



Down the Line

August 2011

President's Report

Ken Eshpeter

It is just over a year since we held our railway party celebrating the acquisition of our little shortline. During that year the board of directors and shareholders learned a lot about running a railroad and moving grain. The year has been hugely successful with BRR moving a total of 731 cars resulting in a good-looking financial picture. In fact the Board at its last meeting motioned to pay our preferred C and D shareholders the accrued interest on their shares for the past year. Even though we did not start moving cars till mid December of 2010 because of the slowness of the provincial registration process, once we got going, things went well. Our new grains manager, Matthew Enright, deserves much credit for all the work he has done in organizing the new composite blending program in co-ordination with the CWB. Matt has also done a great job of developing a multi-faceted communication system so that everyone knows when they are getting a car and when it will arrive.

Our goal for the coming crop year is 1000 cars. How do we plan to reach 1000 cars? We want to pull at least 800 cars of board grains and we are working hard to move canola and peas. To that end we have organized through Providence Grain, a 50-car canola train scheduled for December of 2011. Start organizing your canola marketing plan through Battle River Railway. If that first train of canola works well we will be scheduling regular canola train runs for your convenience.

There is one very important issue that I must discuss with both users and shareholders. **The presence of the CWB has been pivotal to the success of our shortline operation. It acts as our producer car administrator, composite blending organizer, Vancouver and Prince Rupert terminal space organizer, car allocator, as well as performing several behind the scenes functions for all grain shippers. It is a fierce advocate for small grain players like farmer owned inland terminals, shortlines and small grain companies. If the federal government continues to dismantle the CWB, we at the Board of Directors of BRR do not know how shortlines will be successful in the new commercial environment.** As a result we would **strongly encourage you as shippers and shareholders to apply pressure to your local federal member of parliament by making them aware of the risks to small grain and transportation players if the board were to disappear. We would also highly recommend that everyone eligible fill out the plebiscite that the CWB is sponsoring, asking grain farmers in a straightforward question if they support the single desk mandate of the CWB.** The Canadian Wheat Board has been acting as a referee, so to speak, in this current system. The federal legislation under which the CWB operates makes it possible for the board to access elevator space across the prairies, to help organize and prioritize hopper car allocation for all players, to access terminal space on the west coast, as well as a host of other important functions.

To date the anti-board proponents have made the CWB Board of Directors the scapegoat by insinuating that they will not cooperate in devising a model that will allow a voluntary CWB to replace the current single desk system in a purely commercial environment. This is completely false. The Board has presented to Minister Ritz several options that they have researched, but they have found that none of these options comes even close to returning a level of net revenue to farmers that the current model does. **If we lose the Canadian Wheat Board it will be gone forever. For the sake of your investment in the Battle River Shortline, in your community, and in your farm, I strongly urge you to get active now.**



Composite Blending Update

Last year at this time there were a lot of unknowns about our composite blending program. How will it work? Will it work? How much value is there in doing it? As our first year of the program winds up, we can definitely say that it works well and that there was a lot of value in the program this year.

BRR moved 731 carloads of grain in the 2010-11 crop year, our largest total since the Battle River Producer Car Group was formed. 240 of those were in the composite program. How can we determine the

value of the composite program? One way is to compare the dollars that producers received with the dollars they would have received if there weren't a composite program. For 2010-11, this amount was, on average, \$18.92/t! But this isn't the only way that producers benefited from the composite program. Producers also benefited from knowing with certainty the grade they would receive for their grain, how much grain they would have to clean, and the exact characteristics of their grain. BRR benefited from having more cars loaded on the line.

If you want to participate in the 2011-12 version of composite blending, then it is **very** important for you to take proper samples at harvest time. Start your planning for this well before harvest arrives. Check out our sampling brochure for good instructions on how to take a proper sample. You will need at least four 5-gallon pails, a scoop, and plenty of sample bags. Make a map of your bins, and number them all. Drop your samples off as soon as you get a chance. With your cooperation, we can make the 2011-12 version of composite blending a bigger success

than the 2010-11 version. And don't forget that Battle River Railway wants to move your non-board grains too. We have competitive bids for your canola and peas. Give me a call.

Matthew Enright BRR Grains Manager

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Custom Railcar Loading

Need some help on car loading day?

To load cars in Alliance, call:
Rob Applegate
780-879-3983
Scott Peacock
780-385-1379

In Kelsey, call:
Jason Megli
780-878-4253

BINS
for
RENT
at all the sidings

Battle River Railway
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P.O. Box 548
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Maintenance Report

The old saying that "Rome wasn't built in a day" is very applicable when describing maintenance on the Battle River Railway. Much progress has been made, but there is much to do.

Our biggest accomplishment was the construction of the shed in Forestburg to house 5353. When our locomotive is running outside, the diesel bill is large.

Last fall a crew cleaned all the crossing mud rails. This is a task that must be completed every fall. Two crossings have been reconstructed, one at mile

37.88 and the other at 10.62. The next three crossings to be done will be the coal trail at Galahad and the highway crossings at Heisler and Rosalind. Mile signs and whistle signs have been upgraded. Signs indicating the six towns are being installed 1 mile on both sides of all towns. Fifty new crossbucks have been ordered so the broken and faded ones will be replaced on an as-needed basis.

Perhaps some have noticed that vegetation along the track is starting to look different. All 51 miles and all 6 sidings have been sprayed. The sixteen miles

Reg Enright
from Kiron to past Rosalind sprayed last year is quite free of vegetation.

The current major project is brush cutting. A gyro-mower has been obtained and will be cutting brush in the near future. We are setting up a chainsaw crew to improve sightlines at intersections as some brush along the track may be too large for the gyro. Call the office if you can help.

Thanks to John Sveahun for his expertise, and to all the volunteers who have assisted with the projects so far.

Breakfast Info Meetings

8-10:30 am
Tues. Aug 16
Alliance Seed Plant
Wed. Aug 17
Forestburg Golf Club
Thurs. Aug 18
Rosalind Senior Centre

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