

VRCPi Forecasting Model Consultation – Results of Forecasting Model Testing

Submitted by Arctic Gateway Group (AGG), including the Port of Churchill and Hudson Bay Railway

Thank you for the opportunity to provide comments regarding the Canadian Transportation Agency's review of the Volume-Related Composite Price Index (VRCPi) forecasting approaches.

AGG is participating in this consultation from the perspective of a transportation provider operating within the western Canadian grain supply chain. While we do not have a specific position on the forecasting models being evaluated, we recognize that the outcomes of these discussions may have implications for producers, grain shippers, transportation providers, and Canada's grain transportation network as a whole.

From our perspective, the most important consideration is ensuring that western Canadian producers continue to have access to a competitive, efficient, and diversified transportation system. Regardless of the forecasting approach ultimately adopted, transportation policy decisions can influence the economics of grain movement and, over time, affect routing decisions and the use of available transportation infrastructure.

Canada's grain industry benefits from a diversified transportation network that includes major railways, connecting railways, short-line railways, and alternative export gateways. Together, these transportation options provide producers and grain companies with greater optionality, support competition, and help improve overall supply chain resilience when capacity constraints, service disruptions, or other challenges arise within the transportation system. From AGG's perspective, maintaining a range of viable export gateways is an important part of a competitive grain transportation system.

The Port of Churchill and Hudson Bay Railway form part of Canada's diversified grain transportation network. As Canada's only Arctic deep-water port connected to the North American rail network, Churchill provides western Canadian producers and grain companies with an additional export option and access to international markets. Historically, the corridor has demonstrated the ability to move more than 750,000 tonnes of grain annually and represents meaningful available capacity within Canada's grain transportation system. In addition to supporting transportation choice, the corridor contributes to northern economic development, supply chain resilience, and improved market access for western Canadian producers.

While this consultation is focused on forecasting methodologies used in the VRCPi process, AGG recognizes that decisions affecting the economics of grain transportation may influence transportation choice, routing decisions, and the utilization of existing infrastructure. Understanding these broader impacts is important, particularly for



alternative gateways such as Churchill that provide additional capacity and market access opportunities within Canada's grain transportation network.

We appreciate the opportunity to participate in this consultation and look forward to continuing to engage in discussions that affect Canada's grain transportation system and the producers, shippers, and communities that depend on it.

Respectfully submitted,
Arctic Gateway Group