



*For Immediate Release*

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## **Wheat Growers pleased to see CTA Decision on Great Northern Grain**

The Western Canadian Wheat Growers Association is pleased with the ruling released by the Canadian Transportation Agency (CTA) on Friday regarding the railway level of service complaint launched by Great Northern Grain Terminal.

“The decision will help to ensure all shippers have reasonable access to rail service,” says Cheryl Jolly-Nagel. “It will help preserve good competition in the grain handling sector.”

The Agency has ordered CN Rail to reinstate the program that would allow shippers like Great Northern Grain to advance book 50 car unit trains at regular tariff rates. For the 2006/07 crop year, CN had discontinued this program, restricting advance bookings at tariff rates only to those companies that could commit to 100 car unit trains for 30 to 42 consecutive weeks. This meant that companies that did not have a 100 car spot, or those that could not guarantee shipment of 100 cars for a prolonged period, did not have access to a reliable supply of cars at a reasonable price.

“It’s important that all grain companies have access to rail service that meets their needs and the needs of their customers,” says Jolly-Nagel. “This decision will give companies greater assurance that they can get the right grain in place to meet sale commitments.”

The decision means that shippers on CN lines will now regain the ability to pre-book 50 car spots and trade these commitments with other shippers, as is now the case on CP Rail. Shippers will continue to benefit from incentive rates that discount the freight rate on 50 and 100 car block shipments.

“This ruling gives all companies improved access to cars at reasonable rates while at the same time allows the railways to reward those companies that have made the investments that create a higher velocity system,” says Jolly-Nagel. “It balances the need for speed with the need for competition.”

The Wheat Growers applaud Great Northern Grain for incurring the time, effort and expense in filing this level of service complaint on behalf of the industry.

“Full marks go to Great Northern and those who supported the action for helping to preserve competition in the grain industry,” concludes Jolly-Nagel.

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For further comment, please contact:

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