



Transport
Canada

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**Rail Freight Service
Review**

**Examen des services de
transport ferroviaire des
marchandises**

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November 9, 2009

Dear Sir/Madam,

Call Letter for Submissions

The Honourable Rob Merrifield, Minister of State (Transport), announced on September 23, 2009, the appointment of a three-person Panel to conduct Phase II of the Rail Freight Service Review. The Panel is pleased to undertake this important review of Canada's rail-based freight logistics chain that will examine the performance of the rail freight transportation supply chain and its impact on rail service to shippers in Canada.

The objectives of the Rail Freight Service Review are to:

- conduct a review of the rail-based logistics chain (including railways, shippers, terminal operators, ports, and vessel operators), with a focus on service provided to Canadian shippers and customers by Canadian National and Canadian Pacific Railway within Canada, including to and from ports and border crossings;
- identify problems and issues with respect to railway service including those stemming from other elements of the logistics chain;
- determine if there are any problems with logistics for shippers located on shortlines and, if so, the source of the problem including service, operating, or marketing practices of the main line carriers;
- identify best practices and how these can be expanded to address service issues; and
- make recommendations on how to address these problems and issues, including both commercial and, if necessary, regulatory solutions.

The Review is being conducted in two phases. The first phase consists of qualitative and analytical work carried out by independent consultants for Transport Canada. That work is progressing well and once completed will be made available to stakeholders for consideration prior to the deadline for stakeholder submissions to the Panel. The final consultant's report from Phase I is expected to be released by January 29, 2010. The Panel, representing the second phase of the Review, has been asked to propose recommendations to address problems and issues with respect to transportation service within the rail-based logistics system.

The terms of reference require the Panel to:

- meet with the Phase I consultants to review and discuss their findings;
- undertake site visits of rail transportation logistics operations in both western and eastern Canada;
- solicit comments from interested parties on issues, solutions, best practices and factors the Panel should consider in developing its recommendations;
- conduct bilateral meetings with stakeholders, as required, prior to the interim report;
- develop draft recommendations based on the Phase I consultant reports, stakeholder input and other relevant information;
- release an interim report containing the draft recommendations and solicit comments from interested parties on the interim report;
- conduct bilateral meetings with stakeholders, as required, following release of the interim report;
- finalize a set of recommendations after considering comments submitted by interested parties and other relevant information; and
- submit its final report and recommendations to the Minister by end of Summer 2010.

The Panel is inviting all interested parties to provide written submissions by February 26, 2010. Unless an express request that a submission not be published is made to the Panel at the time a submission is provided, all submissions received by the Panel and all information contained therein, other than private information or information identified by the originator as commercially sensitive, will be published, as they are received, on the Rail Freight Service Review website at:

<http://www.tc.gc.ca/policy/acg/rfs-review-examen-sfm>. If you concur, it would be appreciated when you forward your submission that you indicate you have no objection to posting the full submission. This will facilitate the expeditious posting of submissions.

Information on how to make a submission is available on the Review website at <http://www.tc.gc.ca/policy/acg/rfs-review-examen-sfm/hw-eng.htm>. The terms of reference for the Review and Panel, the September 23, 2009 press release announcing the Panel and brief biographies of the Panel members can also be found on the website.

Interested parties are invited to forward their submissions electronically via the Review website or the following email address: rfsr-esmf@tc.gc.ca. Submissions may also be provided by fax to (613) 990-9026 or, by mail to the following address:

Rail Freight Service Review
Suite 808
180 Elgin Street
Ottawa, Ontario
K2P 2K3

The Panel is especially interested in receiving submissions for improving the rail-based logistics system that:

- articulate the nature and extent of service issues;
- describe the nature and extent of adverse impacts;
- propose concrete and realistic solutions that can be implemented in a practical manner;
- explain how the recommended solutions address the identified issues or problems;
- highlight best practices that might be adopted to improve service; and
- identify key principles or factors the Panel should consider in developing its recommendations to improve service in the rail-based logistics system in Canada.

The Panel is mindful of the strict timelines for the Review process that are dictated by the need to issue a final report by the end of Summer 2010. The Panel is seeking your cooperation in providing your submission by the February 26, 2010 deadline and working with the Panel, as required, on a timely basis through the balance of the Review process.

We look forward to your submission on improving the rail-based logistics system and encourage you to check the Panel's website from time to time for status reports and updates on the Panel's work, including the posting of the Phase I consultant reports.

_____ (signed) _____

Walter Paszkowski, Chair

_____ (signed) _____

David Edison, Member

_____ (signed) _____

Bill LeGrow, Member