WFS Transportation
Challenges and Plans
WFS locations that need rail freight = 7

WFS locations that need truck freight = 38
WFS has 3 locations on the UP rail and 5 locations on the CP Rail

- Welcome is on UP & CP
- Bricelyn is on UP, but has no side track
- One 105 car loader (Welcome)
- One 110 car loader (St. James)
- One 120 car loader (Delavan)
• WFS is on AFD for refined fuels
• We have approx. 850,000 gallons of propane storage at 9 locations
• We get propane supply from 8 locations
Propane Pipelines & Terminals
WFS handles approx. 60 million bushels of grain out of 10 locations.

We have 7 soybean processors and 16 ethanol plants in our trade area.
WFS moves approx. 30,266 truck loads of commodities per year.

The number of loads has drastically increased the last couple of years.

- Lack of rail market
  - Grain
  - Crop Nutrients
- On-farm pickup
- Increase in volume
The time period of when things move has been greatly shortened

• 85% of our crop is now planted in 7 days
• Bean harvest is down to 7-10 days
• Corn harvest is down to about 15 days
• Faster Equipment & facilities
## WFS Current Fleet

<table>
<thead>
<tr>
<th></th>
<th>Semi Tractors</th>
<th>Grain hoppers</th>
<th>LP</th>
<th>Agronomy tenders</th>
<th>Agronomy trailers</th>
<th>Feed tractors &amp; trailers</th>
<th>Tankers</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Count</strong></td>
<td>28</td>
<td>22</td>
<td>14</td>
<td>42</td>
<td>42</td>
<td>16</td>
<td>2</td>
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Transportation Plan

• Considered 3 options 3 years ago
  o Buy trucking company
  o Buy a bunch of trucks (25)
  o Buy some each year (5)

• We chose to buy several each year
  o Challenges are
    ▪ Finding qualified drivers
    ▪ Keeping equipment and drivers busy the whole year
• We also looked at putting in propane RR unloading
  o New site
  o RR required $25M liability insurance (has now increased to $100M)
    - $100M of inhalation/toxic Hazardous Materials
Our plan was/is to continue to add to our fleet each year and to continue to add more storage

- $70M in capital expenditures the last several years
  - 8 million bushels grain
  - 300,000 gallons propane

- Develop non-harvest/non-planting hauling business
• We created a strategic partnership where we supplied some capital to refurbish older LP trailers and we get the use of a driver, tractor and trailer for a set number of years. We had this plan in place last January.