

UPDATE 36 of 19 • 18th October 2019

TOPIC: GTA Location Differentials 2019/20 - WA LDs Release

DISTRIBUTION: GTA Members - primary contact list. Please circulate to all appropriate internal parties.

2019/20 WA Location Differentials Release

1. Background

GTA publishes the LDs for the storage locations of members in QLD, NSW, VIC, SA and WA annually to enable participants using the GTA Contract No. 2 Grain and Oilseeds in Bulk – Basis Track to price grain at up-country sites.

GTA LDs for QLD, NSW and VIC have been published for 2019/20 season via GTA Member Update 28 of 19 and for SA via Member Update 33 of 19.

The Industry has agreed to use Viterra and CBH Group published **freight rates** for South Australia and Western Australia each year, subject to approval by the GTA Commerce Committee.

The GTA Commerce Committee has received LD information for WA for the 2019/20 season. The Commerce Committee has decided to provide opportunity for Member Submission on WA LDs via GTA Member Update 35 of 19.

No submissions were received, and Commerce Committee and the Board endorsed the proposed WA LDs as <u>attached here</u>.

2. Location Differentials & Amendments for WA

- As per the Board approved Standard Operating Procedure (SOP) for Location Differentials (LDs), LDs for WA are based off the CBH Estimated Freight Rates for marketers. The rates for 2019/20 have been provided to GTA and subsequently to the Commerce Committee for analysis and review.
- For non-CBH sites, the agreed methodology (per SOP) "In WA where a site is not owned by CBH, the LD shall be calculated using the road distance to port of the particular site based on Google Maps based on the rate/t per km rate for the nearest CBH site adjusted for distance."
- GTA has consulted with site owners to confirm recommended LDs for the respective sites.
- Where a site exists in a town with a CBH site, all sites in that town will be allocated the CBH LD, in accordance with the SOP.

3. Further Information

Further information and full list of Location Differentials for 2019/2020 season can be found on <u>GTA</u> website.