



GRAIN TRANSPORTATION REPORT

Agricultural Marketing Service
United States Department of Agriculture



APRIL 25, 2000

Snake River Dams, Priority For PNW Representatives. An informal meeting of Pacific Northwest (PNW) producers and transportation representatives, a.k.a "Agricultural Dambassadors," along with members of USDA's Transportation and Marketing Programs, was held recently to discuss the implications of breaching four dams along the region's Snake River. Efforts by the region's environmentalists; Native American tribes; sport fishing groups; Oregon's Governor, John Kitzhaber; and others to breach the Ice Harbor, Lower Monument, Little Goose, and Lower Granite Dams along the lower Snake River are being met with equal fervor by agricultural and transportation groups. All four dams, located in the southeastern corner of Washington State, provide the region's economy, particularly its agricultural producers, with a vital river transportation link between Lewiston, ID, and major ports along the Columbia River, as well as cost-effective and efficient access to major export markets. Those **in favor** of breaching argue that the dams are leading to the demise of several native stocks of salmon, such as chinook and sockeye, as well as steelhead (ocean-going rainbow trout). The life cycle for Pacific salmon involves hatching in fresh water, migrating to the ocean where they spend their adult lives, from 6 months to 7 years, and then returning to their freshwater origin where they lay their eggs and end their life cycle. Some salmon spend 1-2 years in fresh water before migrating to the ocean. It is a substantial decrease in this migration that has conservationists and other groups most concerned. In a recent report, *The Oregonian* indicated a drop in returning salmon to about 1 million per year from what was once roughly 16 million. Besides the potential benefits to migrating salmon, dam breaching would benefit rail and trucking firms (as alternatives to barge transport), construction and engineering companies (to remove dams and undertake the ongoing task of improving railroads and highways to accommodate the additional rail and truck traffic), new power companies (to replace the hydropower delivered by the PNW's Bonneville Power Administration), recreational outfitters (anticipating an increase in tourism), and commercial fishermen. It is important to note that breaching the dams would not guarantee an increase in the number of migrating salmon. Oregon Governor, John Kitzhaber, having voiced support for dam breaching, also admitted that this alone "will certainly help some runs of salmon," but that it "will not necessarily restore them..." Newly elected Representative Tom Udall (D-NM), known for a strong environmental position, echoed this notion but added that removing the dams "is the first step to effectively restoring the salmon in the lower Snake River." **In opposition**, agricultural producers, barge and port operators, and others see the threat of dam breaching as a threat to their livelihood, detrimental to an already struggling agricultural sector, and damaging to the regional economy as a whole. In addition to recreation and tourism, the dams generate clean and renewable hydropower, create a source of irrigation, and provide flood and erosion control. Removing the dams would be an "unmitigated disaster and economic nightmare," according to Senator Slade Gorton (R-WA). Barge transportation has long been reputed as the most effective, most cost-efficient, and lowest polluting mode of transporting bulk commodities, from agricultural to petroleum products. Reports indicate that dam breaching would remove roughly 3.8 million tons of grain from the Snake River annually, raising transportation rates from \$.98 to \$1.23 per bushel while diverting roughly 1.1 million tons to rail and 2.7 million tons to truck transportation. Barge transportation has reportedly saved shippers an average of \$5.95 per ton compared to other transportation alternatives. Not only would this reduce competition for hauling commodities, the increased traffic would also increase pollution as well as costs of road and highway damage. According to the Washington State Legislature Transportation Committee, this estimated damage would cost the State approximately \$56-\$100.7 million annually. Although Oregon would admittedly suffer a lower level of road damage, costs to the barge and agriculture industry would remain significant. The issue of breaching also comes at a time when the region stands to realize economic gains from the potential of increased normalization of trade with China, as well as trade with other growing Asian markets. These markets are in close proximity to, and easily serviced by, the region's agriculture, including 13 western states that move grain through PNW ports. Those opposed to dam breaching also note the growing agricultural strength of Argentina and Brazil, both strong world market competitors of the United States, which are making substantial improvements in river transportation, thereby strengthening their competitive stance. Other regional political leaders, such as Idaho Governor, Dirk Kempthorne; Washington Governor, Gary Locke; and Montana Governor, Marc Racicot, have voiced opposition to dam breaching until a more compelling case is made for dam removal. Texas Governor, George W. Bush, has emphasized that, "breaching dams would be a big mistake; the economy and the jobs of much of the Northwest depend on the dams that generate this power." For its part, the Army Corps of Engineers continues its program of barging young salmon through dams and down river. While dam breaching remains the most radical course, alternatives, according to the PNW group, include: keeping existing conditions while adding and improving dam and fish facilities; the first alternative plus maximizing the barging of juvenile salmon; or both of these alternatives plus major system improvements designed to increase the safe passage of salmon. (*The Oregonian* 7/25/99, 2/4, 2/19, U.S. Army Corps of Engineers, Oregon Department of Transportation Study 3/2000, www.capitalpress.com 3/3, www.tu.org, www.goodfruit.com, species.fws.gov/bio_salm.html, www.wildsalmon.org)

Correction: The April 18, 2000 Grain Transportation Report incorrectly reported that the American Farm Bureau Federation (AFBF) "does not support the moratorium" placed on railroad mergers by the Surface Transportation Board (STB). It should be noted that the AFBF has, to date, adopted no position on this issue.

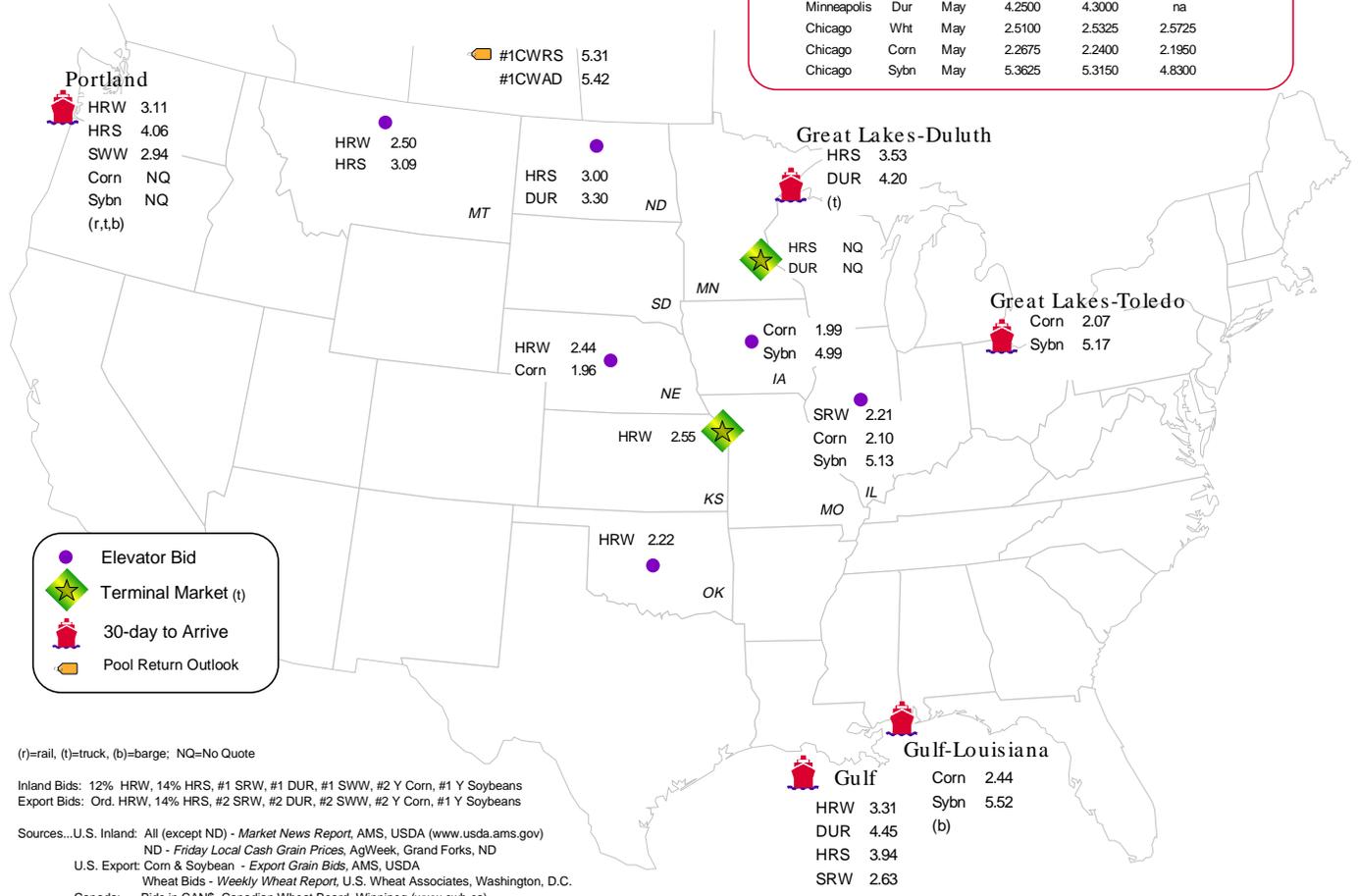
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Grain Bid Summary

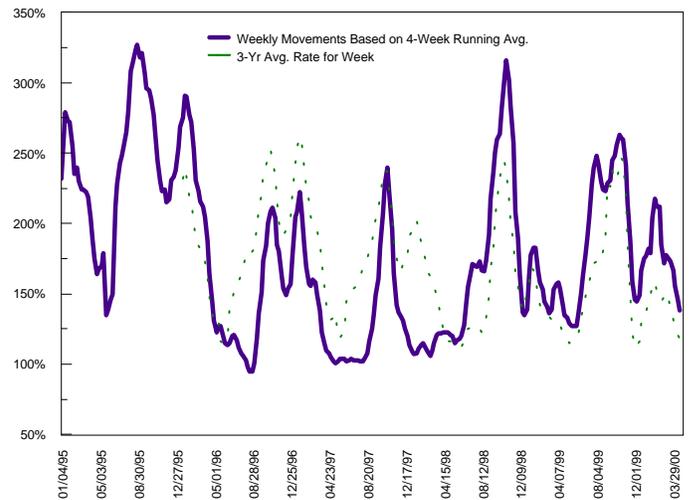


Futures:			04/21/00	Week Ago 04/14/00	Year Ago 04/22/99
Kansas City	Wht	May	2.7950	2.7875	2.8300
Minneapolis	Wht	May	3.1950	3.1900	3.3000
Minneapolis	Dur	May	4.2500	4.3000	na
Chicago	Wht	May	2.5100	2.5325	2.5725
Chicago	Corn	May	2.2675	2.2400	2.1950
Chicago	Sybn	May	5.3625	5.3150	4.8300

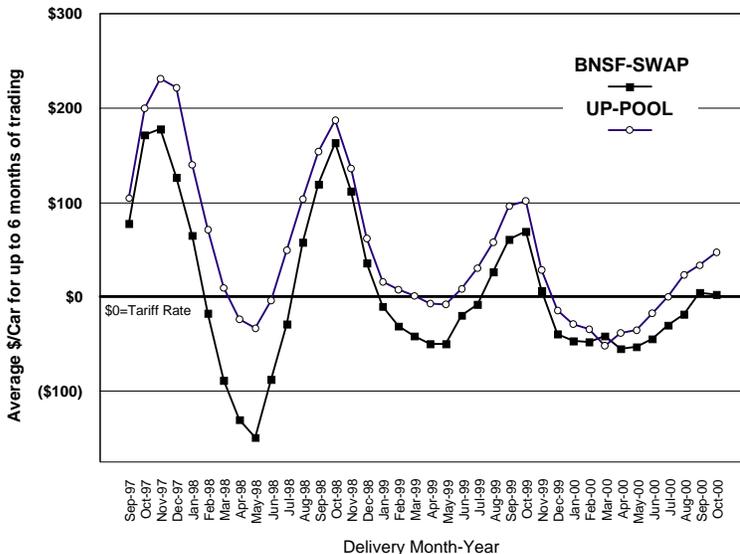


Spot Barge Rate - Illinois River

Index - Percent of Tariff Rate



Secondary Rail Market Bids



Delivery Month-Year

Rail Car 'Auction' Offerings				
Delivery for:	May-00		Jul-00	
	<u>Offered</u>	<u>% Sold</u>	<u>Offered</u>	<u>% Sold</u>
BNSF-COT	12,000	17%	12,000	55%
UP-GCAS	5,400	1%	n.a.	

Source: Transportation & Marketing /AMS/USDA; www.bnsf.com; www.uprr.com

Secondary Rail Car Market

Average Premium/Discount to Tariff, \$/Car - Last Week

	Delivery Period			
	May-00	Jun-00	Jul-00	Aug-00
BNSF-GF	\$(48)	\$(48)	\$(40)	\$(2)
UP-Pool	\$(18)	\$(20)	\$(13)	\$11

Source: T&M/AMS/USDA. Data from Atwood/ConAgra., Harvest States Co-op, James B. Joiner Co., Tradewest Brokerage Co.;

GF=Guaranteed Freight, GEEP=Guaranteed Eqpt. Exchange, Pool=Guaranteed Pool

note... bids listed are market INDICATORS only & are NOT guaranteed prices, missing value=No Bid Quoted

Railroad Car 'Auction' Results

Average Premium/Discount to Tariff, \$/Car - Last Auction

Delivery for:	Jun-00	Jul-00	Aug-00
COT/N. Grain	no bid	no bid	no bid
COT/S. Grain	no bid	no bid	no bid
GCAS/Region 2	no bid	no offer	no offer
GCAS/Region 4	no bid	no offer	no offer

Source: T&M/AMS/USDA. Data from www.bnsf.com, www.uprr.com, (COT=Certificate of Transportation; GCAS=Grain Car Allocation System)

Southbound Barge Freight Nominal Values

Index=Percent of Tariff, Based on 1976 Tariff Benchmark Rate

Week ended*	River/Region	Contract Period	Rate
Summary Of Daily Barge Trades Reported To St. Louis Merchants Exchange.			

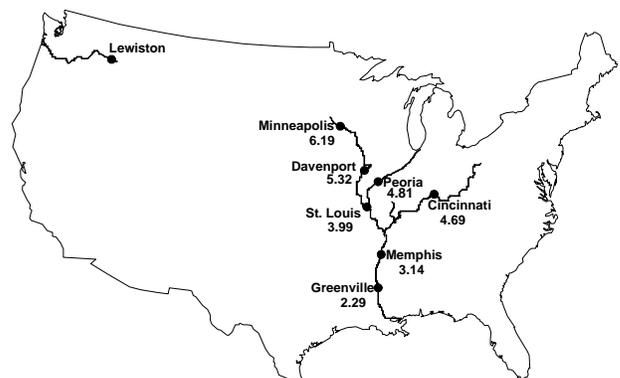
(* we regret that this data is currently unavailable

Southbound Barge Freight Spot Rates

	4/19/00	4/12/00	May '00	July '00
Twin Cities	181	186	185	208
Mid-Mississippi	145	154	152	172
Illinois River	134	134	142	163
St. Louis	116	116	123	138
Lower Ohio	123	121	126	142
Cairo-Memphis	106	111	116	135

Source: Transportation & Marketing /AMS/USDA
nq=no quote

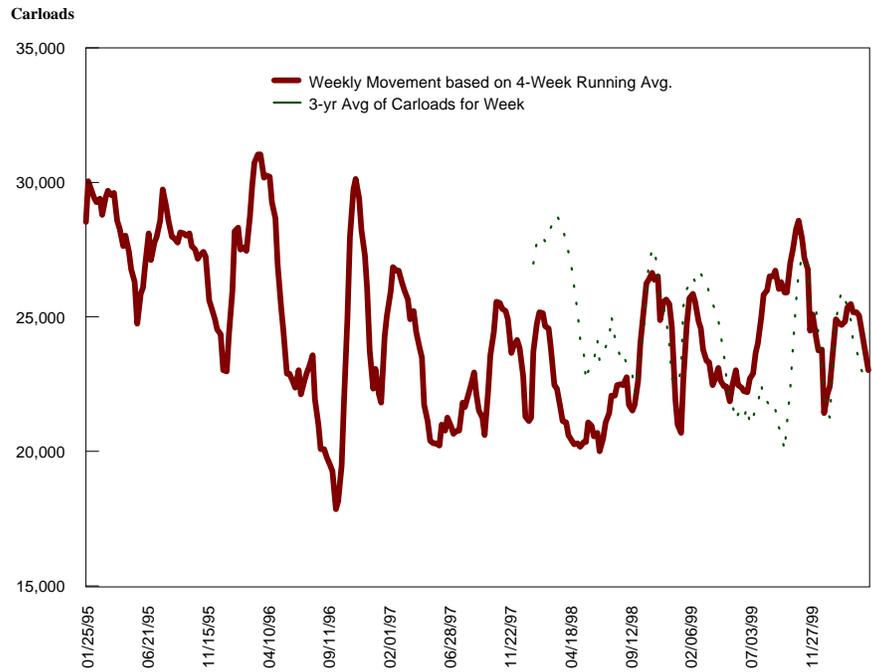
**Barge Benchmark Tariff Rates
Est. 1976 - 'Tariff No. 7'**



Grain Car Loadings for Class I Railroads

Class I Railroad Grain Car Loadings	
Week Ending:	Carloads
4/1/00	23,129
4/8/00	22,683
4/15/00	22,140
Year to Date - 2000	369,224
Year to Date - 1999	361,067
Total 1999	1,269,741

**1998 - 52 weeks
* 1997 - 53 weeks



Class I Rail Carrier Grain Car Bulletin

Carloads

			East		West			Canada	
	Conrail	CSXT	IC	NS	BNSF	KCS	UP	CN	CP
04/15/00	0	2,767	1,415	3,201	7,078	432	7,247	2,915	4,812
This Week Last Year	720	2,655	1,697	2,440	8,592	937	7,267	2,349	3,390
2000 YTD	0	43,466	27,826	44,457	126,927	9,362	117,186	43,670	67,699
1999 YTD	11,872	38,723	21,491	38,301	124,351	11,078	115,251	29,457	45,264
1999 Total	15,522	132,157	88,056	138,379	465,088	33,911	398,262	121,381	206,328
1998 Total	40,192	126,128	77,811	131,158	431,459	34,503	342,609	113,568	215,005

Source: Association of American Railroads

**1998 - 52 weeks
* 1997 - 53 weeks

Tariff Rail Rates for Unit Train Shipments

April 2000

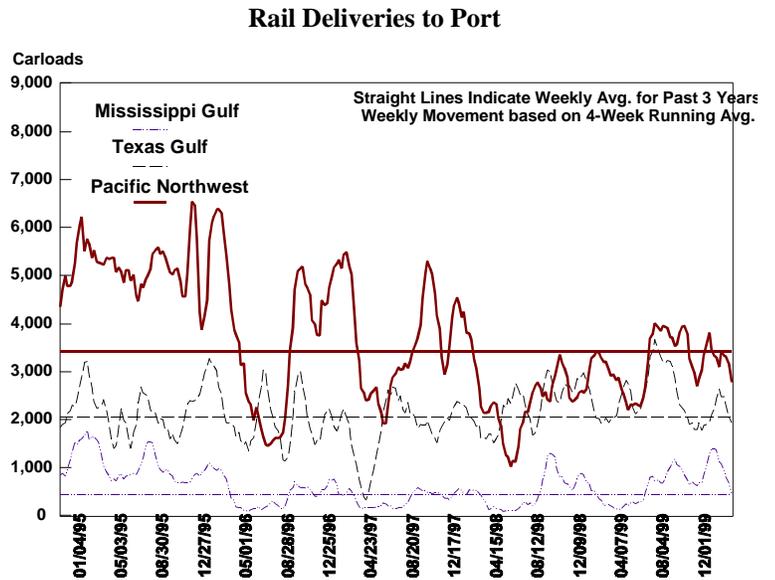
Date Effective	Tariff Item	Commodity	Origin	Destination	Rate Per Car	Rate Per MT	Rate/Per Bushel*
04/10/00	45560	Wheat	Minneapolis, MN	Houston, TX	\$2,050	\$22.60	\$0.62
04/10/00	43521	Wheat	Minneapolis, MN	Portland, OR	\$3,877	\$42.74	\$1.16
04/10/00	46540	Wheat	Kansas City, MO	Houston, TX	\$1,550	\$17.09	\$0.47
04/10/00	43586	Wheat	Kansas City, MO	Portland, OR	\$4,133	\$45.56	\$1.24
04/10/00	43581	Wheat	Omaha, NE	Portland, OR	\$3,805	\$41.94	\$1.14
04/10/00	31040	Corn	Minneapolis, MN	Portland, OR	\$3,000	\$33.07	\$0.84
04/10/00	31035	Corn	Kansas City, MO	Portland, OR	\$2,600	\$28.66	\$0.73
04/10/00	31040	Corn	Omaha, NE	Portland, OR	\$2,615	\$28.82	\$0.73
04/10/00	61180	Soybean	Minneapolis, MN	Portland, OR	\$2,880	\$31.75	\$0.86
04/10/00	61180	Soybean	Omaha, NE	Portland, OR	\$2,480	\$27.34	\$0.74
05/01/98	61180	Soybean	Omaha, NE	Portland, OR	\$2,780	\$25.23	\$0.83

Source: www.bnsf.com

Approximate load per car = 100 tons: Corn 56 lbs/bu, Wheat & Soybeans 60 lbs/bu

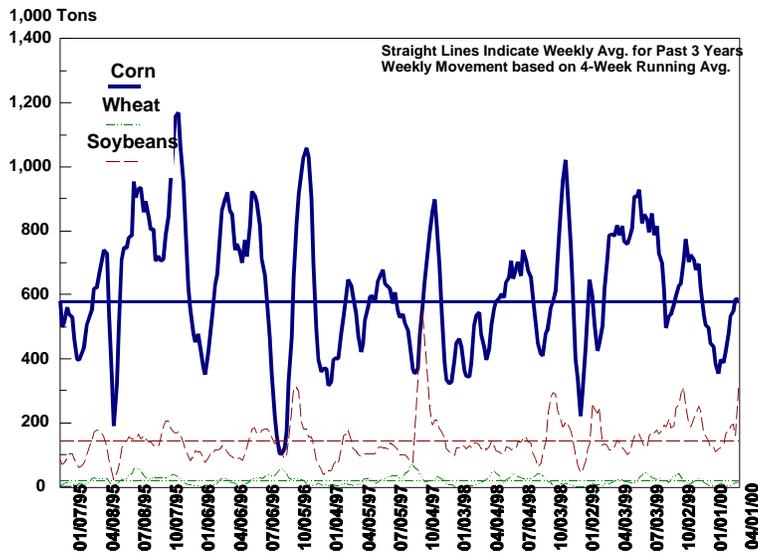
Rail Deliveries to Port				
Carloads				
	Mississippi Gulf	Texas Gulf	Pacific Northwest	Atlantic & East Gulf
Week Ending:				
03/08/00	853	3,042	3,118	770
03/15/00	1,111	1,993	4,202	206
03/22/00	640	2,358	2,923	396
03/29/00	629	1,804	2,998	110
04/05/00	355	2,076	2,601	237
04/12/00	214	1,509*	2,592	191
YTD 2000	14,038	31,831	48,217	6,083
YTD 1999	8,402	36,783	43,747	5,876
Total 1998	23,844	115,321	138,461	12,505
Total 1997	20,152	93,265	195,953	9,147

Source: Transportation & Marketing/AMS/USDA



* Incomplete Data

Barge Movements - Locks 27



Barge Grain Movements

for week ending 4/15/00

	Corn	Wht	Sybn	Total
	1,000 Tons			
Mississippi River				
Rock Island, IL (L15)	279	3	78	360
Winfield, MO (L25)	455	0	125	590
Alton, IL (L26)	673	13	162	860
Granite City, IL (L27)	664	13	170	858
Illinois River (L8)	213	13	36	264
Ohio (L52)	28	6	33	81
Arkansas (L1)	0	23	13	35
2000 YTD	8,155	473	2,914	12,165
1999 YTD	9,003	724	2,065	12,976
Total 1999	36,711	2,883	9,771	51,887
Total 1998	31,001	2,401	8,674	45,134

Miss YTD: Calendar year totals include Miss/27, Ohio/52 and Ark/1.
Source: U.S. Army Corp of Engineers

U.S. Export Balances (1,000 Metric Tons)

	HRW	SRW	HRS	Wheat		All	Corn	Soybean	Total
				SWW	DUR				
<u>Unshipped Exports-Crop Year</u>									
04/13/00	1,057	371	1,044	695	314	3,481	7,457	1,976	12,914
This Week Year Ago	1,432	656	1,079	503	129	3,798	7,488	2,491	13,777
<u>Cumulative Exports-Crop Year</u>									
99/00 YTD	9,454	3,781	4,891	3,435	831	22,392	30,602	20,841	73,835
98/99 YTD	9,041	1,996	5,610	4,896	881	22,423	29,040	17,713	69,176
97/98 Total	9,858	4,710	6,305	5,413	1,232	27,518	37,220	24,516	89,254
96/97 Total	7,387	3,645	7,864	6,105	963	25,965	44,476	24,501	94,942

Source: Foreign Agricultural Service YTD-Year-to-Date (www.fas.usda.gov) Crop Year:Wheat=5/31-6/01, Corn & Soybeans=9/01-8/31

Select U.S. Port Regions - Gain Inspections for Export - 1,000 Metric Tons

	Pacific Region			Mississippi Gulf			Texas Gulf		
	Wheat	Corn	Soybean	Wheat	Corn	Soybean	Wheat	Corn	Soybean
04/20/00	182	144	59	121	776	158	144	16	0
2000 YTD	2,719	2,633	619	1,920	10,085	6,847	1,689	101	670
1999 YTD *	3,143	2,337	67	1,692	9,912	5,158	1,887	208	599
% of Last Year	25%	60%	95%	38%	32%	46%	23%	18%	48%
1998 Total	10,838	4,373	651	5,048	31,330	14,917	7,270	562	1,392

Source: Federal Grain Inspection Service * YTD-Year-to-Date (*98 = 53 week period)

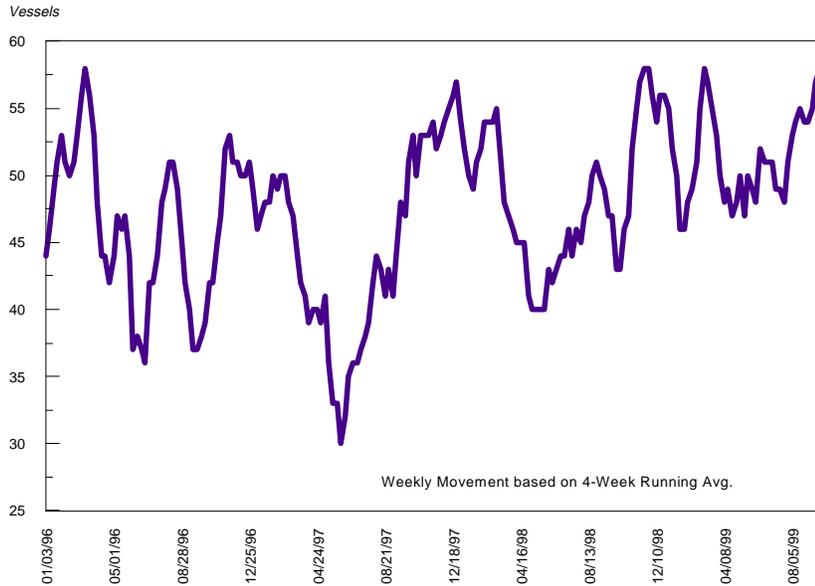
Select Canadian Ports - Export Inspections

1,000 Metric Tons, Crop Year

	Wheat	Durum	Barley
Week Ended: 4/13/00*			
Vancouver	4,050	638	571
Prince Rupert	2,805	3	89
Prairie Direct	731	193	324
Thunder Bay	468	193	186
St. Lawrence	2,099	1,379	0
1999 YTD Exports	10,153	2,406	1,174
1998 YTD Exports	6,898	2,334	647
% of Last Year	147%	103%	181%

Source: Canadian Grains Commission

YTD-Year-to-Date Crop Year 8/1-7/31; * Current Data Unavailable



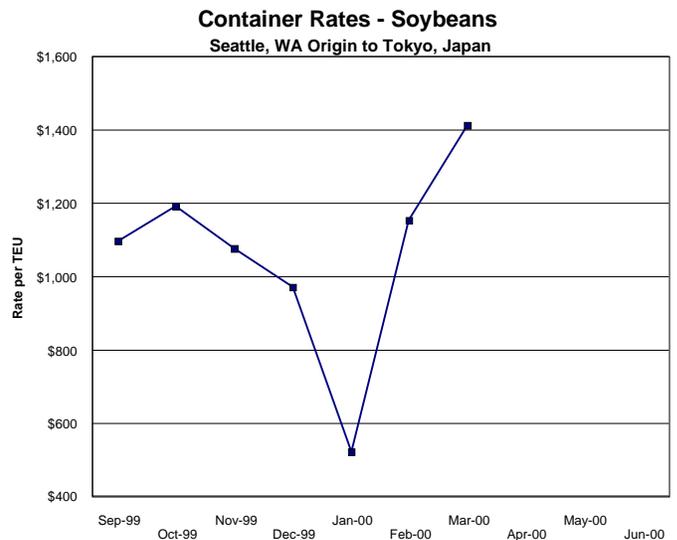
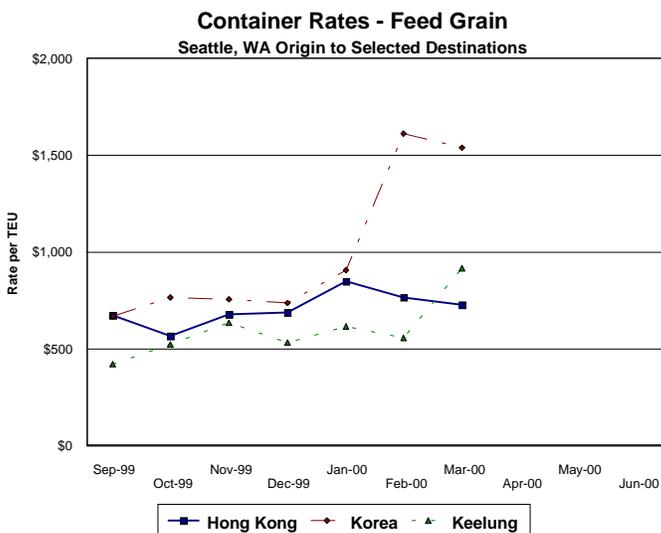
**Gulf Region
Vessels Loaded
- Past 7 Days-**

	Gulf			Pacific Northwest			Vancouver, B.C.		
	In Port	Loaded 7-Days	Due Next 10-Days	In Port	Loaded 7-Days	Due Next 10-Days	In Port	Loaded 7-Days	Due Next 10-Days
04/13/00	24	47	59	8			7	8	0
04/20/00	33	46	57	10			4	11	5
1999 Range	(14..47)	(39..65)	(34..80)	(6..18)			(2..20)	(2..15)	(0..9)
1998 Range	(19..62)	(34..64)	(40..93)				(1..19)	(3..14)	(0..10)
1999 Avg	32	52	65				9	9	3
1998 Avg	40	48	61				10	9	3
1997 Avg	33	45	58						

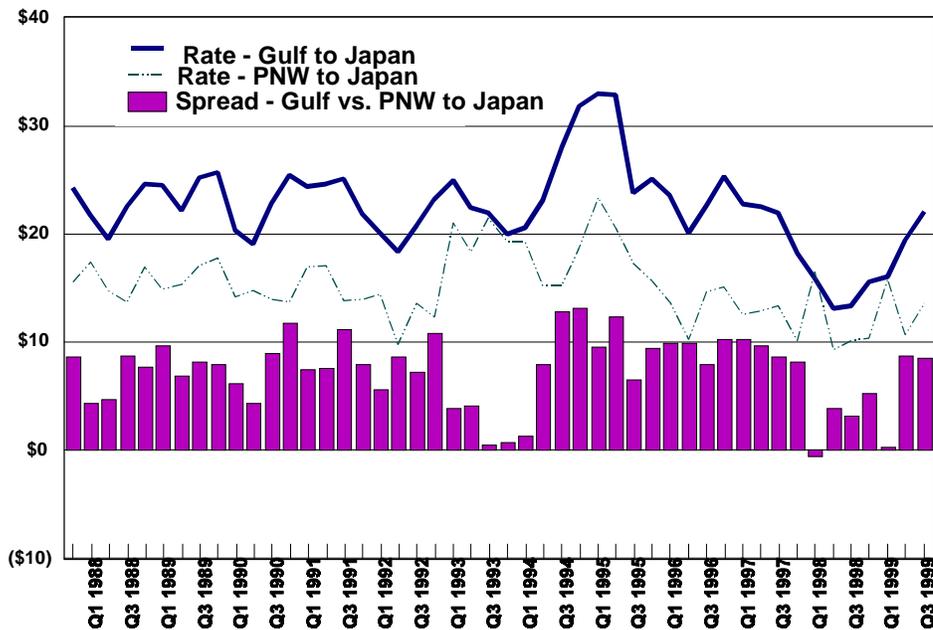
Source: Transportation & Marketing /AMS/ USDA

Container Ocean Freight Rates

Monthly Weighted Averages Based on Shipping Line Monthly Mkt. Share



US\$/Metric Ton



Quarterly Ocean Freight Rates

Quarterly Ocean Freight Rates

Average Rates & Percentage Changes, U.S. Dollars/Metric Ton - Basis

	2000 1 st Qtr	1999 1 st Qtr	% Change		2000 1 st Qtr	1999 1 st Qtr	% Change
Gulf to				Pacific NW to			
Japan	\$19.46	\$13.17	48%	Japan	\$10.71	\$9.35	15%
Mexico	\$14.97	\$16.33	-8%	Red Sea/ Arabian Sea			
Venezuela	\$12.64	\$10.30	23%				
N. Europe	\$13.31	\$8.85	50%	Argentina to			
N. Africa	\$18.20	\$13.87	31%	N. Europe	\$13.94	\$12.15	15%
				Japan	\$23.00	\$16.21	42%

Source: Transportation & Marketing/AMS/USDA; (*) rates shown are for metric ton (2,204.62 lbs.=one metric ton)

Ocean Freight Rates (Select Locations) - week ending 4/22/00

Export Region	Import Region	Grain	Month	Volume Loaded (Tons)	Freight Rate (\$/Ton)
Gulf	Portugal	Grains	Apr20/30	30,000	\$14.25
Gulf	Muuga (Estonia)	Corn	Apr15/25	15,000-57,000	\$47.25-88.00
Gulf	Taiwan	Heavy Grain	May15/31	56,000	\$22.25
Gulf	Japan	Heavy Grain	May1/10	54,000	\$22.70
Gulf	Japan	Heavy Grain	May8/15	54,000	\$22.75
Gulf	Japan	Heavy Grain	Jul.-Sept.	54,000	\$22.00
PNW	Russia	Corn	Spot	42,650	\$76.17
Parana River	Peru	Wheat/Soybeans	Apr20/25	20,000	\$25.25
United Kingdom	Saudi Arabia	Barley	Prompt	50,000	\$19.00
Hamburg	S. Korea	Rye	Prompt	50,000	\$20.00

Source: Maritime Research Inc.; rates shown are for long ton (2,240 lbs.=one long ton), F.O.B., except where otherwise indicated; op=option