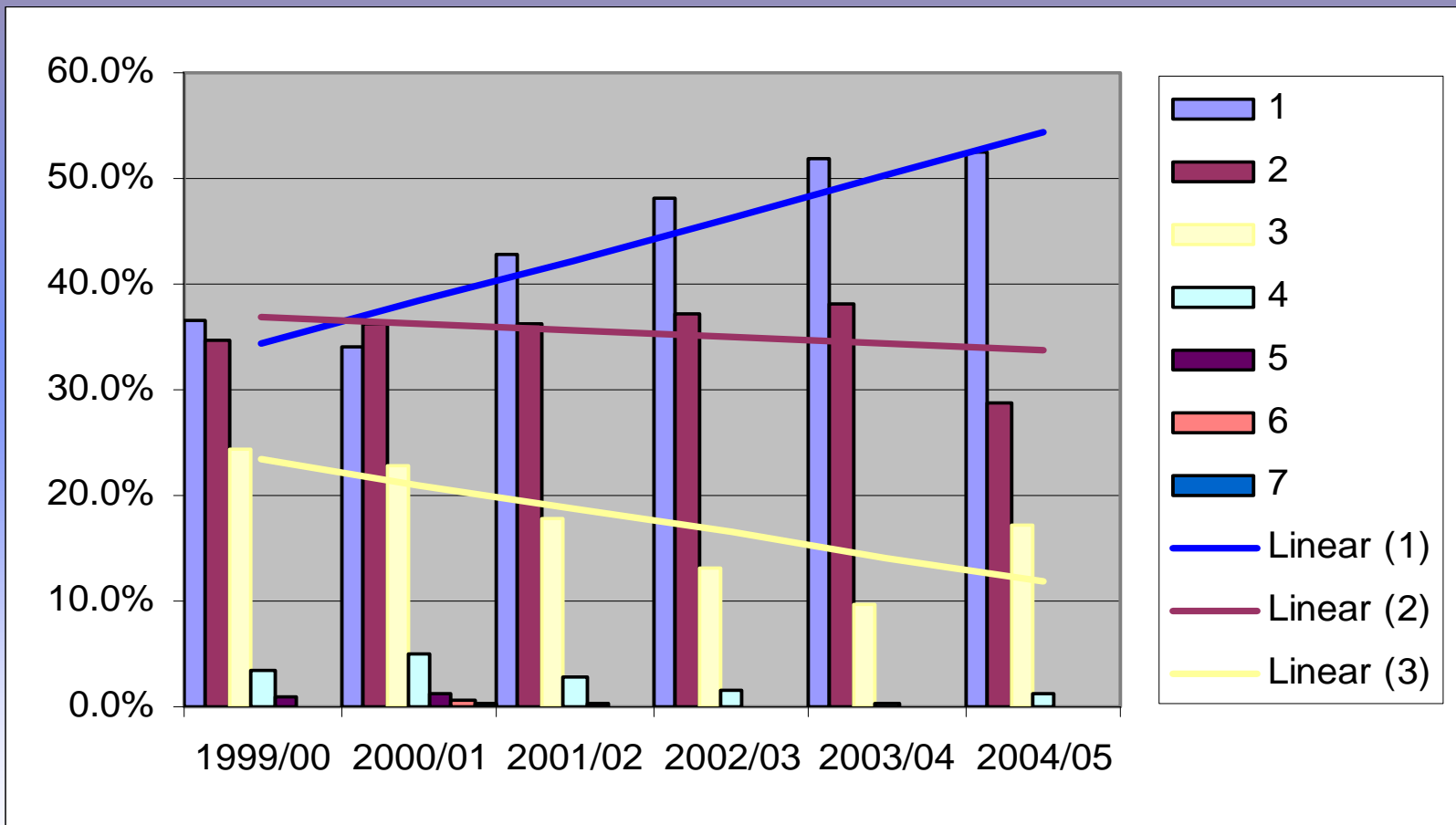


# *Port Grain Movements – 2003-04*





# *Dist. Of Berths per vessel - Vancouver*





**Producers**

**Government/  
Regulatory**

***Stakeholder Review***

**Grain  
Trade**

**Railways**

# *Producers Issues*

## ⇒ Revenue Cap

- It's become a target?
- Will it retain it's effectiveness "post FRCC review"?

## ⇒ Cost of Logistics to Producers

## ⇒ Government fleet discussion

- Some pro, some against – no two opinions are exactly the same



# *Grain Trade*

## ➔ Rail Service

- Consistent, reliable
- Delivery at port (operating practices)

## ➔ Looking for a “growth” environment

- Railways viewed as key constraint

## ➔ Railway Advance Products (smaller shippers)

## ➔ Capability (lack of) for capacity planning/ forecasting





# *Railways*

- ⇒ Maximizing revenue under the Cap
- ⇒ Reinvestment in capacity
- ⇒ Flattening peak demand
- ⇒ Managing with a constrained fleet

# *Others*

- ➔ Special Commodities
  - Rail Service (Bulk and Container)
  - Demand forecast
  - Data on Container movements
- ➔ CWB
  - Rail Service (Reliability)
  - Railway spotting accuracy vs. operating plan
  - Railway Advance Products
  - Capability to perform capacity planning and forecasting
  - Industry growth
- ➔ Provincial Governments
  - Data on Container Movements
- ➔ Ports
  - Data on Container Movements
  - Vessel Time in Port
  - Number of Berthings



# *Railway Service Issues*

## ➔ Common Themes

- Car Availability
- Spotting Performance
- Lift Performance
- Transit Times
- Car Condition (i.e. bad order)

## ➔ Impact

- Economic: Cost to operation
- Market: Loss of sales

# *Railway Pricing*

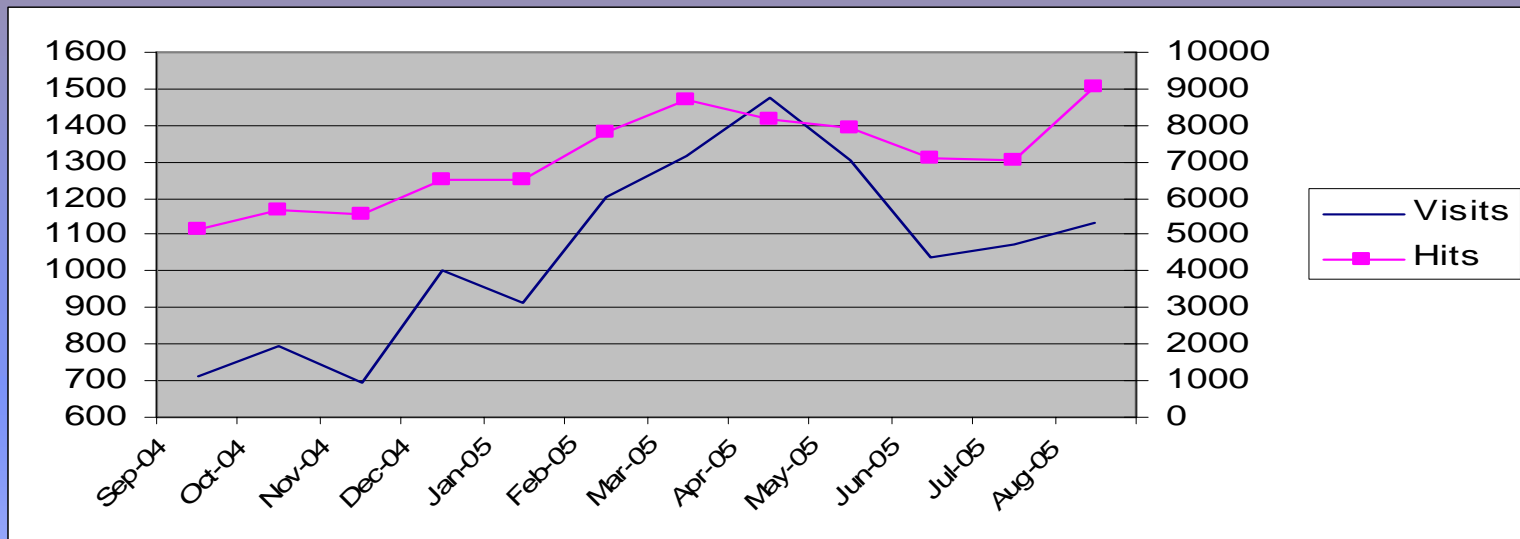
## ➔ Ancillary Charges

- Creation of new penalty fees (i.e. waybill admn. fee; border fees etc.)
- Application of significant increases (100% + +)
- Penalty on assets they do not own (Fed hopper fleet)
- No means of recourse or renegotiation –  
*Asynchronous Accountability*



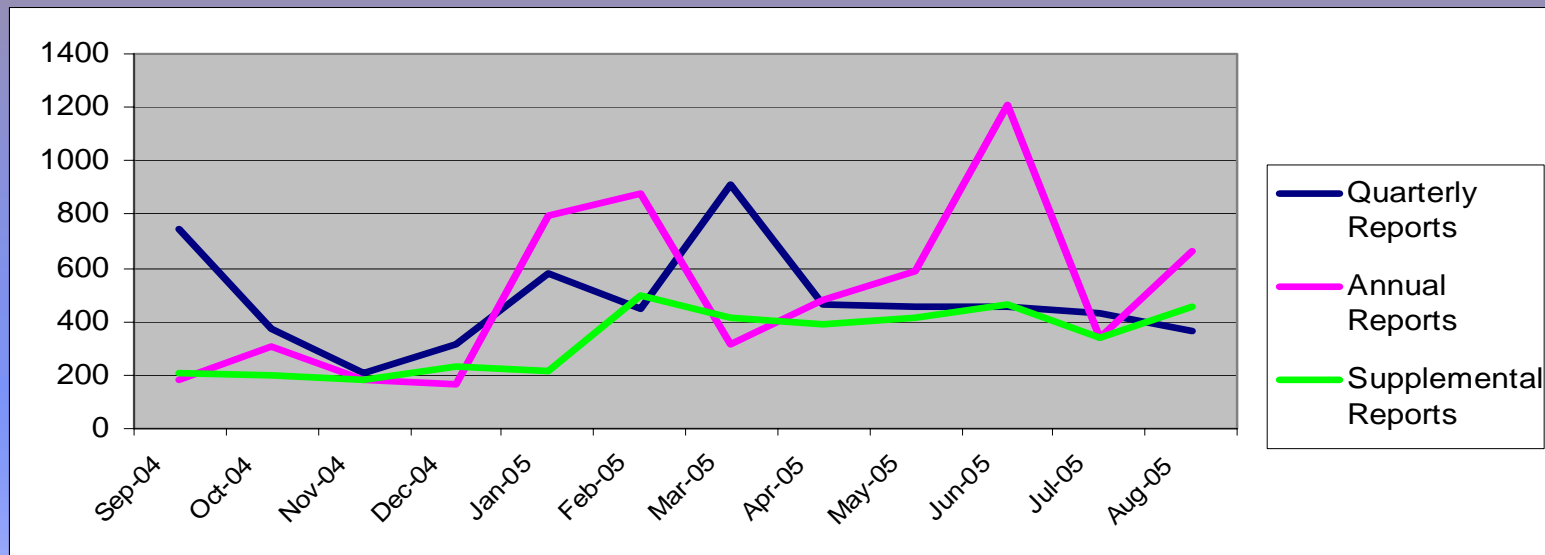
# *Website Usage & The Producer Netback Calculator*

# GMP - Website Statistics



➔ 130,000 hits with 7,871 individual visits in last 12 months

# GMP - Website Downloads



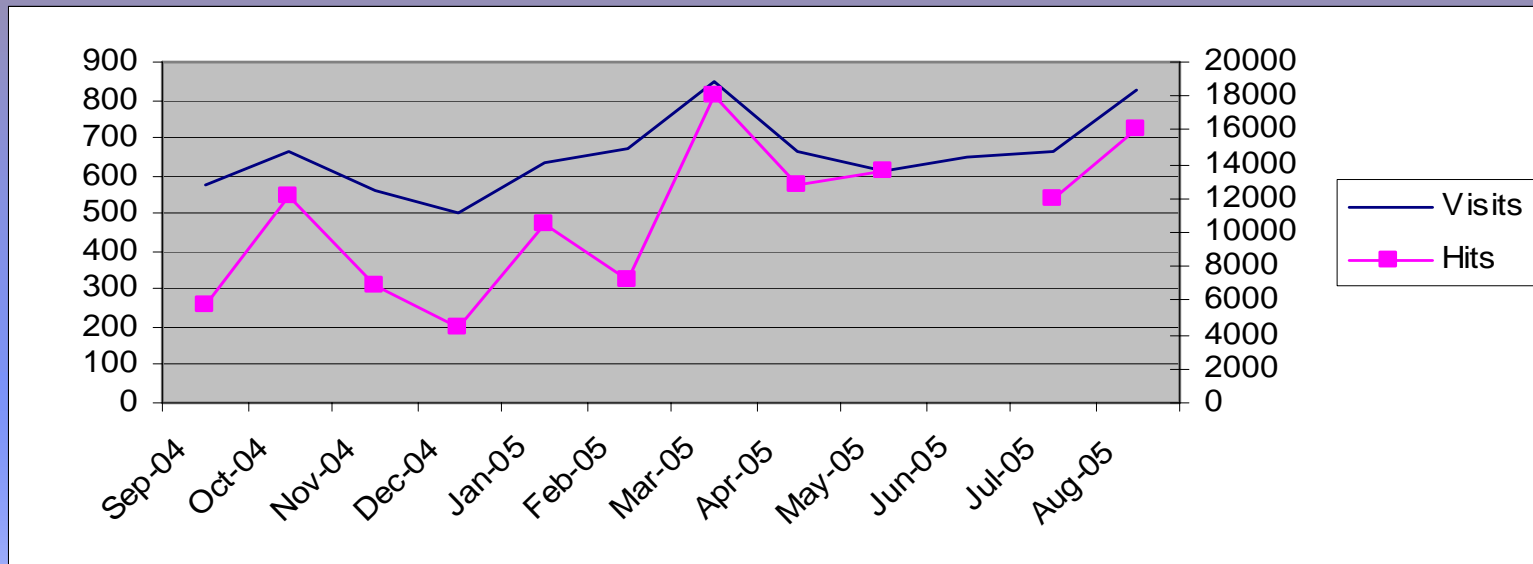
- Total 15,872 copies of the reports downloaded from website
- By far, the most effective vehicle of report distribution
  - Many stakeholders state their preference for reading pdf version on screen
- 1,362 versions were in French

## ***PNC – Current Status***

- ➔ Approx 600 Subscribers
- ➔ Over 3,300 calculations
- ➔ Average of 262 hits from 24 visitors/ day
  - Visits avg. length of 2' 10"
- ➔ Placed booth at NFU, ITAC, WGBA/ WCWGA conferences + WC Crop Prod Show.
- ➔ Add. Feed Barley to Comm. list



# *PNC - Website Access Statistics*



➔ 130,000 hits with 7,871 individual visits in last 12 months



***Thank You***