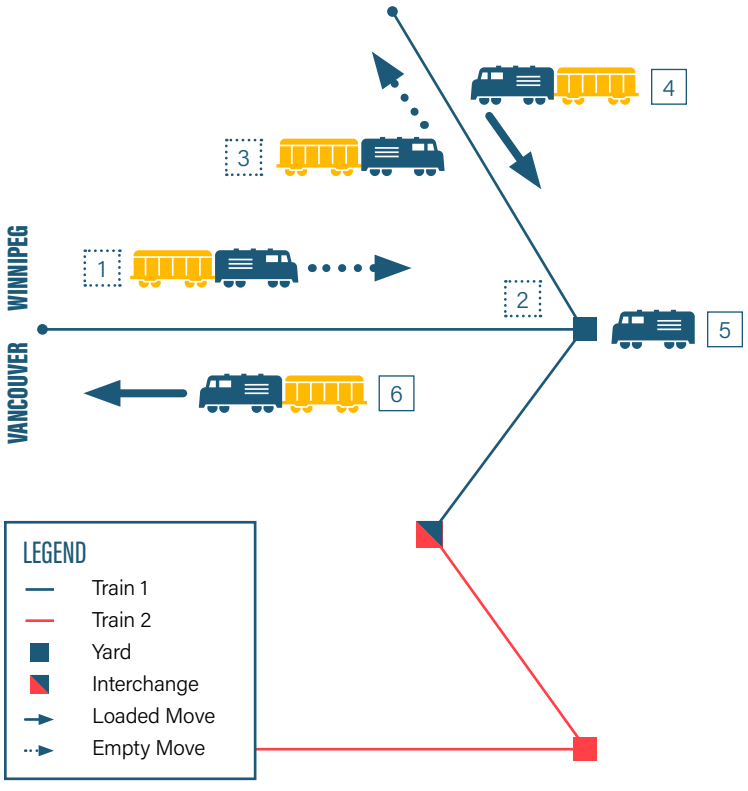
EXPANDING REGULATED INTERSWITCHING: BAD FOR SUPPLY CHAINS. BAD FOR EVERYONE.

- MORE ASSETS TO MOVE SAME VOLUME
- HIGHER FREIGHT COSTS
- MORE TRANSIT TIME
- MORE POTENTIAL FOR CONGESTION
- MORE ASSETS
- DRIVES INVESTMENT & JOBS TO THE U.S

Interswitching is the transfer of traffic between railways. The fewer switches, the more efficient the movement of goods. Interswitching is estimated to add, on average, 1 to 2 days to transit times. The Transport Minister's office has even admitted this policy will cause congestion. Imagine adding a layover and expecting your flight to arrive at its destination earlier.

There is no need for regulatory intervention. Canadian freight rates are on average among the lowest compared to similar market economies. Freight rail reliability has been a supply chain bright spot. Resurrecting extended interswitching will jeopardize that. It will give the work of Canadian railroaders to U.S. railways as happened when it was in place from 2014-17.

PHYSICAL REQUIREMENTS WITHOUT INTERSWITCHING



HANDLES/MOVES

Service*	L/E	
1	E	Train 1 from Winnipeg
2	E	Train 1 classification
3	E	Train 1 yard to customer
4	L	Train 1 customer to yard
5	L	Train 1 classification
6	L	Train 1 to Vancouver

* Each service represents a different crew (2–3 crew) and locomotive set (1–3 locomotives).

CAR CYCLE

	Days
Loading	1
Origin to yard (L)	1
Interchange (L)	0
Transit (L)	5
Unloading	1
Transit (E)	5
Interchange (E)	0
Yard to Origin (E)	1
Cycle	**14**
Loaded Transit	**6**

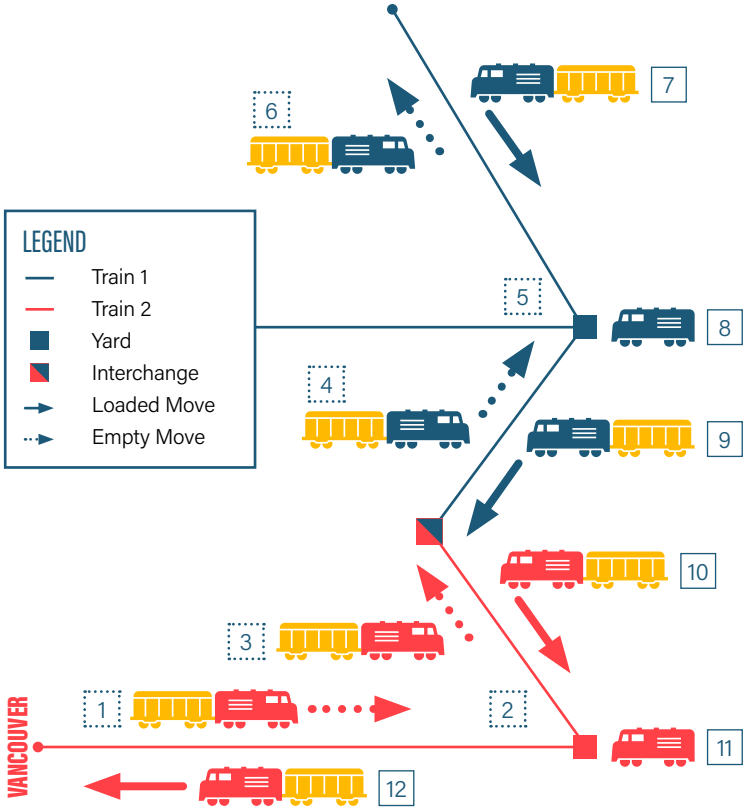
* L/E = Load / Empty

FLEET SIZING

Tonnes (Millions)[1]	0.5
Tonnes/car	100
Carloads/year	5,000
Cycle	14
Car turns/year	26
Cars Required	**192**

[1] For example, a 500 Kmt/y pulp, or wood pellet mill

PHYSICAL REQUIREMENTS WITH INTERSWITCHING



HANDLES/MOVES

Service*	L/E	
1	E	Train 2 from Vancouver
2	E	Train 2 classification
3	E	Train 2 transfer yard to interchange
4	E	Train 1 transfer interchange to yard
5	E	Train 1 classification
6	E	Train 1 to customer
7	L	Train 1 customer to yard
8	L	Train 1 classification
9	L	Train 1 yard to interchange
10	L	Train 2 interchange to yard
11	L	Train 2 classification
12	L	Train 2 to Vancouver

* Each service represents a different crew (2–3 crew) and locomotive set (1–3 locomotives).

CAR CYCLE

	Days
Loading	1
Origin to yard (L)	1
Interchange (L)	1.5
Transit (L)	5
Unloading	1
Transit (E)	5
Interchange (E)	1.5
Yard to Origin (E)	1
Cycle	**17**
Loaded Transit	**7.5**

* L/E = Load / Empty

FLEET SIZING

Tonnes (Millions)[1]	0.5
Tonnes/car	100
Carloads/year	5,000
Cycle	17
Car turns/year	21
Cars Required	**238**

[1] For example, a 500 Kmt/y pulp, or wood pellet mill

Minister Alghabra's office acknowledges in the *Financial Post* that interswitching causes congestion:

"... the change will only apply in the Prairies, to avoid congestion on high-traffic routes in British Columbia and from Ontario to Quebec, according to federal Transport Minister Omar Alghabra's office."

- *Financial Post*, May 18, 2023

RESURRECTING EXTENDED REGULATED INTERSWITCHING WOULD NEGATIVELY IMPACT ALL SHIPPERS, ALL CONSUMERS. IT WOULD BE BAD FOR EVERYONE.