Summary

The current weekly report provides performance information to the end of Grain Week 23 (ending January 11, 2015). This follows last week's report which provided performance to the end of Grain Week 21. It is the objective of the Ag Transport Coalition to achieve a reporting cycle that will provide performance reporting with a two week time lag. This goal will be achieved in the coming weeks as individual shipper reporting processes are aligned with the ATC Performance Update schedule.

The Grain Week 23 performance report incorporates performance data for additional shippers that were not included in the Grain Week 21 report. Reports now incorporate approximately 85% of grain traffic in Canada. The incorporation of additional shippers into the performance metrics is ongoing and is being phased-in to allow for the protection of individual shipper confidentiality.

With the inclusion of additional shippers in Grain Week 23, performance data has been restated to the beginning of the current grain year. As such, certain elements of performance may not be directly comparable between the Grain Week 21 and Grain Week 23 reports.

Railway Car Supply – Grain Week 23

- CN spotted 2,816 hopper cars and CP spotted 2,950 hopper cars in the country in Grain Week 23 for a total supply of 5,766 cars – this included 3,495 cars that had been ordered for previous weeks. Grain Week 23 car spotting performance is significantly lower than weekly average car spots of approximately 3,500 cars per week for each of CN and CP for the crop year to date.
    - In Grain Week 23 CN and CP supplied 2,271 (25%) of the 6,312 hopper cars ordered for delivery in Grain Week 23 representing a shortfall of 4,041 cars for Grain Week 23 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 58% of orders, and CP supplying 33%.
- Through the first 23 weeks of the current crop year, railways have failed to supply 15,743 hopper cars ordered by shippers. This represents a shortfall equivalent to 9% of shipper demand. The shortfall for both CN and CP has continued to grow weekly since the beginning of the crop year;
    - more than 7,400 customer orders – approximately 47% of the current shortfall - have been outstanding for 4 weeks or longer
- Boxcar shippers received 100% or cars ordered in Grain Week 23. This represents an improvement over prior weeks, although year-to-date fulfillment remains at 62% of shipper orders.

<u>Corridor Performance</u>

- In Grain Week 23, as has consistently been the case this year, traffic destined to bulk terminals in Western Canada received a higher percentage (40%) 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 30% of cars ordered for delivery in Grain Week 23.
- CN fulfilled approximately 50% of orders in non-bulk corridors and CP supplied 10% of cars in non-bulk corridors for current week orders in Grain Week 23.

Railway Dwell Times at Country Origins:

- In Grain Week 23, CN's loaded dwell times for multicar block traffic at country origin locations averaged 44 hours while CP's loaded dwell times averaged 84 hours. CN's loaded dwell time in Grain Week 23 is slightly higher than their average of 41 hours this crop year. CP's loaded dwell time in Grain Week 23 is longer than their average of 55 hours for the crop year to date.
    - 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.

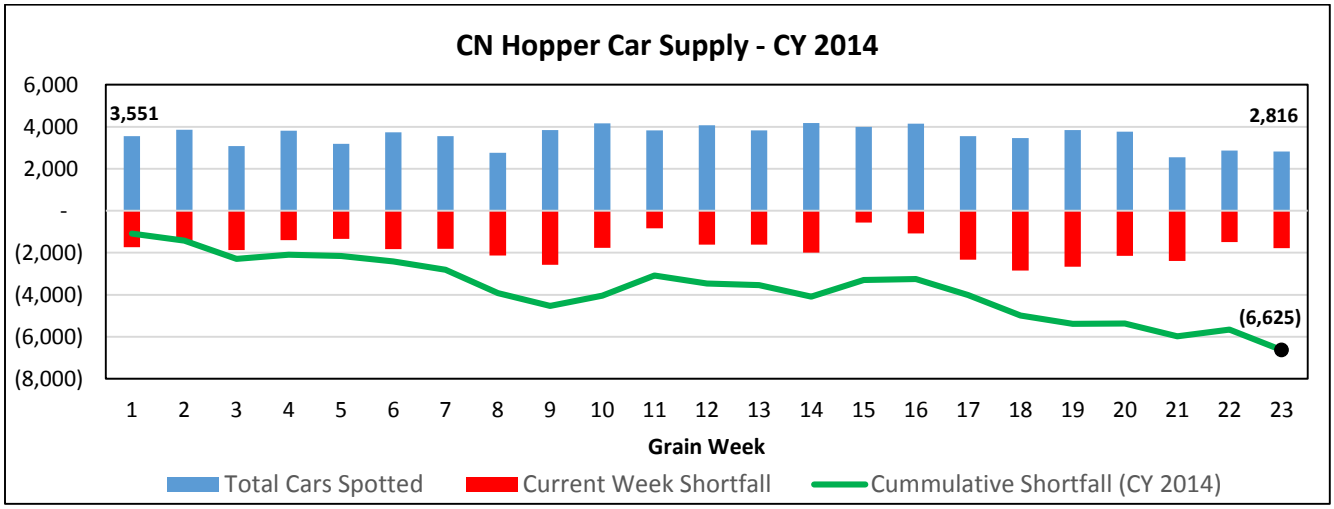
Railway Dwell Times at Destination Terminals:

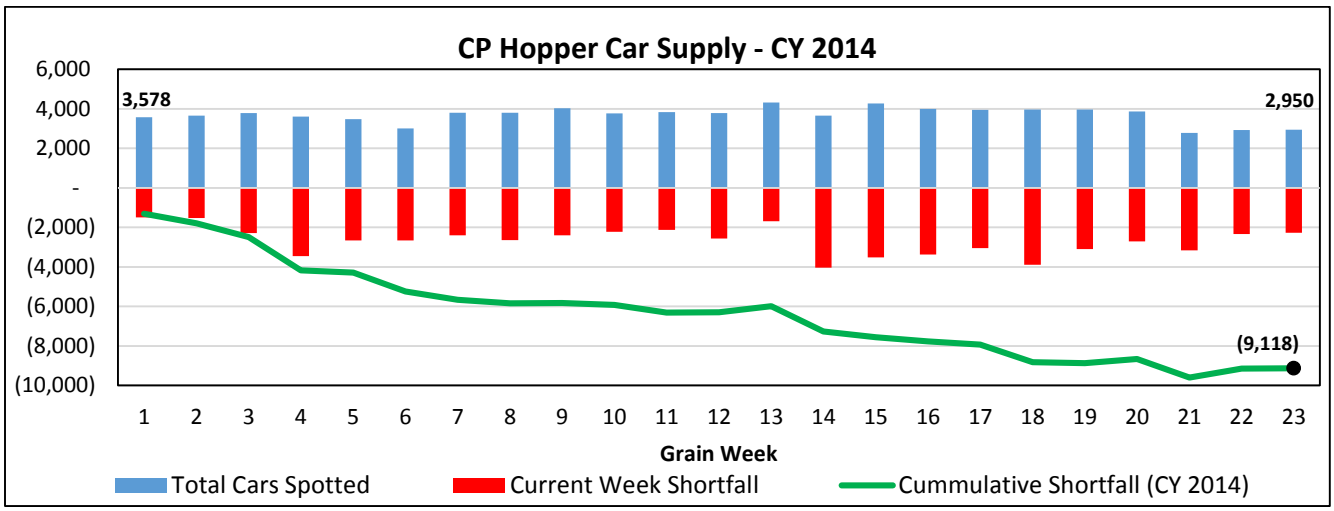
- Loaded railway dwell times at destination in Crop Week 23 were:
    - CN: Thunder Bay (38 hours), Vancouver bulk (33 hours) and Vancouver transload/local (106 hours)
    - CP : Thunder Bay (79 hours), Vancouver bulk (58 hours) and Vancouver transload/local (102 hours)
- Both railways have shown some improvement at Thunder Bay and for non-bulk Vancouver traffic while showing nominal slippage for Vancouver bulk traffic as compared to Grain Week 21 performance.

Railway Car Supply Performance Against Current Year Demand to Grain Week 23 (CY 2014)

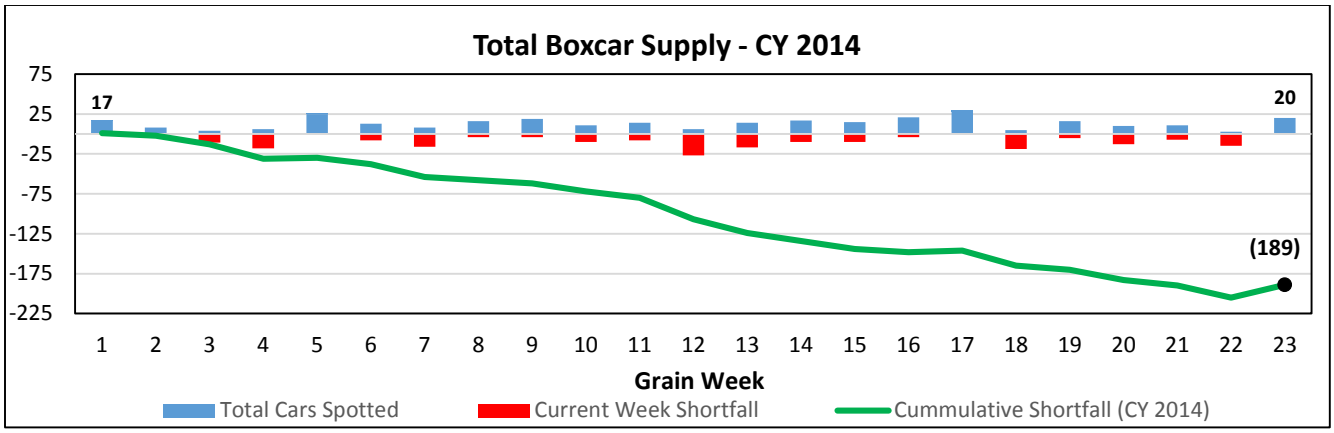
		Crop Year To Date			Avg. Weekly Performance		
		Customer Demand	Railway Supply	Shortfall	Customer Demand	Railway Supply	Shortfall
Covered Hopper	CN	85,948	79,323	(6,625)	3,737	1,943	(1,794)
	CP	88,652	79,534	(9,118)	3,854	1,180	(2,674)
TOTAL		**174,600**	**158,857**	**(15,743)**	**7,591**	**3,123**	**(4,468)**
Boxcar	CN + CP	496	307	(189)	22	14	8

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



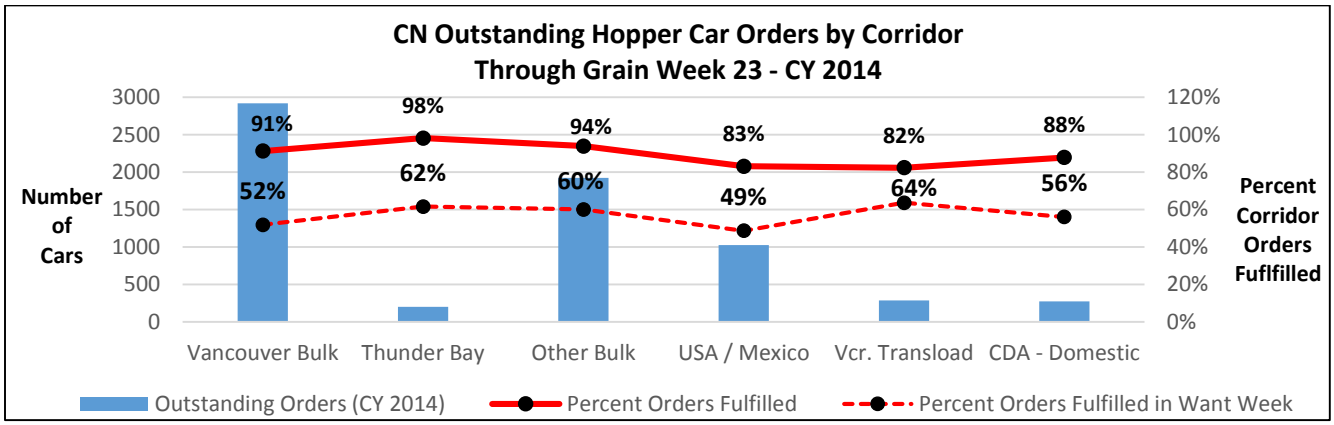


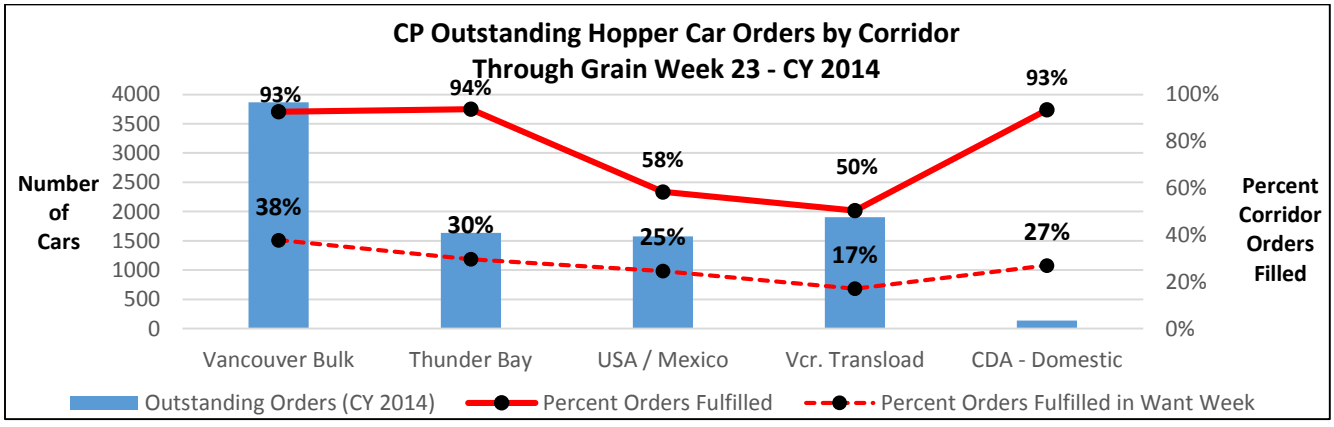
The calculation of railway shortfall for hopper cars represents the difference between expressed shipper demand (car orders) for the current grain year and cars supplied by the railways in response to these orders. Shipper demand includes all orders placed by shippers in the railways' car order systems 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 23 (CY 2014)

	Cars Supplied			Year to Date Shortfall		
	CN	CP	Total	CN	CP	Total
Vancouver Bulk	30,417	48,711	79,128	(2,919)	(3,865)	(6,784)
Thunder Bay	10,882	24,695	35,577	(200)	(1,636)	(1,836)
Other Bulk	29,692	-	29,692	(1,924)	-	(1,924)
USA / Mexico	5,042	2,216	7,258	(1,023)	(1,576)	(2,599)
Vancouver Transload	1,334	1,935	3,269	(287)	(1,903)	(2,190)
Canada - Domestic	1,956	1,977	3,933	(272)	(138)	(410)
	79,323	**79,534**	**158,857**	**(6,625)**	**(9,118)**	**(15,743)**



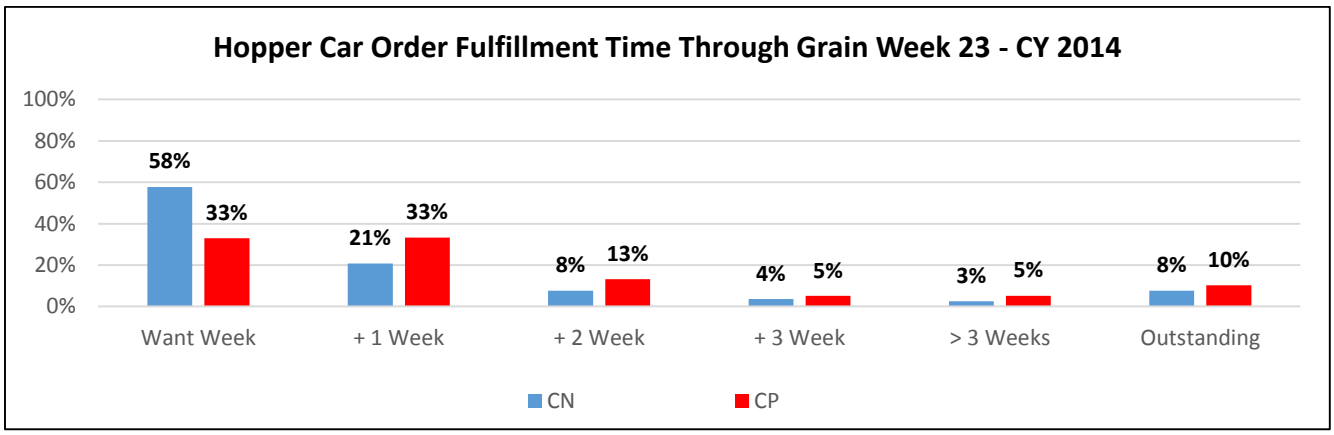


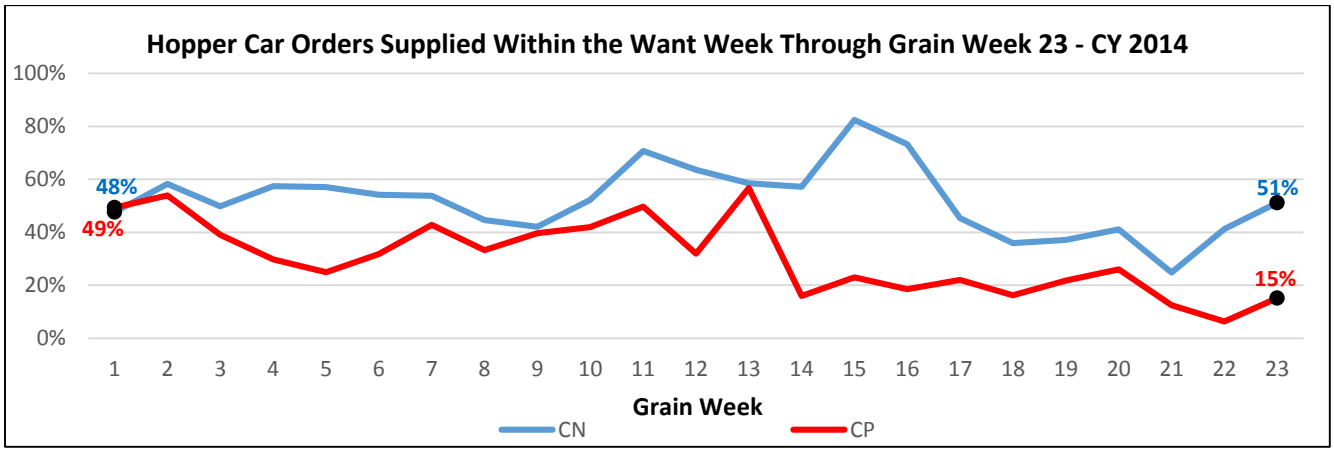
Corridor statistics reflect performance for railway car supply by destination corridor against **current year orders** by shippers for each corridor. The number of cars supplied **excludes** cars supplied by the railways during the measurement period that were for prior year orders.

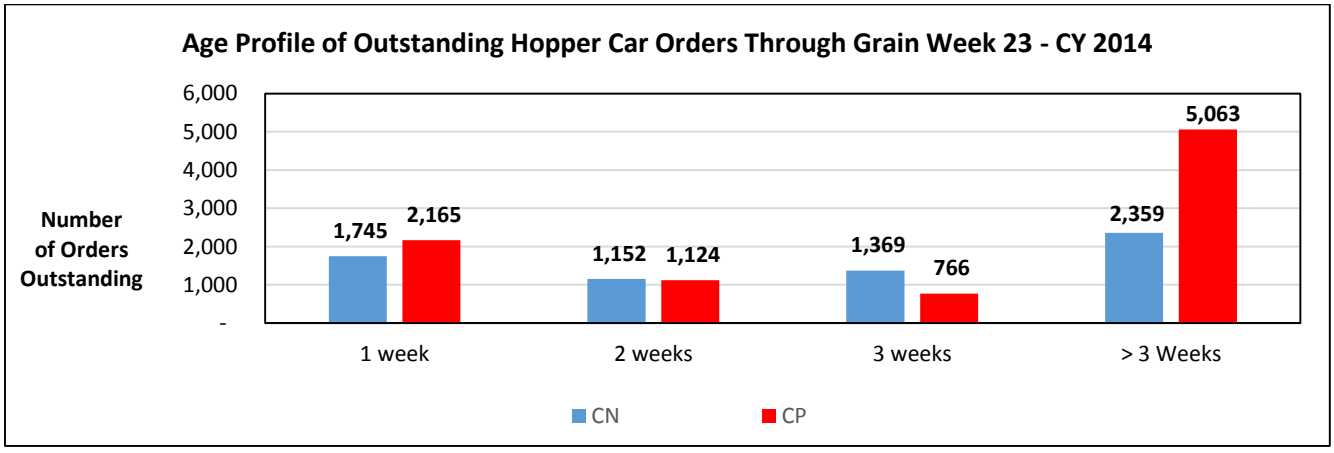
Timeliness of Railway Car Supply Against Customer Demand

Age of Outstanding Orders

RR	Want Week	+ 1 Week	+ 2 Week	+ 3 Week	> 3 Weeks	Outstanding Orders	1 week	2 weeks	3 weeks	> 3 weeks	Total
CN	58%	21%	8%	4%	3%	8%	1,745	1,152	1,369	2,359	6,625
CP	33%	33%	13%	5%	5%	10%	2,165	1,124	766	5,063	9,118
Total	**45%**	**27%**	**10%**	**4%**	**4%**	**9%**	**3,910**	**2,276**	**1,447**	**7,422**	**15,743**





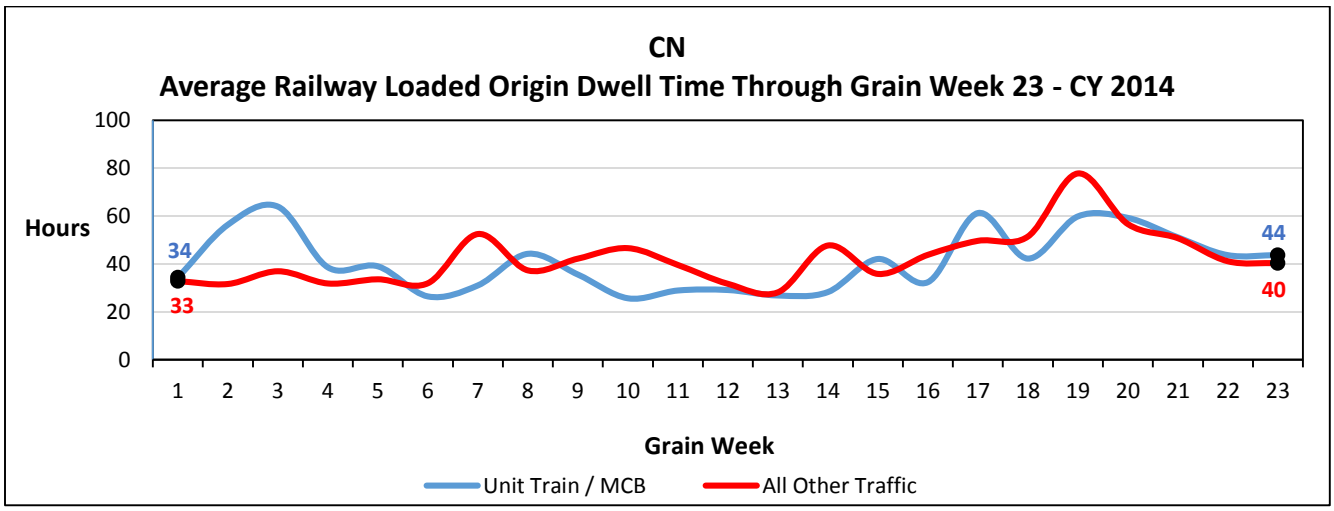


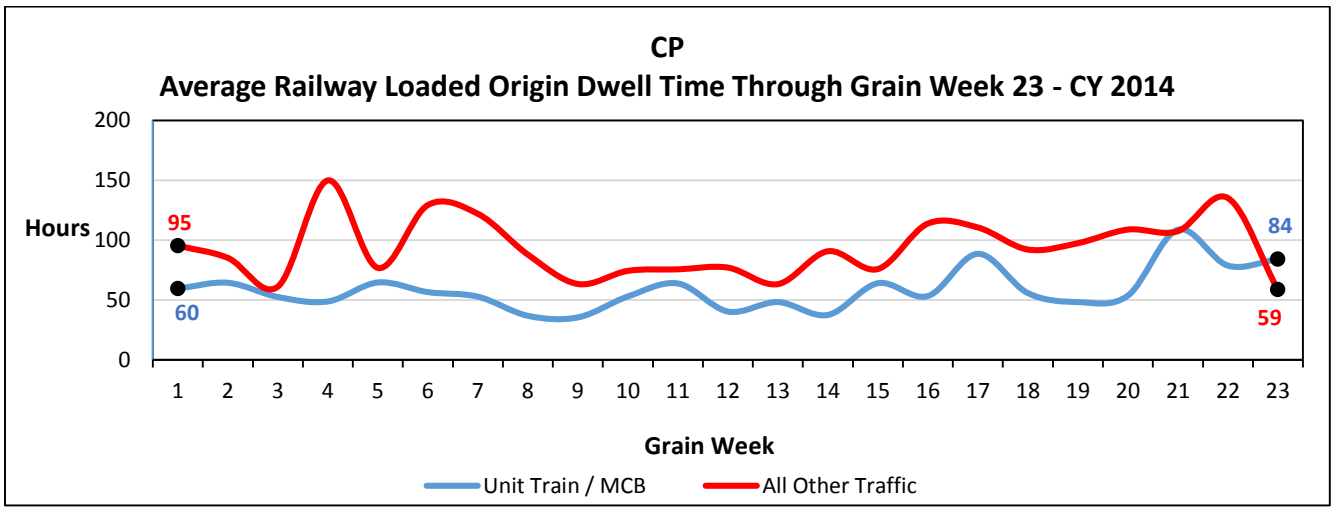
Origin Dwell Performance

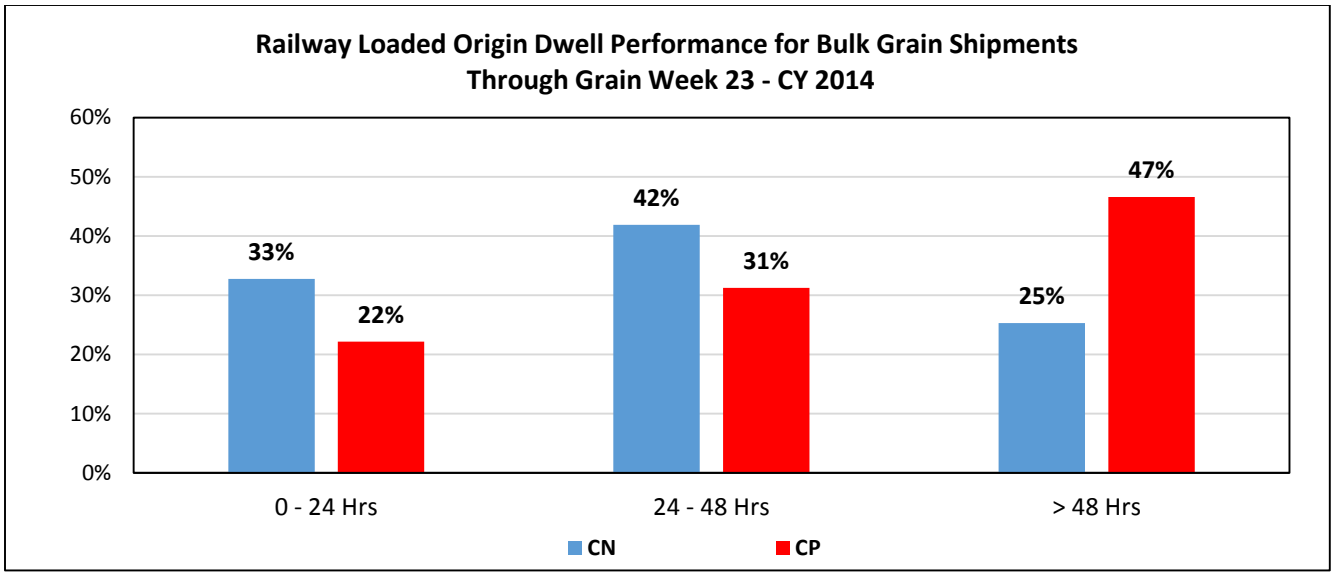
Origin dwell time measures the elapsed time from the release of loaded cars by shippers to the time the railways physically pull the cars from a shipper's siding for movement to destination. Average performance in this area will vary depending on the nature of the shipment.

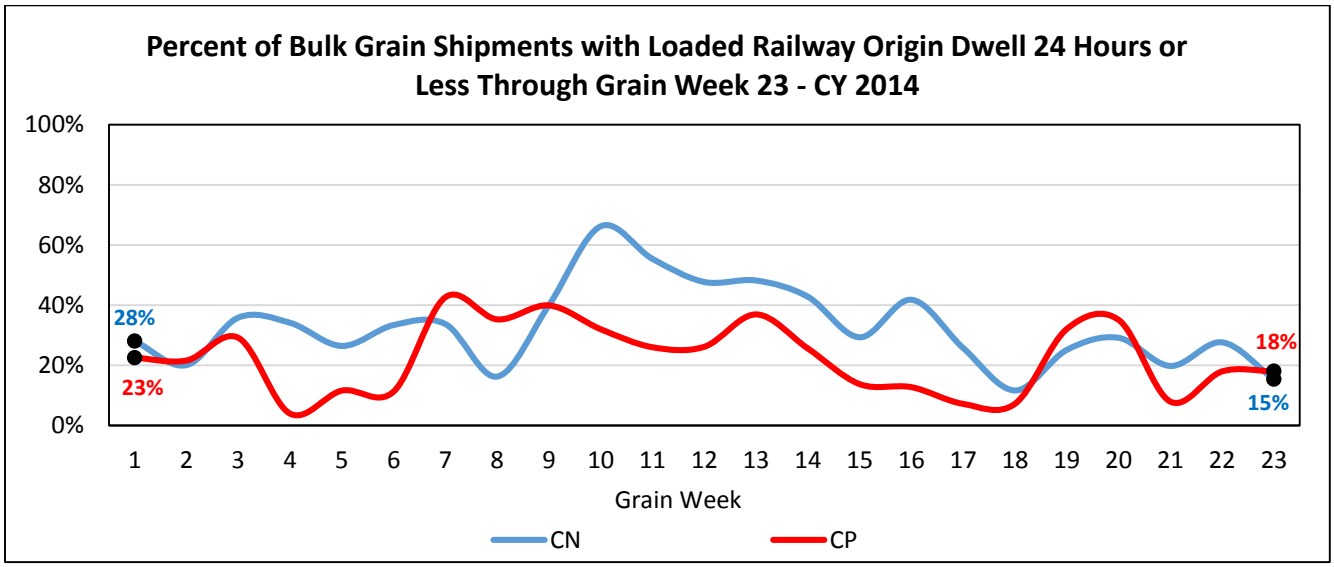
For bulk grain shippers loading unit trains and multi-car blocks dwell time is generally expected to be 24 hours or less as these shippers load cars within 24 hour windows in order to avoid origin demurrage charges assessed by the railways. Non bulk grain shippers loading less than multi-car blocks will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









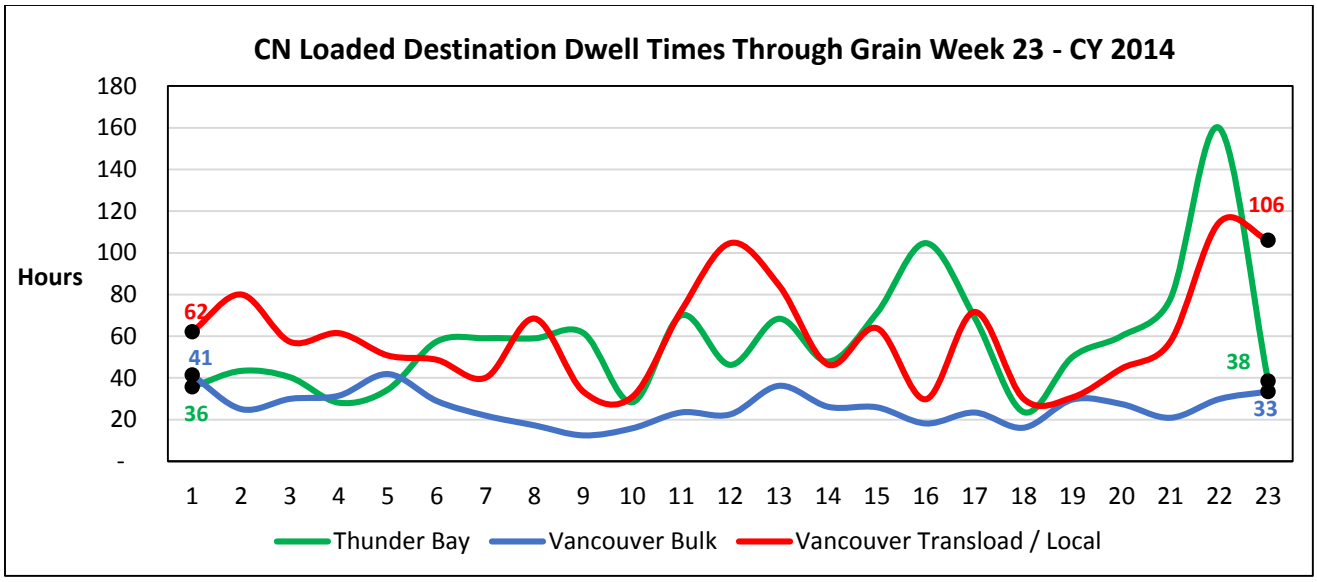
Railway Destination Terminal Dwell Performance

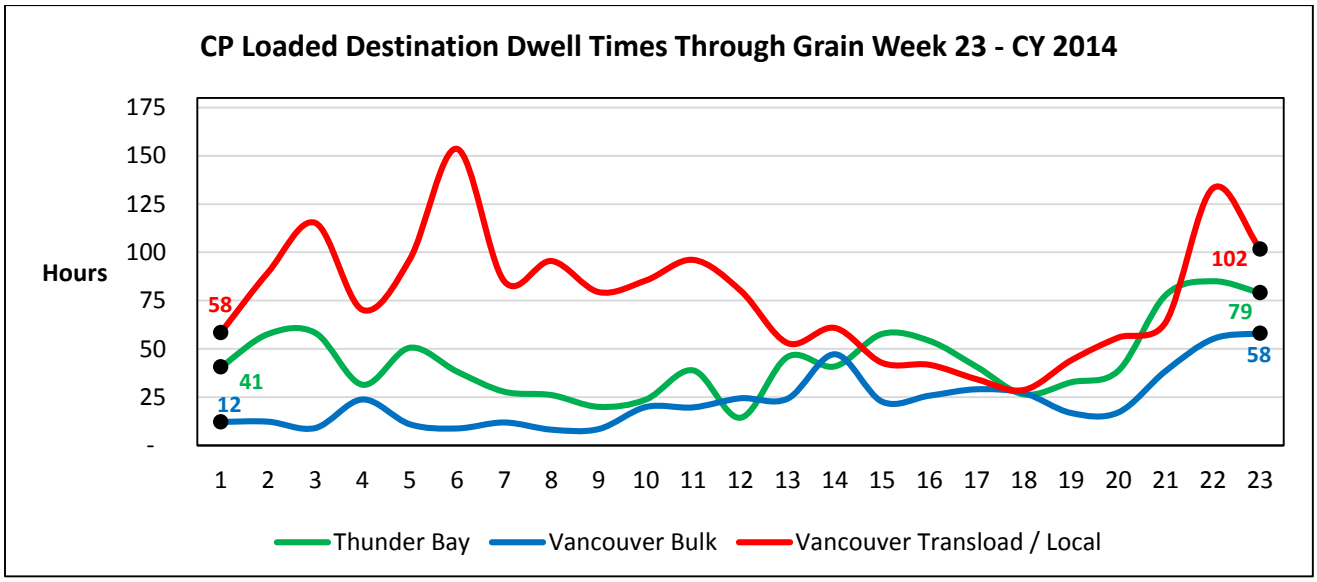
Destination terminal dwell time measures the elapsed time from the time a railcar arrives at the destination railway yard to the time it is placed at the receiver's facility for unloading. Average performance in this area will vary depending on the nature of the shipment.

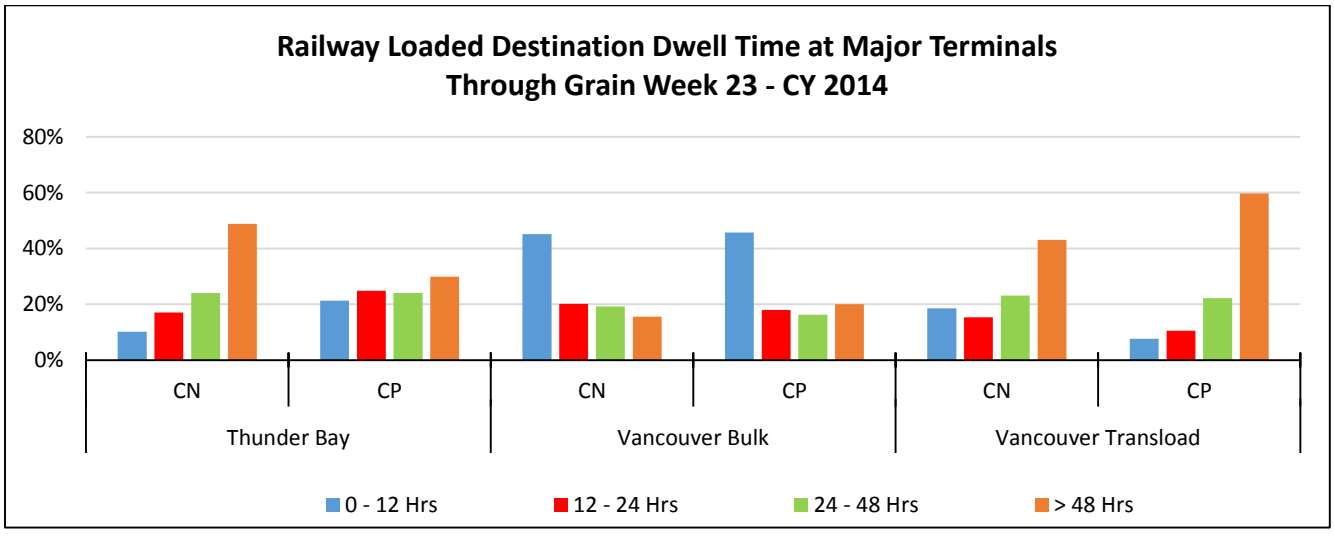
Traffic destined to the bulk port terminal at Vancouver for instance is generally placed for unloading on arrival at Vancouver. In contrast traffic destined to transloaders in Vancouver is ordered in by receivers on a car by car basis.

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.


CN Loaded Destination Dwell Times Through Grain Week 23 - CY 2014
Hours
180
160
140
120
100
80
60
40
20
-
62
41
36
106
38
33
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23
Thunder Bay
Vancouver Bulk
Vancouver Transload / Local


CP Loaded Destination Dwell Times Through Grain Week 23 - CY 2014
Hours
175
150
125
100
75
50
25
-
58
41
12
102
79
58
1 2 3 4 5 6 7 8 9 10 11 12 13 14 15 16 17 18 19 20 21 22 23
Thunder Bay
Vancouver Bulk
Vancouver Transload / Local


Railway Loaded Destination Dwell Time at Major Terminals
Through Grain Week 23 - CY 2014
80%
60%
40%
20%
0%
CN
CP
CN
CP
CN
CP
Thunder Bay
Vancouver Bulk
Vancouver Transload
0 - 12 Hrs
12 - 24 Hrs
24 - 48 Hrs
> 48 Hrs