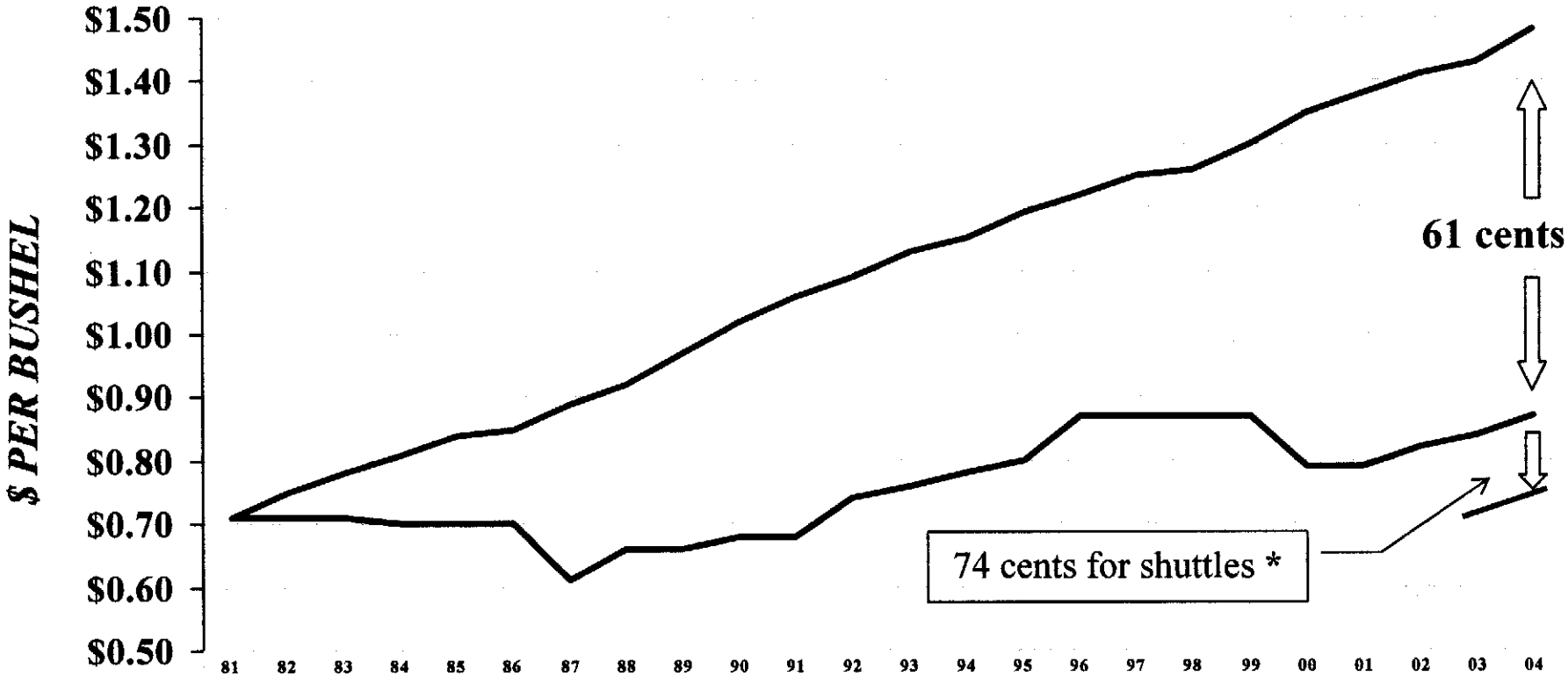
Rates in Montana remain relatively flat over the last 20 years. In, fact rates are about half of what they would be if the rates had increased at the same rate as inflation.

MONTANA 52 CAR PNW WHEAT RATES



	81	82	83	84	85	86	87	88	89	90	91	92	93	94	95	96	97	98	99	00	01	02	03	04
Inflation Adj. Rate	$0.71	$0.75	$0.78	$0.81	$0.84	$0.85	$0.89	$0.92	$0.97	$1.02	$1.06	$1.09	$1.13	$1.15	$1.19	$1.22	$1.25	$1.26	$1.30	$1.35	$1.38	$1.41	$1.43	$1.48
Actual 52 car rate	$0.71	$0.71	$0.71	$0.70	$0.70	$0.70	$0.61	$0.66	$0.66	$0.68	$0.68	$0.74	$0.76	$0.78	$0.80	$0.87	$0.87	$0.87	$0.87	$0.79	$0.79	$0.82	$0.84	$0.87

Inflation Adjusted Rate calculated utilizing Consumer Price Index (CPI) factor multiplied by rates with base year of 1981. 12/31/04 Rates from Great Falls and Collins MT.

*** Based on $450 in combined rate and efficiency incentives***

EXHIBIT 3
DATE 3.3.05
HB 703