

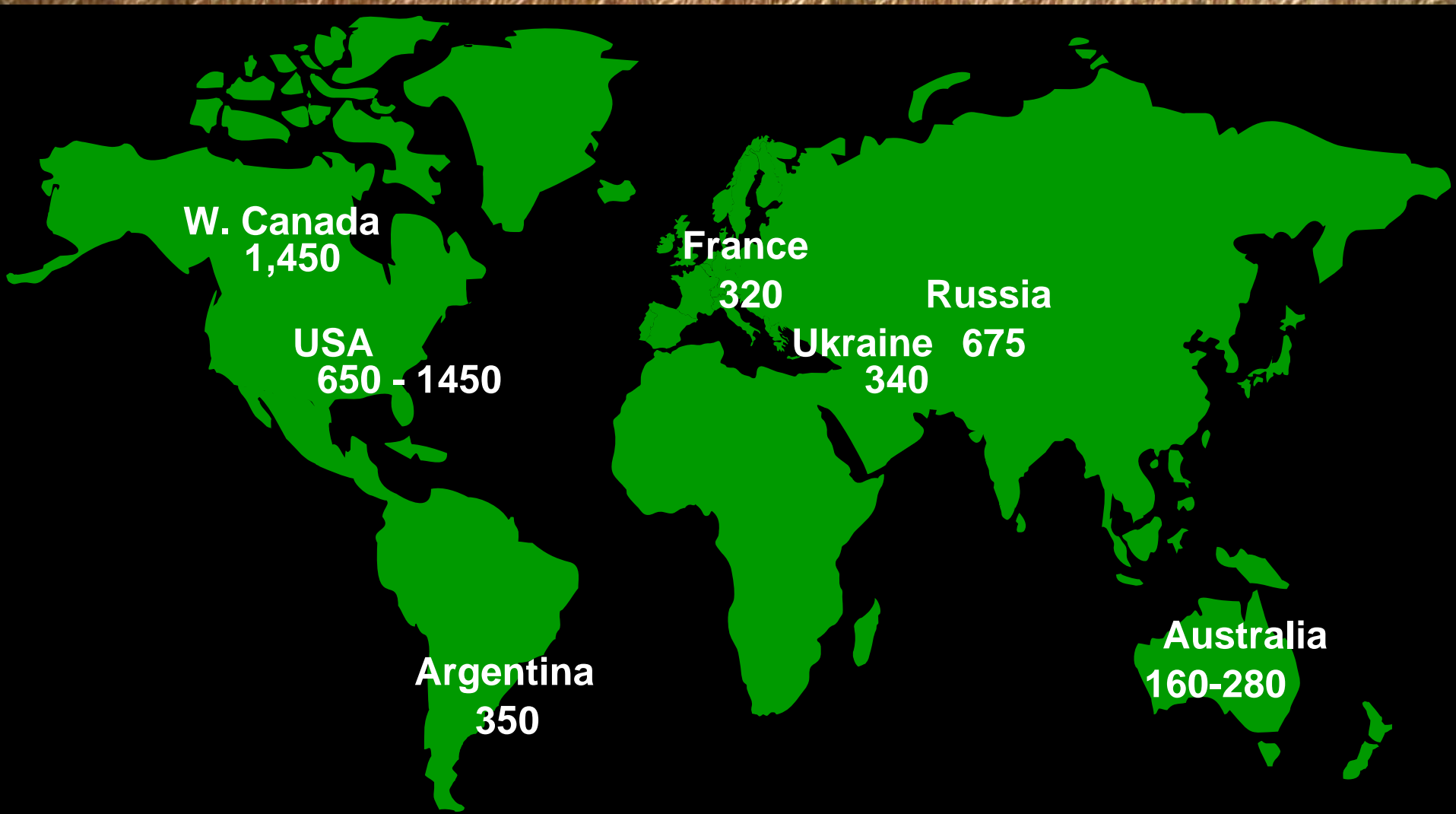


# Grain Transportation in Western Canada – finding a path to reliable rail service

Ian McCreary  
Director, District Six  
Canadian Wheat Board

# *Growing Region Distance from Water*

*(kms from center of growing region to port)*



# Setting the Terms

Regulatory Framework



Nature of Commercial  
Negotiations

Rates



Service



Accountability

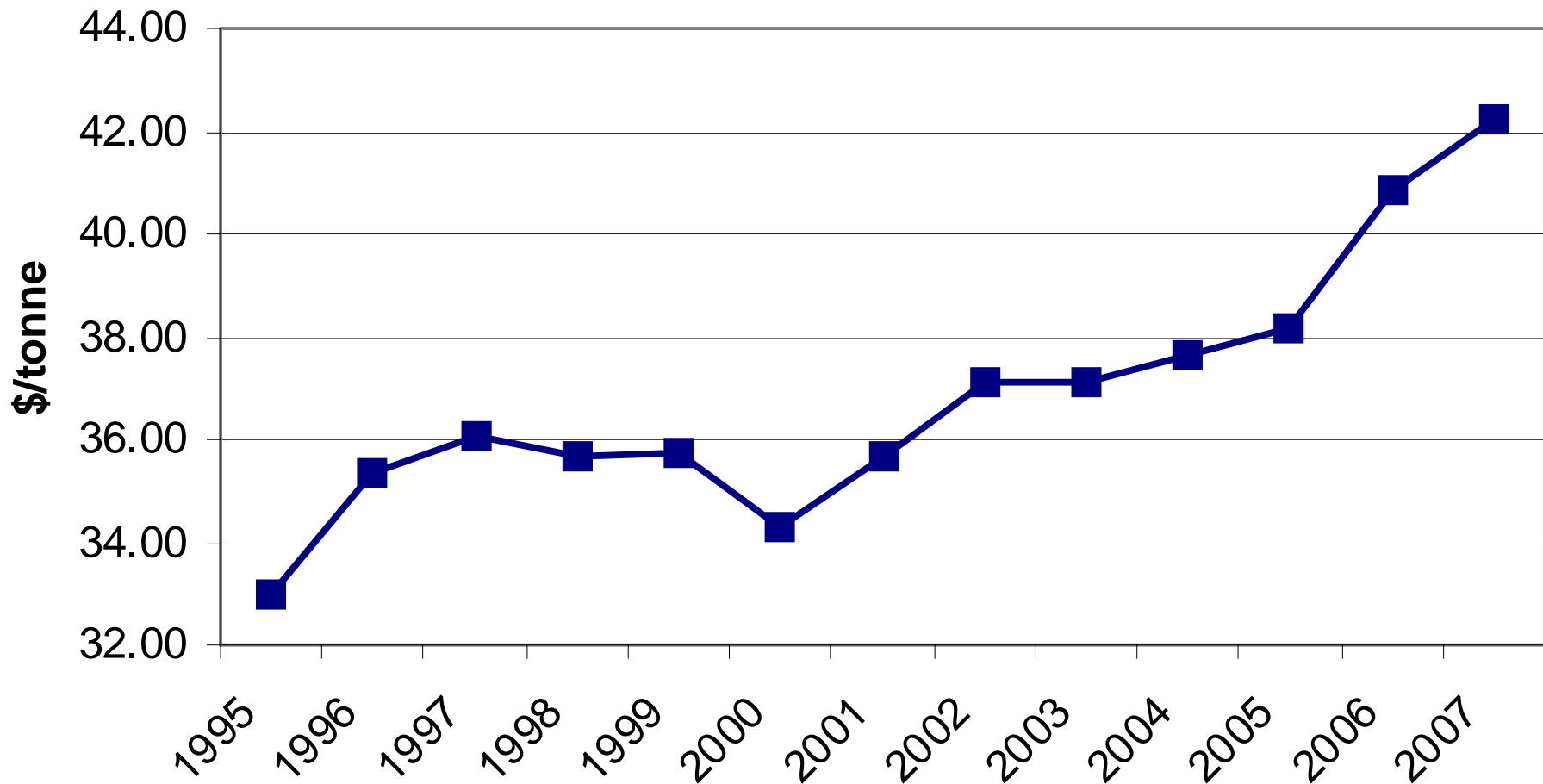


# C-34 An End to the Rate Cap

- Bill C-34 (August, 2000) moved from a rate cap to a revenue cap
  - Railways unilaterally ended CAPG, moved to railway designed products.
  - Railways began direct shipper-carrier negotiations.
  - One time adjustment of 178 million



# Rail Rates – Saskatoon to Vancouver



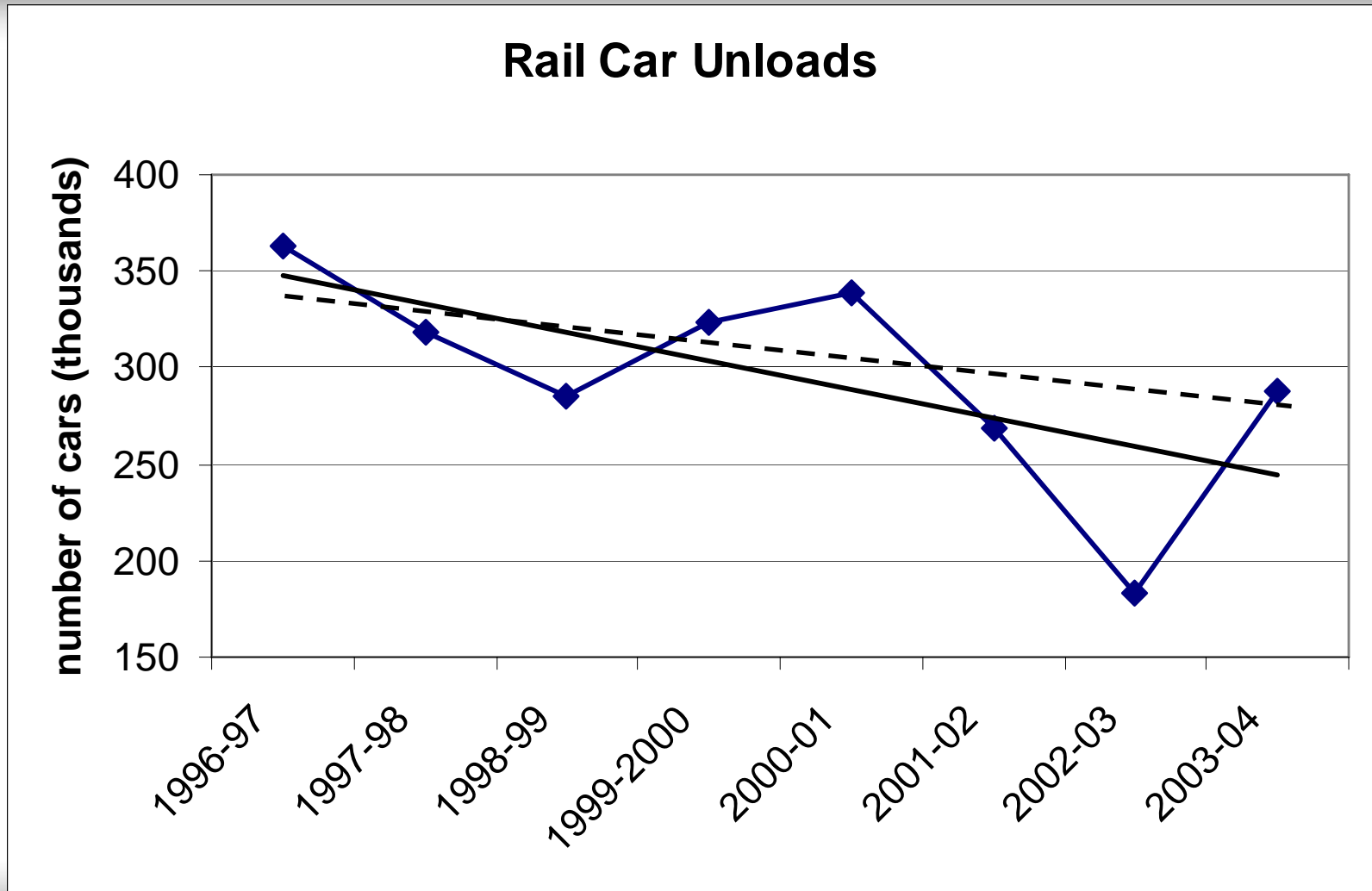
# Railway Profits

53.9 %

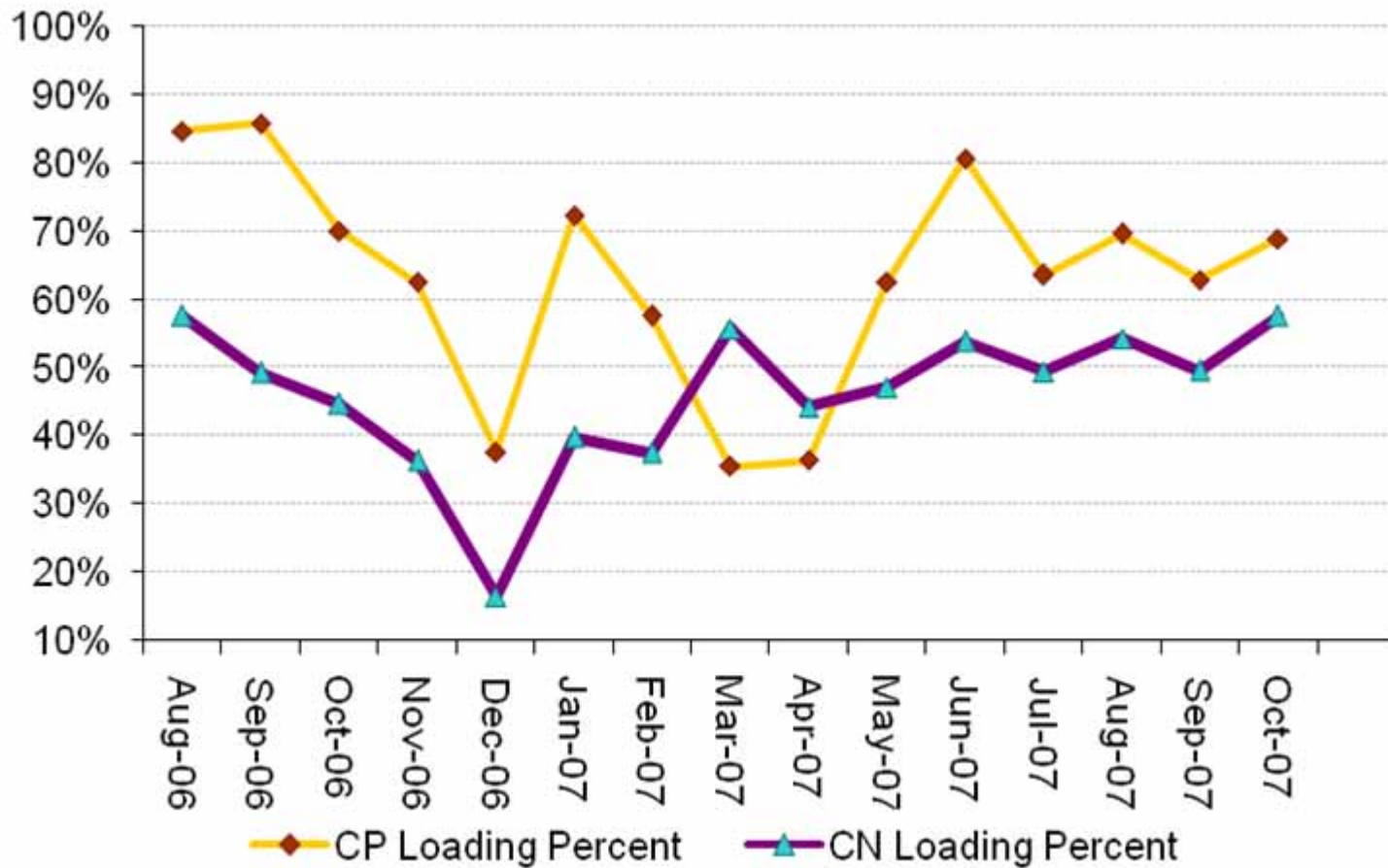
20 %



# Quantity of Service

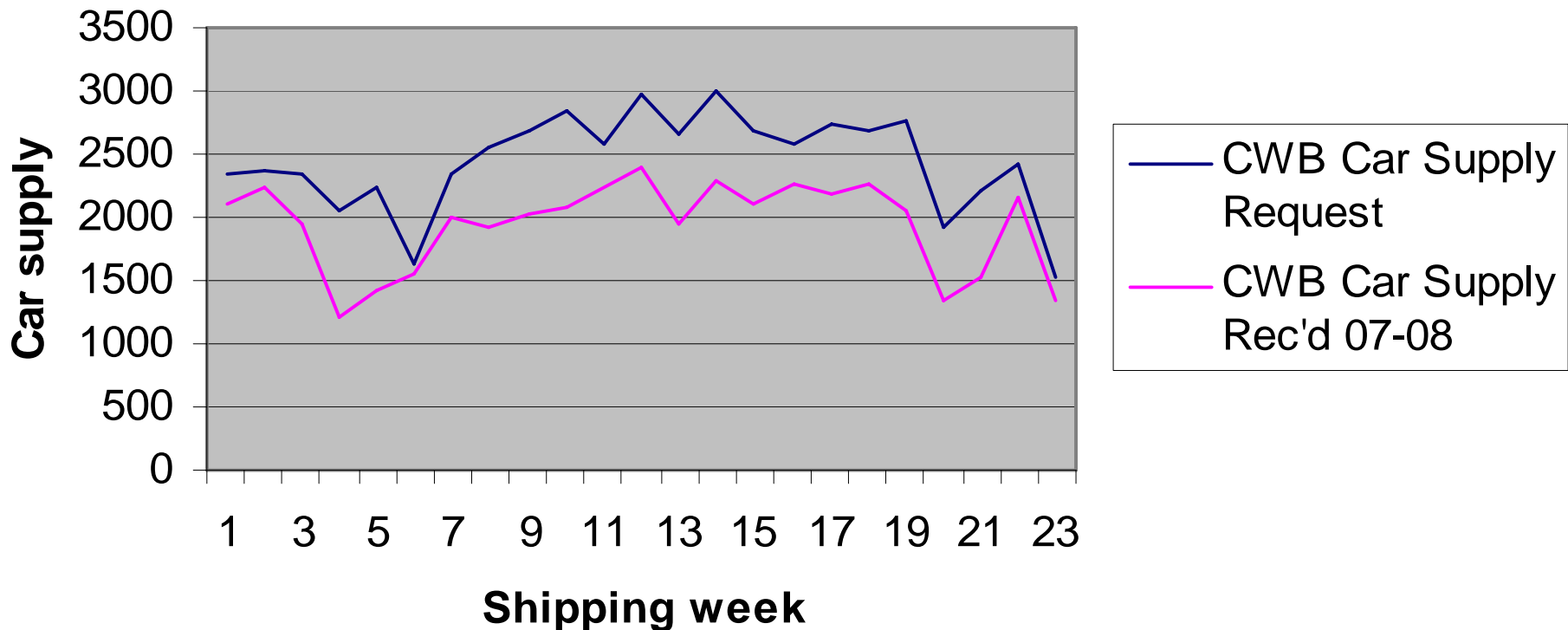


# Country Loading Performance for CWB Grain on CN/CP Lines



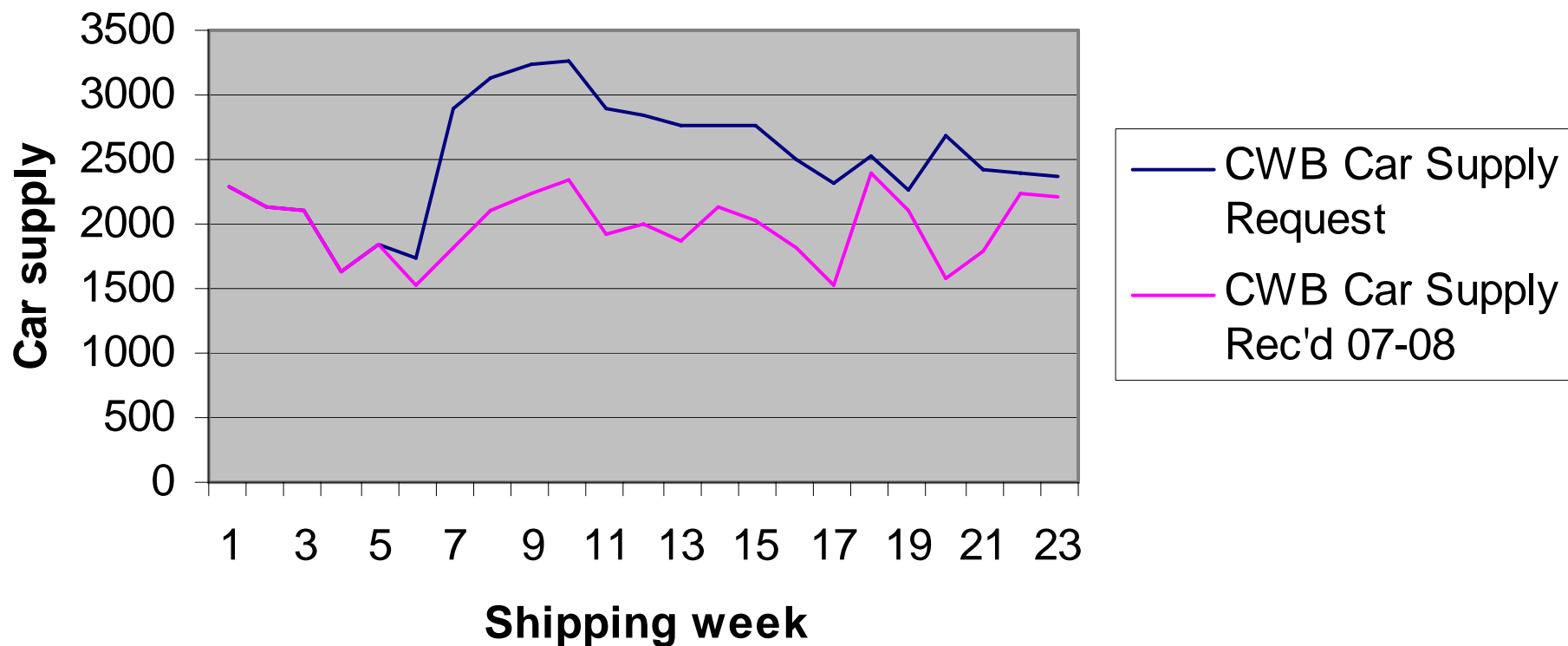
# Loading Performance - CPR

## CPR: Requested vs. Received



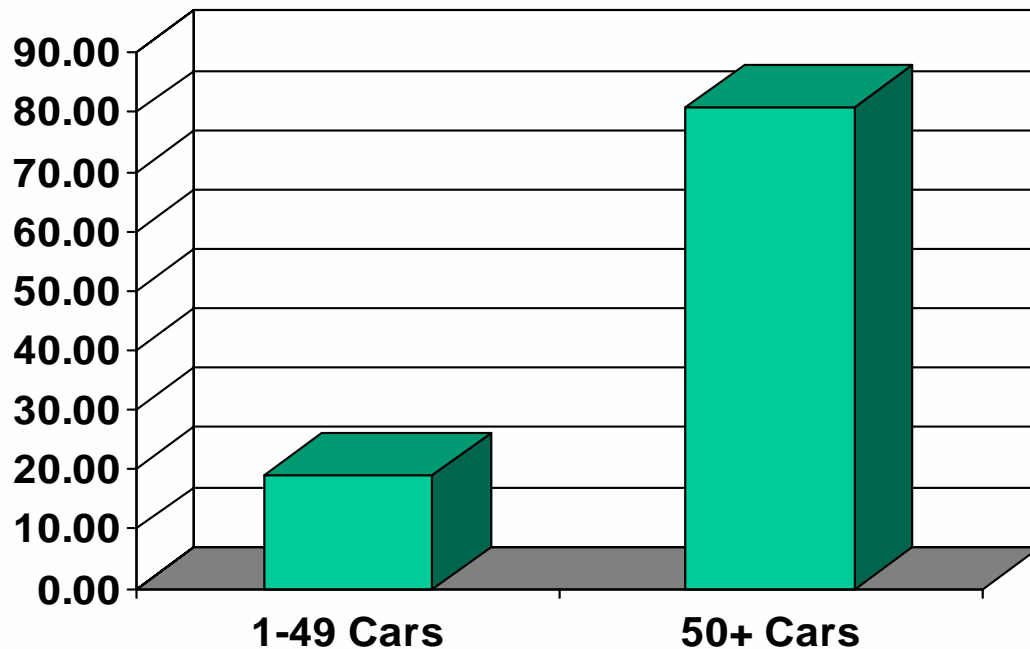
# Loading Performance: CN

## CN: Requested vs. Received



# Multi-Car Blocks

**Multi Car Blocks (% of Shipping)**

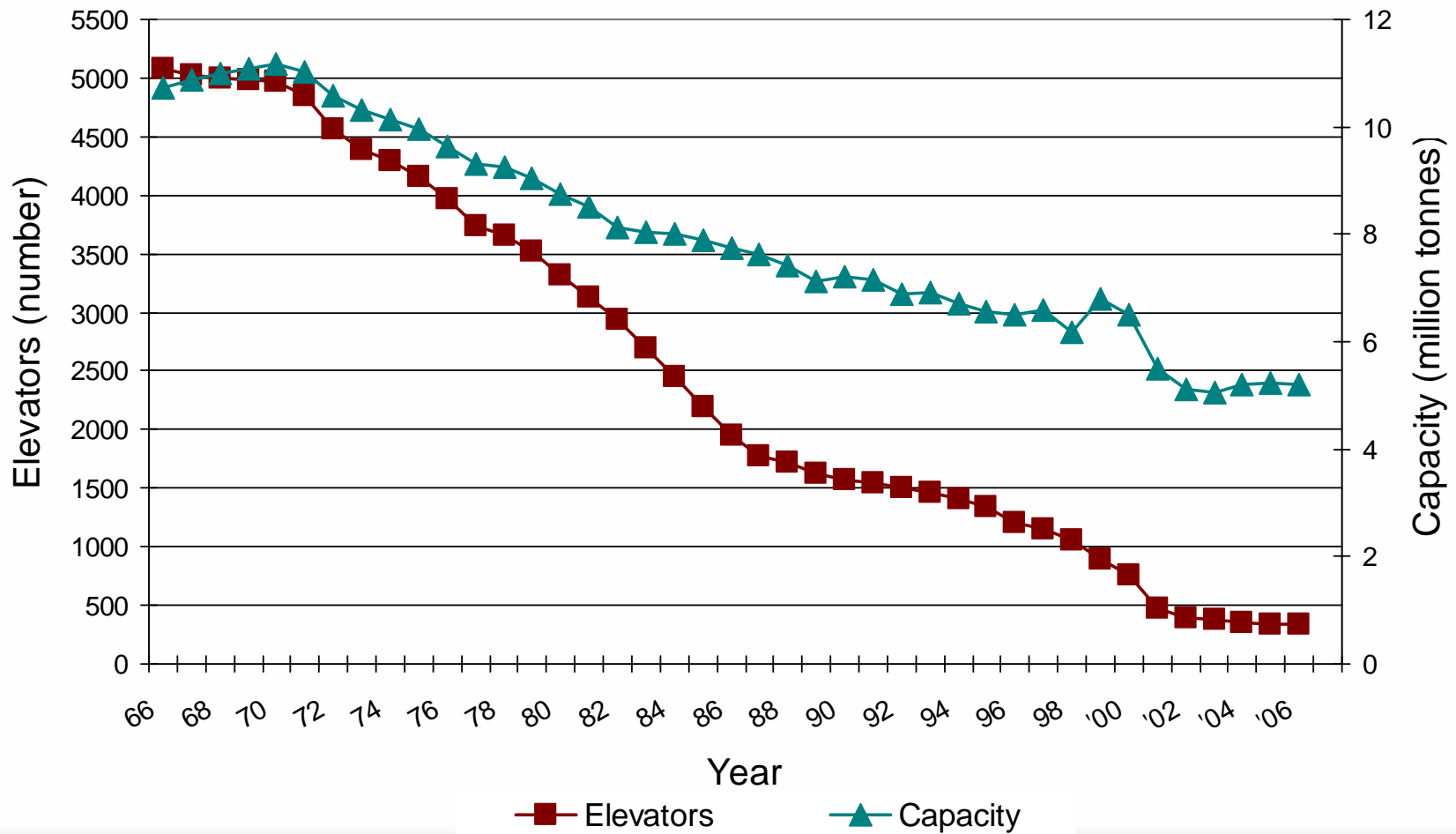


Source: Grain Monitor Report 2006-07 Q2

The first multi-car blocks were used in the late 1990s.

Today the majority of grain is sourced in multi-car blocks.

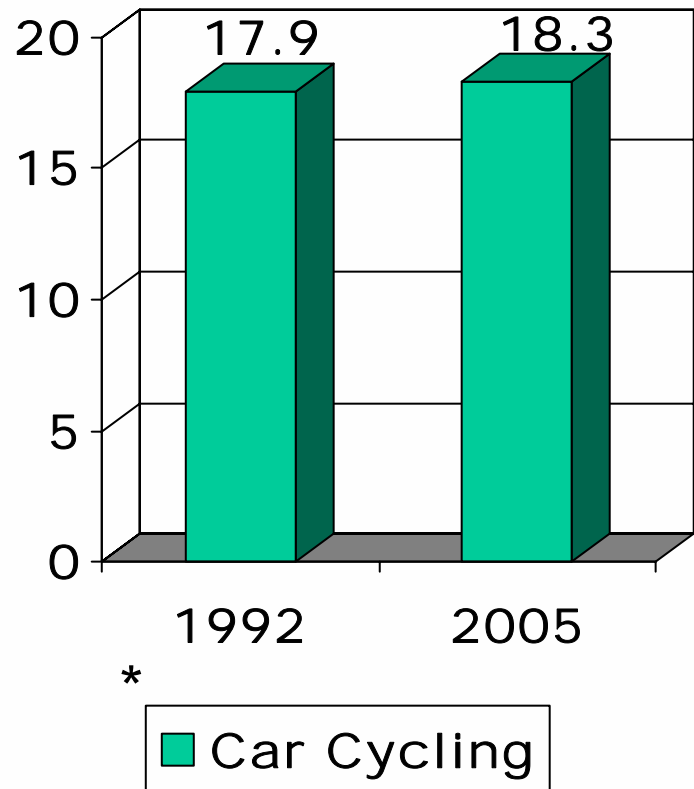
# Primary Elevator System



# Car Cycling

The average for the Vancouver corridor effectively remained unchanged at 18.3 days.

-Grain Monitor Quorum Corp  
2005-06 Annual Report



\* Source: WGTA

# New Regulatory Balance

## *Vision and Balance - 2001*

*“The Panel believes, however, that there are cases where market forces are inadequate; in those situations, appropriated recourse is necessary to protect shippers against the potential abuse of market dominance by a carrier.”*



# Bill C8 Narrowing the Gap



- Multi Party FOA
- Ancillary Charges
- Substantial Commercial Harm Test
- Service Review

# Attaining Balance

- Reverse Onus Running Rights
- Simulated Competition

