



Canadian
Transportation
Agency

Office
des transports
du Canada

LET-R-5-2019

January 14, 2019

BY E-MAIL:

Eric.Harvey@cn.ca

Canadian National Railway Company
Attention: Eric Harvey, Senior Counsel - Regulatory

Dear Mr. Harvey:

The Canadian Transportation Agency (Agency) has initiated an investigation on its own motion into possible freight rail service issues in the Vancouver area, pursuant to subsection 116 (1.11) of the *Canada Transportation Act*, S.C. 1996, c.10, as amended. Consistent with the requirements of this subsection, the Minister of Transport has provided his authorization of the investigation.

The decision to launch the investigation followed receipt of communications and information from shipper organizations and other parties regarding current freight rail service levels in and around the Vancouver area.

As part of the investigation, the Agency will determine whether railways are fulfilling their service obligations in the Vancouver area and if not, what remedies should be ordered. It will look into, for example, the issue of whether railways may not be meeting their service obligations in respect of certain shippers or classes of shippers as a result of measures such as the imposition of permits or embargos, or preferential treatment of one or more commodities over others.

INQUIRY OFFICER

The Agency has appointed Ms. Lidija Lebar, A/Senior Director, Analysis and Regulatory Affairs, as an Inquiry Officer, pursuant to subsection 38(1) of the *Canada Transportation Act*, and instructed her to:

- Conduct interviews and take written statements from individuals and organizations involved in, or affected by, the alleged freight rail service issues;
- Obtain any documents, records, and information that she deems relevant to the inquiry; and,
- Submit a summary report to the Agency no later than January 23, 2019.

In carrying out this work, the Inquiry Officer may exercise all of the powers described in section 39 of the *Canada Transportation Act*.

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INFORMATION REQUIRED FROM THE CANADIAN NATIONAL RAILWAY COMPANY (CN)

The Agency directs CN to provide any information and data in its possession that is relevant to the issues identified above, including but not limited to the following:

- Waybill level data indicating shipper origins and destination for all movements in and out of Vancouver in the months of October-January in years 2015-2019. The specific data required are the following:
 - Origin by Standard Point Location Code (SPLC) and Freight Station Accounting Code (FSAC)
 - Origin railway
 - Departure date and time
 - Unique shipment identifier
 - Train ID
 - Shipper name
 - Interchange SPLC
 - Interchange railway
 - Destination railway
 - Destination by SPLC and FSAC
 - Destination date and time
 - Number of cars
 - Commodity by Standard Transportation Commodity Codes (STCC)

- Train segment/shipment data in the months of October-January in years 2015-2019:
 - Unique shipment identifier
 - Train type
 - Origin by SPLC and FSAC
 - Destination by SPLC and FSAC
 - Miles

- Details for all permits issued, requested, and denied in the months of October-January in years 2015-2019. This should include the purpose of the permit action, the date of the request and approval or denial, and the name and location of the shipper, railways, and the port facility or interchange affected by the permit.

- Interswitching data for the period of October 2018 to January 2019 (as submitted annually) for movements over the Interchanges in the Lower Mainland of British Columbia (Vancouver, New Westminster, etc.).

- Details of any traffic rerouted around the Vancouver corridor due to impacts of permits issued and embargos imposed between October 2018 and January 2019.

All information must be submitted by January 17, 2019, via email to enquete.ferroviaire-Inquiry.rail@otc-cta.gc.ca

CN should indicate, with a clear rationale, if it believes that any of the information being submitted is commercially sensitive and/or that the public release of any of the information being submitted would cause it harm. The Agency will then decide whether to make a confidentiality order in respect of some or all of that information.

ORAL HEARING

An oral hearing will be held in Vancouver (British Columbia) on January 29 and 30, 2019, as part of the investigation, at a location and time to be confirmed by the Agency. At that hearing, CN and other parties will have an opportunity to comment on the Inquiry Officer's report, provide supplementary information, and respond to questions posed by the Agency Panel. Following the oral hearing, railways will have the opportunity to make written submissions.

BY THE AGENCY:

(signed)

Scott Streiner
Member

(signed)

Lenore Duff
Member

(signed)

Gerald Dickie
Member