

APPENDIX C

Table C-1

Storage and Distribution Study

Full Load Tractor Trailer Gasoline Deliveries to Bulk Plants

43,000 Litres Full Trailer Loads			Distance One Way	Calculated T/T Rate To Bulk Plant	Add Diesel Fuel Surcharge (See Note 1) at Rate	Total Calculated Delivery Rates Including DFS
Source Terminal	Bulk Plant Location	PPPC Zone	Kms	CPL	7.00%	CPL
Holyrood	Marystown	2	256	1.921	7.00%	2.06
Holyrood	Gander	3	286	1.847	7.00%	1.98
Holyrood	Fogo Including Ferry at Farewel	3	414	4.308	7.00%	4.61
Holyrood	Pool's Cove Crossroads	4	533	3.327	7.00%	3.56
Come By Chance	Fogo via Ferry from Farewel	3b	297	3.765	7.00%	4.03
Come By Chance	Long Pond Terminal	N/A	121	1.040	7.00%	1.11
Lewisporte	Fogo Island	3b	98	1.975	7.00%	2.11
Lewisporte	Pool's Cove Crossroads	4	212	1.679	7.00%	1.80
Corner Brook	Springdale	5	180	1.345	7.00%	1.44

Note 1:

The Diesel Fuel Surcharge (DFS) was introduced several years ago to provide a mechanism for truckers to automatically adjust their contracted haulage or cartage rates due to significant increases or decreases in diesel fuel prices. The price for diesel fuel on which the DFS is based is cited as 39 or 40 cents per litre excluding taxes

As an example, if the truckers' cost of diesel fuel (excluding taxes) rose to 50 cents per litre from the base of 40 cp the percent increase would equate to $(50-40/40) = 25\%$ above the base price. This figure would then be multiplied by the percentage that the fuel cost made up total rate charged by the trucker. Assuming that fuel costs a nominal 20% of the charged rate, then in this case the Diesel Fuel Surcharge would represent a $25\% \times 20\% = 5\%$ increase in the charged haulage rate.

Hence, if the above situation were applied in a case where a trucker charged 2.00 cpl for product haulage then his contract rate would increase by 5% or to 2.10 cpl.

The Diesel Fuel Surcharge for the purposes of this Study was taken to be 7.0% for local contract tractor-trailer operators. The exact mechanism by which truckers change the DFS depends on the price of diesel fuel as well as other factors, including his particular fuel cost as a percent of revenue, and the specific contractual arrangement he may have with the customer. It is necessary to periodically update DFSs and tractor-trailer rates in accordance with increases in diesel fuel prices.

¹Freight Carriers Association of Canada (FCA)

APPENDIX C

Table C-2

Full Load T/T Gasoline Deliveries - 2004 Rate based on Full Load to Gander Bulk Plant

43000	Litres per Load		
PPPC Zone 3	Source Terminal	Units	Amounts
3 - Gander Bulk Plant	Holyrood		
Distance One Way		kms	286
Additional kms to reach edge of Supplying Terminal City/Town		kms	5
Equivalent Distance One-Way on TCH Class A Paved Roads		kms	281
Equivalent Distance One-Way on Good Quality Class B Paved Roads		kms	0
Equivalent Distance One-Way on other Local Class C Road Systems		kms	0
Equivalent Distance One-Way in City/Town Road Systems		kms	10
Check Distance		#	0
Assumed Number of Drops		#	1
Loading Time (Full Load)		hrs	1.0
Total Drop Time - Bulk Plant Pumping - 1 hour		hrs	1.0
Ferry Loading-Crossing-Return Trip Time		hrs	N/A
Overnight Trip due Ferry Crossing		hrs	N/A
Driver Break Times and Other Delays		hrs	1.0
Total Non Travel Time with Vehicle		hrs	3.00
Total Non Travel Time with OR Without Vehicle		hrs	3.00
Class A Road Travel @ 90 kms/hr		hrs	3.1
Class B Road Travel @ 65 kms/hr		hrs	0.0
Class C Road Travel @ 40 kms/hr		hrs	0.0
City/Town C Road Travel @ 30 kms/hr		hrs	0.3
Trip Travel Time each way		hrs	3.5
Total travel Time Return Trip		hrs	6.9
Total Trip Hours Return		hrs	9.9
Tractor Trailer Positioning Cost \$		\$	\$50.00
Non-Travel Cost @ \$50.00 per hour		\$	\$150.00
Non-Travel Cost Overnight at Motel for Driver \$20 / Hr + \$100		\$	N/A
Return Trip on Good TCH Class A Highway @ \$1.00 per km		\$	\$562.00
Return Trip on Class B Paved Highway @ \$1.20 per km		\$	\$0.00
Return Trip on Class C Highway Roads @ \$1.40 per km		\$	\$0.00
Return Trip on City/Town Roads @ \$ 1.60 per km		\$	\$32.00
Trip Travel Cost		\$	\$594.00
Ferry Crossing Cost - Return Trip*(see Note)		\$	N/A
Total Trip Cost to Bulk Plant and Return		\$	\$794.00
Calculated Total Trip Cost (Cents per Litre)		CPL	1.8465
Diesel Fuel Surcharge at March 2004 Rate		%	7.00%
Total Calculated part Load Delivery Rates Including DFS		CPL	1.976

APPENDIX C

Table C-3

Full Load T/T Gasoline Deliveries to Bulk Plants - 2004

Rate based on Full Load to Bulk Plant

43000	Litres per Load		
PPPC Zone	Source Terminal	Units	Load on Ferry at
3b - Fogo Island (Bulk Plant)	Holyrood		Farewell
Distance One Way		kms	414
Additional kms to reach edge of Supplying Terminal City/Town		kms	5
Equivalent Distance One-Way on TCH Class A Paved Roads		kms	281
Equivalent Distance One-Way on Good Quality Class B Paved Roads		kms	44
Equivalent Distance One-Way on other Local Class C Road Systems		kms	60
Equivalent Distance One-Way in City/Town Road Systems		kms	34
Check Distance		#	0
Assumed Number of Drops		#	1
Loading Time (Full Load)		hrs	1.0
Total Drop Time - Bulk Plant Pump off (1 Hour)		hrs	1.0
Ferry Loading-Crossing-Return Trip Time		hrs	1.5
Overnight Trip due Ferry Crossing at 7:45 am Sunday Morning		hrs	9.0
Driver Break Times and Other Delays		hrs	2.0
Total Non Travel Time with Vehicle		hrs	5.5
Total Non Travel Time with and without Vehicle		hrs	14.50
Class A Road Travel @ 90 kms/hr		hrs	3.1
Class B Road Travel @ 65 kms/hr		hrs	0.7
Class C Road Travel @ 40 kms/hr		hrs	1.5
City/Town C Road Travel @ 30 kms/hr		hrs	1.1
Trip Travel Time each way		hrs	6.4
Total travel Time Return Trip		hrs	12.9
Total Trip Hours Return		hrs	36.4
Tractor Trailer Positioning Cost \$		\$	\$50.00
Non-Travel Cost @ \$50.00 per hour		\$	\$275.00
Non-Travel Cost Overnight at Motel for Driver \$20 / Hr + \$100		\$	\$280.00
Return Trip on Good TCH Class A Highway @ \$1.00 per km		\$	\$562.00
Return Trip on Class B Paved Highway @ \$1.20 per km		\$	\$105.60
Return Trip on Class C Highway Roads @ \$1.40 per km		\$	\$168.00
Return Trip on City/Town Roads @ \$ 1.60 per km		\$	\$108.80
Total Trip Travel Costs		\$	\$944.40
Ferry Crossing Cost - Return Trip*(see Note)		\$	\$303.00
Overall Total Trip Cost		\$	\$1,852.40
Calculated Total Trip Cost (Cents per Litre)		CPL	4.308
Diesel Fuel Surcharge at March 2004 Rate		7%	0.302
Total Calculated part Load Delivery Rates Including DFS		CPL	4.609

* Ferry for dangerous goods trip leaves Farewell on 2nd and 4th Sunday of Month at 7:45 am. Hence TT has to be at Farwell ready to load at 7:00 am on the particular Sunday chosen. This means overnighing for driver at Lewisporte or some other local community.