

## Summary

### Railway Car Supply – Grain Week 24

- CN spotted 3,430 hopper cars and CP spotted 2,954 hopper cars in the country in Grain Week 24 for a total supply of 6,384 cars – this included 4,134 cars that had been ordered for prior weeks. Grain Week 24 car spotting performance for CP is lower than its YTD average of 3,500 car. CN’s performance in Grain Week 24 was only slightly lower than the YTD average of 3,460 cars per week.
  - In Grain Week 24 CN and CP supplied 2,250 (32%) of the 7,111 hopper cars ordered for delivery representing a shortfall of 4,861 cars for Grain Week 24 orders.
  - In the crop year to date, the railways have supplied 45% of customer orders in the week for which cars were ordered with CN supplying 57% of orders, and CP supplying 33%.
- Through the first 24 weeks of the current crop year, railways have failed to supply 17,701 hopper cars ordered by shippers. This represents a shortfall equivalent to 10% of shipper demand. The number of hopper car orders not filled by both CN and CP has continued to increase each week since the beginning of the crop year. Overall, unfulfilled orders have levelled off at about 10% of total shipper demand in recent weeks indicating that the railways are not making up ground for prior week shortfalls.
  - more than 8,200 customer orders – approximately 46% of the current shortfall - have been outstanding for 4 weeks or longer
- Boxcar shippers received 100% of cars ordered in Grain Week 24. This represents an improvement over prior weeks, however, year to date fulfillment remains at 63% of shipper orders.

### Corridor Performance

- In Grain Week 24, as has consistently been the case this year, traffic destined to bulk terminals in Western Canada received a higher percentage (34%) of cars than other corridors. By comparison, non-bulk corridors including the USA/Mexico, Vancouver transload and Canadian domestic corridors continue to experience lower fulfillment rates with the railways supplying 29% of cars ordered for delivery in Grain Week 24.
- In non-bulk corridors, CN fulfilled approximately 50% of orders and CP supplied 11% of cars for current week orders in Grain Week 24.

### Railway Dwell Times at Country Origins:

- In Grain Week 24, CN’s loaded dwell times for multicar block traffic at country origin locations averaged 24 hours while CP’s loaded dwell times averaged 76 hours. CN’s performance in Grain Week 24 is a significant improvement over its YTD average of 41 hours; CP improved slightly in Grain Week 24 from the prior week but remains higher than its YTD average dwell time of 59 hours.
  - In the crop year to date, 34% of all bulk grain shipments have waited for more than 48 hours at origin for pick up by the railways after being released by shippers for movement to destination. 29% of shipments were picked up within 24 hours.

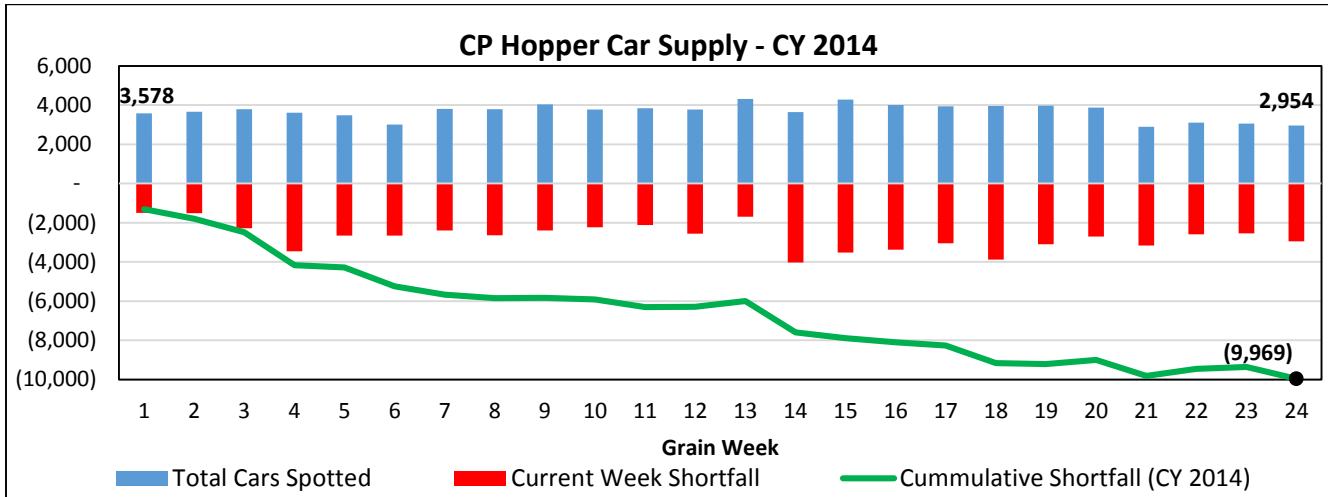
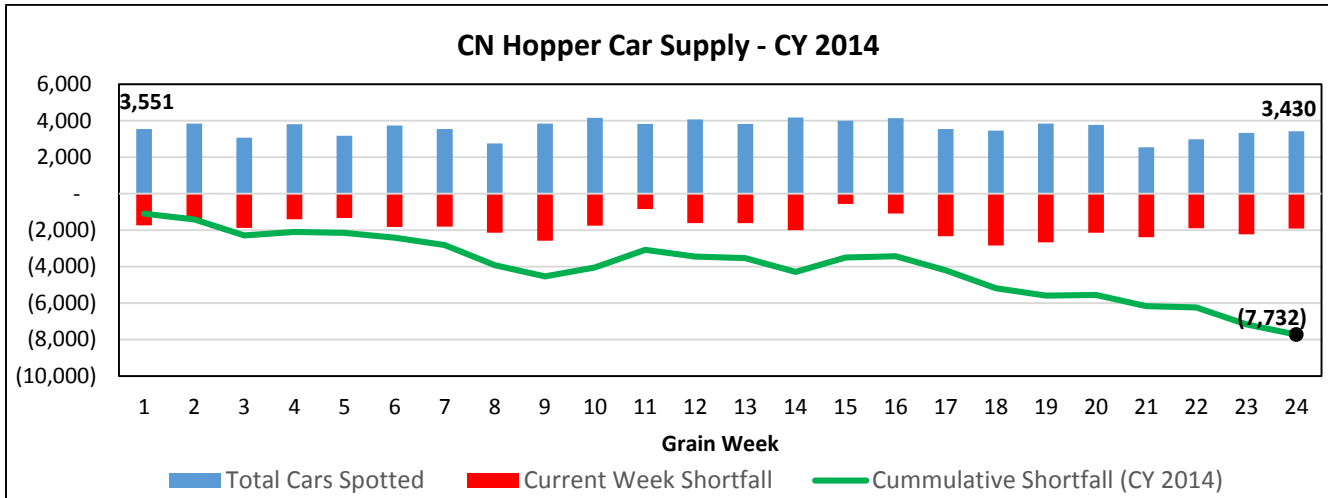
### Railway Dwell Times at Destination Terminals – Grain Week 24:

- Loaded railway dwell times at destination in Crop Week 24 were:
  - CN: Thunder Bay (20 hours), Vancouver bulk (31 hours) and Vancouver transload/local (75 hours)
  - CP : Thunder Bay (32 hours), Vancouver bulk (16 hours) and Vancouver transload/local (220 hours)
- With the exception of CP non-bulk traffic at Vancouver both railways showed improvement in destination terminal performance in Grain Week 24.

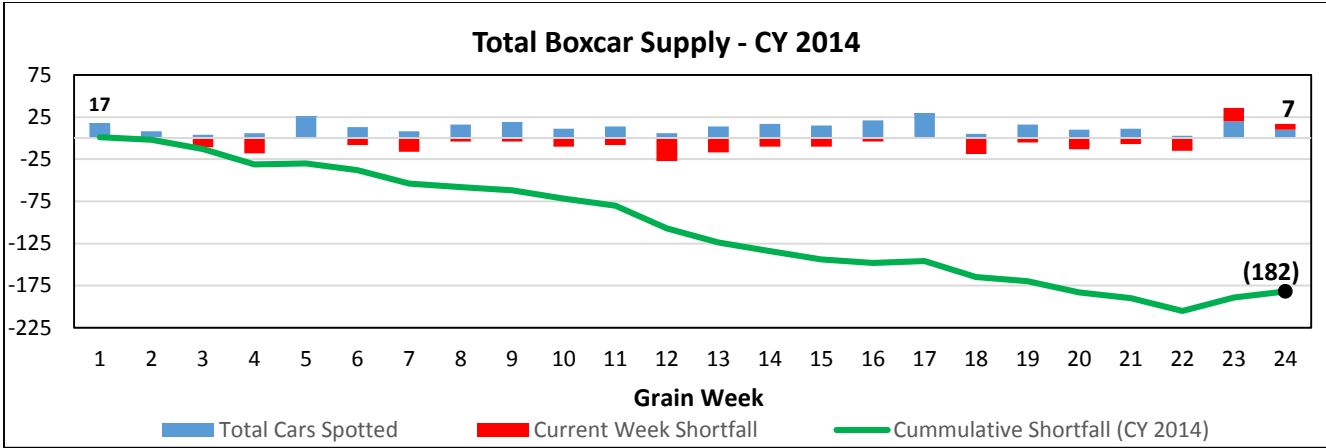
**Railway Car Supply Performance Against Current Year Demand to Grain Week 24 (CY 2014)**

		Crop Year To Date			Avg. Weekly Performance		
		Customer Demand	Railway Supply	Shortfall	Customer Demand	Railway Supply	Shortfall
Covered Hopper	CN	90,713	82,981	(7,732)	3,780	1,945	(1,832)
	CP	92,678	82,709	(9,969)	3,862	1,153	(2,698)
<b>TOTAL</b>		<b>183,391</b>	<b>165,690</b>	<b>(17,701)</b>	<b>7,641</b>	<b>3,097</b>	<b>(4,530)</b>
Boxcar	CN + CP	499	317	(182)	21	13	8

\* Average weekly performance reflects average weekly supply and shortfall for current week orders.

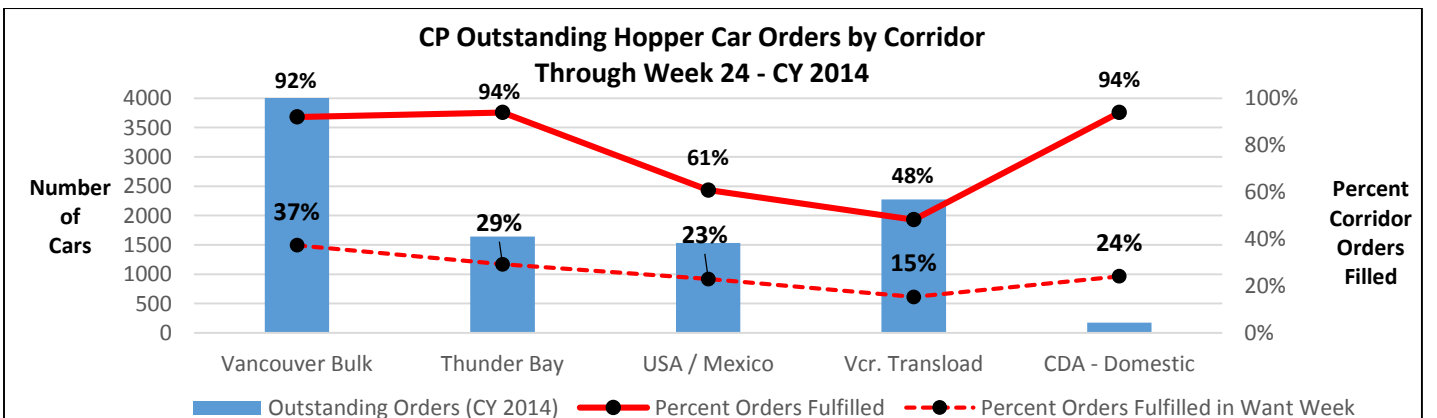
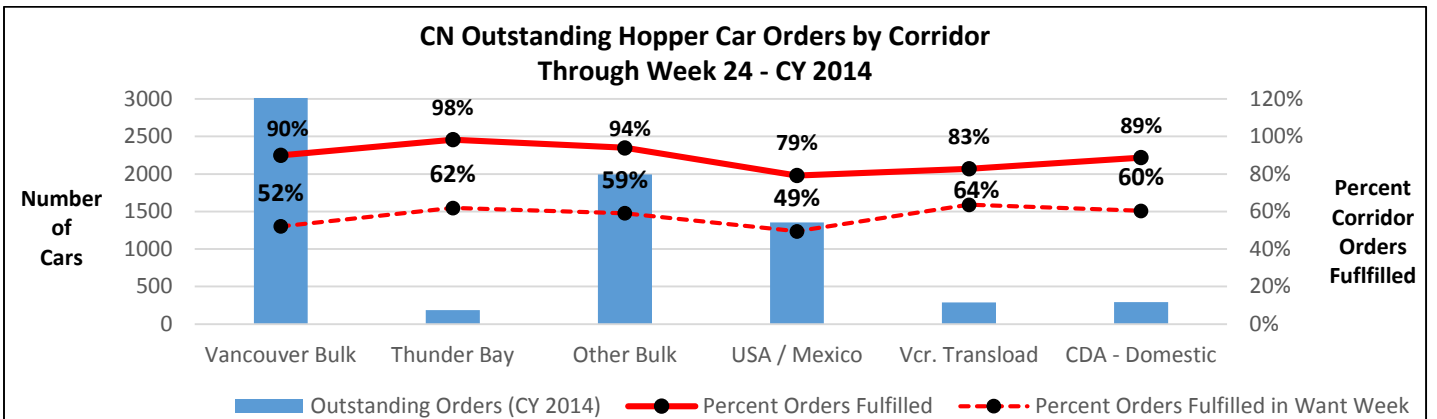


The calculation of railway shortfall for hopper cars represents the difference between expressed shipper demand (car orders) for the current grain year and cars supplied by the railways in response to these orders. Shipper demand includes all orders placed by shippers in the railways' car order systems plus orders that have been denied or cancelled by the railways based on car ordering rules imposed on shippers during the current grain year. Supply of railcars reflects total cars supplied excluding cars rejected by shippers as unsuitable for loading due to mechanical or sanitary reasons.



### Railway Car Supply Performance by Major Corridor – To Grain Week 24 (CY 2014)

	Cars Supplied			Year to Date Shortfall		
	CN	CP	Total	CN	CP	Total
Vancouver Bulk	32,229	50,191	82,420	(3,616)	(4,352)	(7,968)
Thunder Bay	10,897	25,325	36,222	(185)	(1,640)	(1,825)
Other Bulk	31,014	-	31,014	(1,994)	-	(1,994)
USA / Mexico	5,150	2,382	7,532	(1,335)	(1,531)	(2,886)
Vancouver Transload	1,386	2,118	3,504	(289)	(2,272)	(2,561)
Canada - Domestic	2,305	2,693	4,998	(293)	(1,174)	(467)
<b>Total</b>	<b>82,981</b>	<b>79,534</b>	<b>165,690</b>	<b>(7,732)</b>	<b>(9,969)</b>	<b>(17,701)</b>

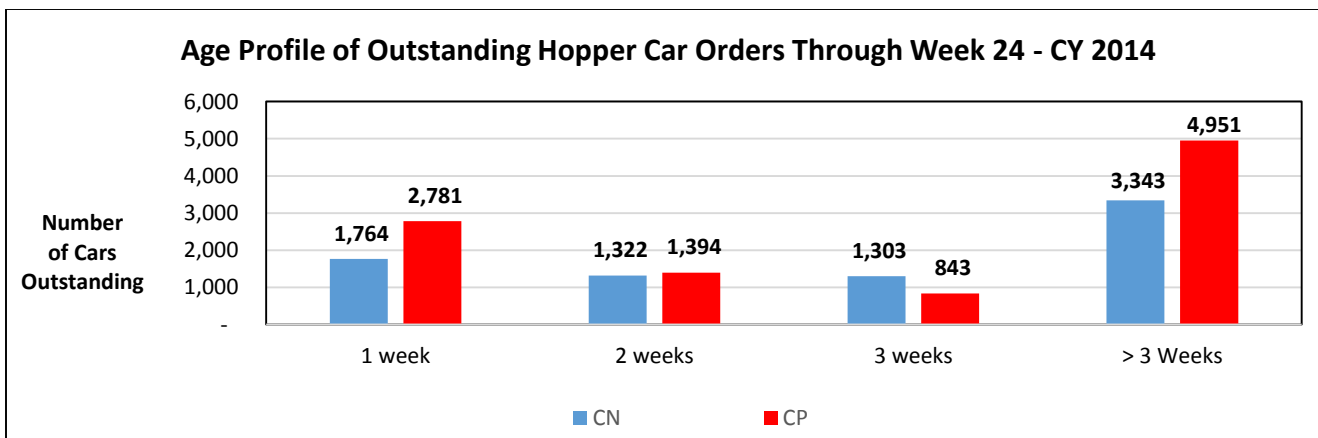
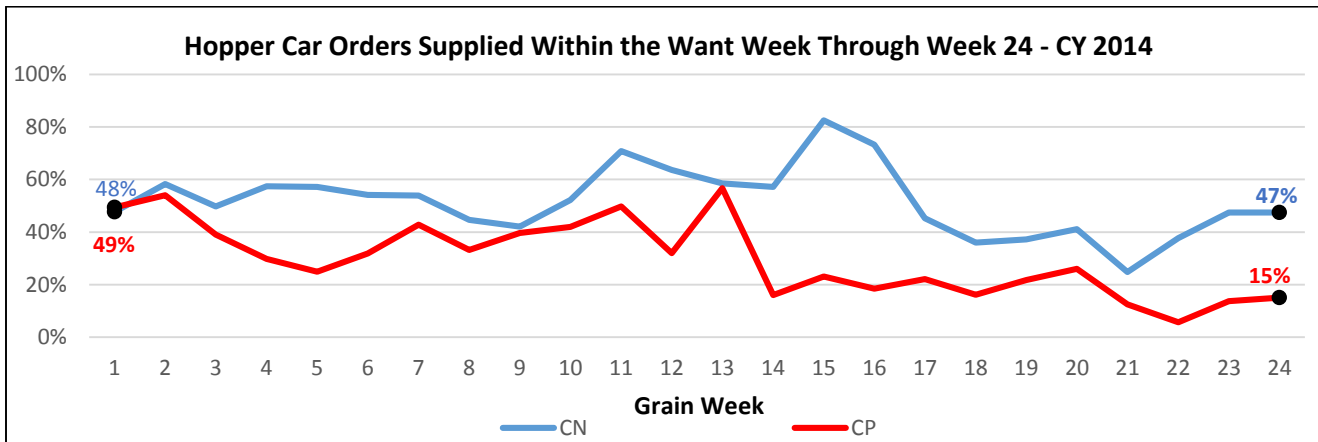
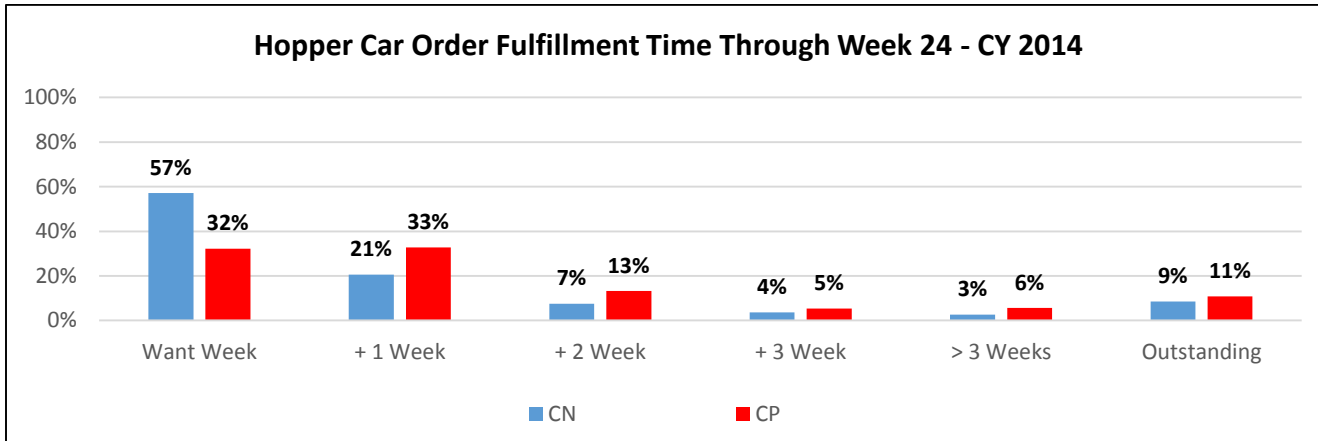


Corridor statistics reflect performance for railway car supply by destination corridor against **current year orders** for each corridor. The number of cars supplied **excludes** cars supplied by the railways during the measurement period that were for prior year orders.

**Timeliness of Railway Car Supply Against Customer Demand**

**Age of Outstanding Orders**

RR	Want Week	+ 1 Week	+ 2 Week	+ 3 Week	> 3 Weeks	Outstanding Orders	Age of Outstanding Orders				Total
							1 week	2 weeks	3 weeks	> 3 weeks	
CN	57%	21%	7%	4%	3%	9%	1,764	1,322	1,303	3,343	7,732
CP	32%	33%	13%	5%	6%	11%	2,781	1,394	843	4,951	9,969
Total	45%	27%	10%	5%	4%	10%	4,545	2,716	2,146	8,294	17,701

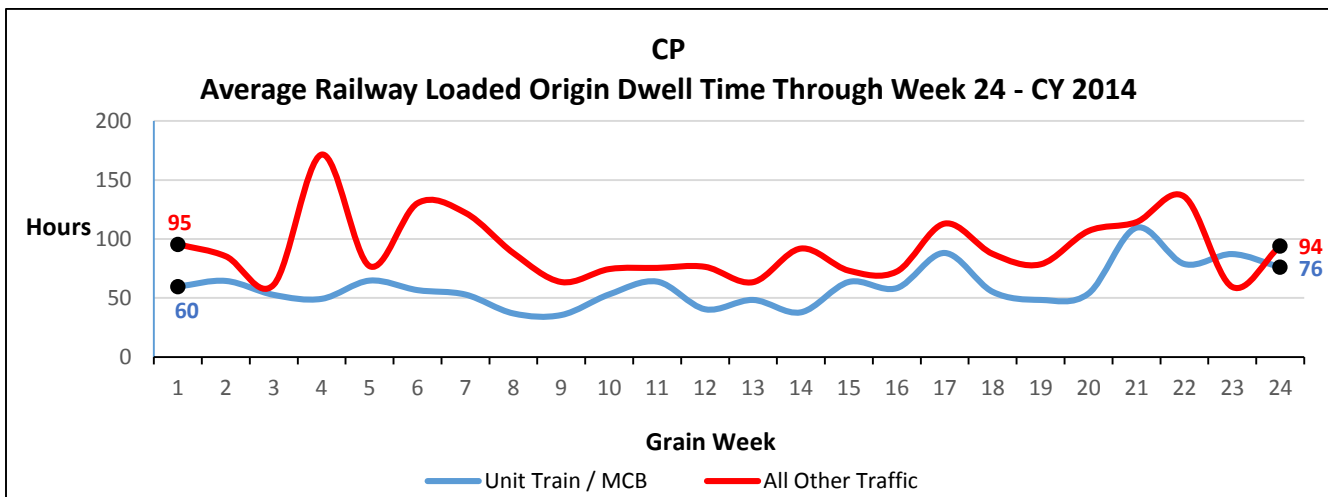
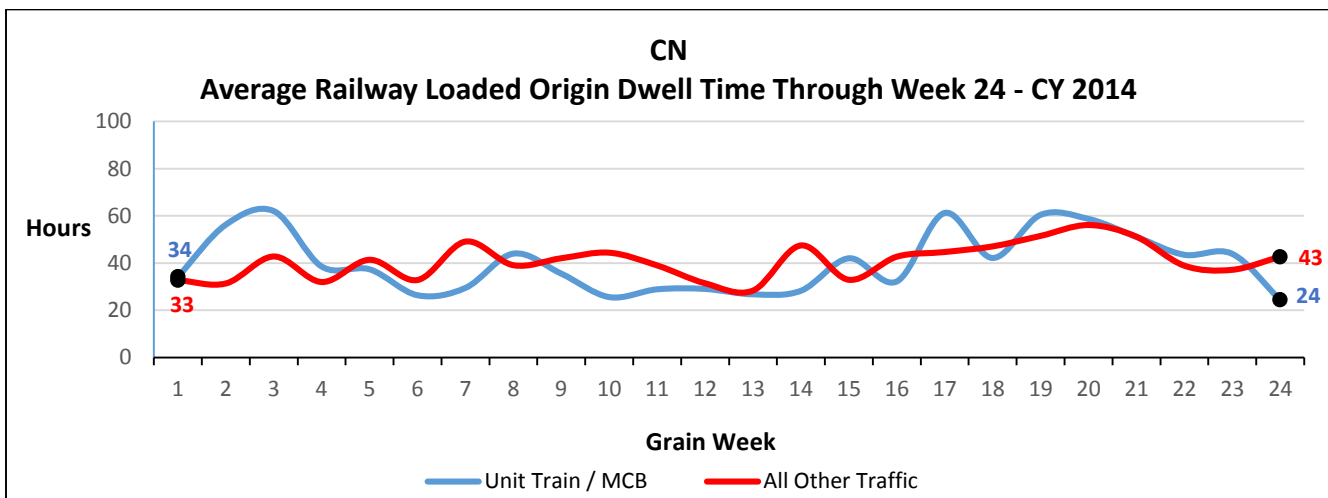


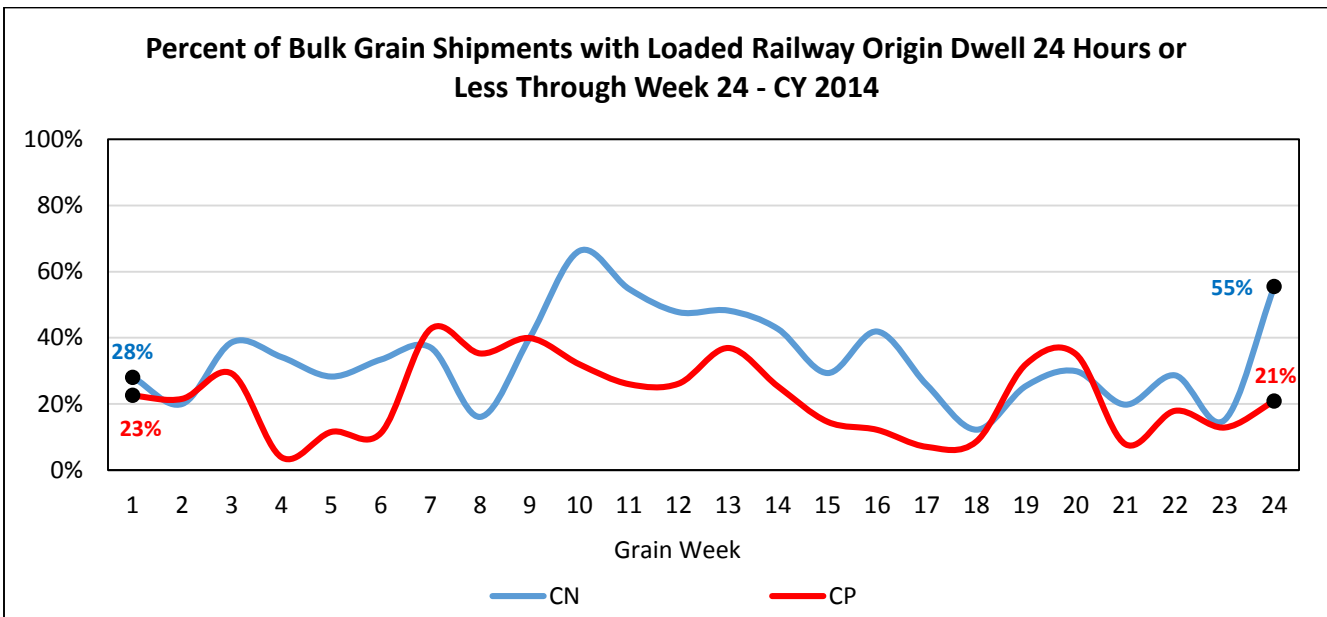
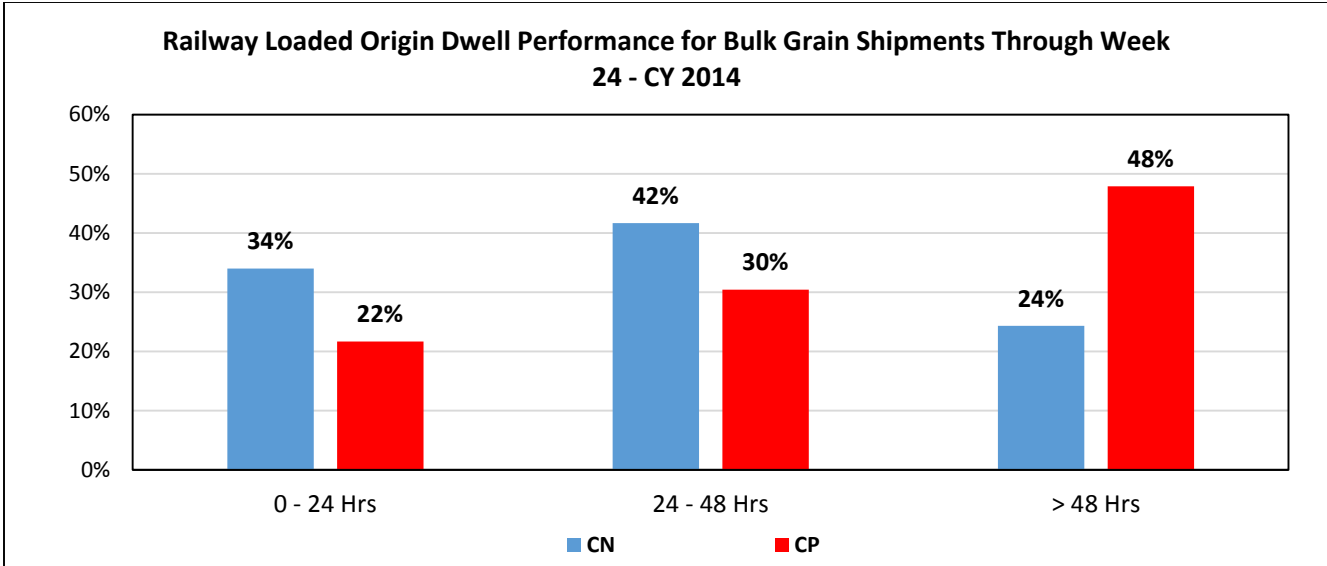
Origin Dwell Performance

Origin dwell time measures the elapsed time from the release of loaded cars by shippers to the time the railways physically pull the cars from a shipper’s siding for movement to destination. Average performance in this area will vary depending on the nature of the shipment.

For bulk grain shippers loading unit trains and multi-car blocks dwell time is generally expected to be 24 hours or less as these shippers load cars within 24 hour windows in order to avoid origin demurrage charges assessed by the railways. Non bulk grain shippers loading less than multi-car blocks will generally have longer dwell times.

The charts below provide a view of origin dwell performance on a weekly basis since the beginning of the current crop year. The last chart looks specifically at origin dwell performance for large multi-car block shippers. Increasing dwell times at country origins negatively impact railcar cycles which in turn impact the ability of the railways to supply empty cars to shippers.





Railway Destination Terminal Dwell Performance

Destination terminal dwell time measures the elapsed time from the time a railcar arrives at the destination railway yard to the time it is placed at the receiver’s facility for unloading. Average performance in this area will vary depending on the nature of the shipment.

Traffic destined to the bulk port terminal at Vancouver for instance is generally placed for unloading on arrival at Vancouver. In contrast traffic destined to transloaders in Vancouver is ordered in by receivers on a car by car basis.

Dwell time ends with the reporting of an actual placement event at the receiver’s facility. The beginning of the dwell measure is initiated by either an arrival at the destination terminal or the constructive placement of a car at the terminal by the railway.

This is not a measure of unloading performance by receivers.

