

Mechanical Committee Meeting

March 26, 2024

People. Goods.
Canada moves by rail.



Railway Association
of Canada

Competition Law Compliance Policy

STATEMENT

The RAC is committed to compliance with all **competition laws** applicable in Canada, including Canada's *Competition Act*.

Under the leadership of its Board of Directors, the RAC carries out its activities in strict compliance with all **competition laws**, provides guidance to its committees and its employees on how to comply with these laws, and promotes with them the importance and value to the RAC of complying with them.

The RAC Corporate Secretary ensures that RAC, its committees and its staff are familiar and comply with this policy.

COMPETITION LAW

Competition laws are designed to maintain and encourage competition in the marketplace. Non-compliance with the **competition laws** relating to improper coordination among competitors could constitute a criminal offence to which significant fines and prison terms can be attached, and for which significant damages can be awarded in private lawsuits, including large class actions.

RAC is a forum for railway members to exchange information and views on the railway sector. Particularly because RAC is an association that represents most of the players in the rail sector in Canada, including many that compete with one another, any activity it conducts must be in strict accordance with the **competition laws**, and avoid even the perception of possible improper conduct.

PROHIBITED ACTIVITIES

Due to the presence of multiple competing entities in RAC, any activity, including discussions or agreements that relate, directly or indirectly, to the following "**Prohibited Topics**" are strictly prohibited:

- Prices (rates) charged to shippers for services provided by members of the RAC
- Prices (costs) paid to suppliers for services provided to members of the RAC
- Any other conditions associated with services provided to shippers or received from suppliers of RAC members, including discounts, rebates, etc. and level of service provisions
- Customer or territory allocation
- Limitation of supply of services provided by RAC members to their customers

GUIDANCE

Any activity, including discussions or agreements that could even remotely be construed as relating to the above Prohibited Topics, cannot take place at the RAC or any of its committees or any meeting organized or attended by RAC staff, or otherwise among RAC members.

To ensure compliance with these rules, when meeting, members of a RAC committee or of the Board of Directors must:

- Have a pre-set agenda and take minutes, recording resolutions adopted and summarizing the essentials of conversations that took place.
- Limit themselves to issues identified on the agenda, except if circumstances call for other issues to be addressed, in which case careful notes of the additional issues discussed must be recorded.
- If any participant believes that Prohibited Topics have been raised or discussed, they must advise all participants of their concern and any discussion relating to that issue be ceased immediately pending legal advice.
- Require legal advice if any issue to be discussed might cause the members to believe that **competition laws** could be infringed.
- Suspend or even postpone to a later date discussions on such issues if legal advice cannot be sought in a timely manner.

Staff of the RAC shall in their duties ensure the confidentiality of information brought to their attention by members, avoid conflict of interest or situations that would discredit the RAC, unless doing so could violate the **competition laws**.

Updated May 3, 2021

RAC MECHANICAL COMMITTEE MEETING

Tuesday, March 26, 2024
11:00 AM to 12:00 PM (ET)

Microsoft Teams

[Click here to join the meeting](#)

AGENDA

	SCHEDULE	DISCUSSION LEADER	TIME
1.	Welcome & Introductions	K. Mulligan (Chair)	11:00
	1.1 Competition Law Compliance Policy – Forward statement	K. Ouimet	11:05»
2.	Approval of Minutes October 13, 2023	All	11:10» D
3.	Broken Wheels Discussion	All	11:15
4.	TTGX 974604	L. Czihaly	11:25
5.	Other Business	K. Mulligan (Chair)	11:35
6.	Next Meeting	K. Mulligan (Chair)	12:00

» *Supporting material provided*
D Decision Required

**RAC MECHANICAL COMMITTEE MEETING
DRAFT MINUTES 23-02
Virtual Meeting
October 13, 2023; 11:00 HOURS (ET)**

In Attendance

Kyle Mulligan, CP - Chair
Laszlo Czihaly, SRY
Keven D'amours QNS&L
Lonnie Little, ONTC
Dave McMullen, QNS&L
Kevin Ouimet, RAC
Lukasz Szynsiak, VIA

Regrets

Stéphane Boudreault, QNS&L
Kevin Clearbout, Metrolinx
Dave Dallaire, GWCI
Kevin Hill, Metrolinx
Murray MacBeth, GWCI

1. Welcome & Introductions - K. Mulligan

Mr. Mulligan noted that the required quorum was achieved and called the meeting to order in accordance with the Railway Association of Canada (RAC) bylaws. Mr. Ouimet read Agenda item 1.1 Competition Law Compliance Policy – Forward statement.

2. Approval of Minutes October 17, 2022 – All

It was moved by Mr. Little and seconded by Mr. Mulligan to approve the minutes of the March 9, 2023, meeting.

3. Broken Wheel Discussion – All

BNSF is looking at broken wheel statistic's across Class1 railways. Mr. Mulligan will get more information from BNSF for the next committee meeting.

CPKC had a broken wheel last week and the reason it was discovered was that in their OCS they have a broken rail detection system (non vital detection system) that is designed to find rail integrity issues and they received 5 alerts in a row across two and a half subdivisions (they were valid rail breaks). When the train crew stopped, they noticed the broken wheel. Normally CPKC rules are designed to prevent movements from going over the section of track that's identified by a rail break, but CPKC didn't have a process in place in the OCS (only in CTC) to say that if you have multiple breaks within a certain distance of each other you should stop and inspect the train. CPKC has since added new alerts that will advise the operation center if there are multiple breaks to not only protect that section of track but also have the train crew stop and inspect the train for a broken wheel. CPKC has invested in crack wheel detection camera-based systems to help find broken wheels and now here is another type of technology that they leverage as part of their arsenal in broken wheel detection.

4. Other Business – All

Sreechakradhar (Sree) Masabattula (CN) will be replacing Manual Salazar (CN) as Vice Chair of the Mechanical committee starting at the next committee meeting in March 2024.

Train Brake Rule – The rule was finalized and approved by Transport Canada, and it comes into effect December 2025. The big win for industry is that technology-based inspection using wheel temperature detectors has been officially added to the Train Brake Rule. This

technology is allowed on Mountain and heavy grade and the rule provisions now provide the ability to expand the technology without having to go through the exemption process. This win shows that Canada is embracing technology, and that technology can survive with labour, its not a direct replacement for the men and women on the ground. One disadvantage of the rule is that there is still a requirement for a manual break test on the loaded side. However, on the return trip (empty train) you are not required to perform a manual break test.

BET – is a cold wheel test that uses the wheel temperature detector on the grade to assess the effectiveness of the breaks. This use to be called the automated break effectiveness test but in an effort to align with the U.S. and motivate the PRA to allow waivers in the U.S. for this type of technology Canada adopted the BET acronym. BET is essentially the same test that was being done under waivers. There are specific rules in BET to accommodate CN geographical challenges. Moving forward CN has the option to either run trains only in warmer temperatures or if they run trains in colder temperatures and don't have a valid BET test, they must do an Enhanced Break test. This only applies to trains that operate on mountain grade and are over 100 tonnes per operative break and unit trains.

Enhanced Train Control (ETC) – Transport Canada has made it very clear that some form of ETC will have to be in place in Canada by 2030. This concerns industry as the rule hasn't been published yet and they've been asked by TC to start working on designing a system without knowing what it must comply with. TC is looking at a phased approach. Another concern is lack of suppliers; currently there is only one. Industry is working to bring in more suppliers, which will help with reliability and capacity. But given TC timeline this may not be possible. Industry meets with TC again on October 26, 2023, to go over timelines and implementation. Mr. Mulligan will keep the mechanical committee informed.

5. Next meeting – K. Mulligan

A Doodle Poll will be sent after this meeting to decide the date for a meeting the week of March 25, 2024.

A motion to close the meeting was put forward by Mr. Mulligan and seconded by Mr. Szysniak.

The meeting was adjourned 11:31 AM ET.

**The Railway Association of Canada
Mechanical Committee
Terms of Reference**

Name

The organization shall be known as the Mechanical Committee.

General Mandate

The general mandate for this Committee is to provide the SOMC a forum for the identification and assessment of industry issues directly related to mechanical train operations; to monitor and advise on proposed changes to existing regulations (including US / cross border and AAR regulations); to evaluate the impact of such changes on the industry; to oversee the development of necessary rule-makings or associated revisions to rules under the Railway Safety Act; to identify and recommend opportunities for operational improvements within the industry; and to facilitate and coordinate operational activities between freight and passenger members. The Committee will monitor government agency activities related to operations and safety, including the release of investigative reports, safety directives and studies. The Committee will analyze these and provide reports and/or recommendations to the SOMC on matters within the scope of its mandate. The Committee will serve as a focal point for sharing of ideas, technology and new initiatives that provide positive improvements in operational practices within the industry. The Committee shall also take appropriate action on mechanical matters referred to it by other General committees or committees within the RAC.

Committee Responsibilities & Guidelines

- Manage rules and regulations under their mandate including new rules or revisions to existing rules related to mechanical operations.
- Monitor, assess and report findings and recommendations to the SOMC on issues emanating from within the committee's mandate.
- Research and report on issues assigned to the committee by the SOMC.
- Foster an open environment of sharing program strategies and successes, new technologies and procedures where appropriate and generally spearhead ideas that enhance the development of all member company's operational initiatives.
- Ensure that its mandate provides value-added benefit to the SOMC, the Railway Association of Canada and the member Railways via the work undertaken by the Committee.
- Ensure that regulators overseeing railway mechanical activities and other agencies with an interest in operations are made sufficiently aware of railway operational activities. The Committee will also promote voluntary approaches for operational management rather than prescriptive regulatory approaches.

- Review, assess and support safe work practices and guidelines related to health, safety and risk management within the industry.
- Review, assess, develop and implement appropriate broad industry strategies that promote the mechanical operations interests of RAC members. These could include industry best practices and guidelines, training packages, presentations, and other activities.
- Monitor industry accident/incident recommendations, trends and emerging issues and identify other related improvement opportunities.
- Liaise as required with other organizations involved in the promotion of operational efficiency in the industry, including AAR, ASLRRRA and others.
- Promote the education and advancement of Committee members by scheduling meetings in conjunction with professional conferences or selected guest speakers.

Officers

There shall be a Chair and Vice-Chair, elected by its membership. Their terms of office shall normally be 2 years. The positions can alternate, or new officers elected after each 2-year term.

At the beginning of each regular meeting the Chair will appoint a secretary from the membership in attendance.

An officer from the RAC will be appointed to the Committee as a member and will assist in the management of the Committee.

Duties of Officers

The Chair shall be responsible for the general supervision of the affairs of the Committee, preside at meetings and be empowered to call special meetings as conditions warrant. The Chair will act as Committee spokesperson to the SOMC. The Vice-Chair shall perform duties of the Chair whenever the Chair is unable to perform the duties of his/her office.

The Secretary will record the events of the proceedings including but not limited to discussion topics, resolutions, action items and responsibilities. The Secretary will draft minutes of the meeting and forward them to the Chair for approval/distribution within 30 calendar days.

Membership

Membership is open to the RAC and RAC member companies. Persons shall be nominated by their respective companies and shall serve until the person notifies the Chair of his/her resignation. Membership will be of special interest to those with responsibilities in the function of corporate operations, regulatory affairs, maintenance, and risk management.

A member who is unable to attend a meeting should send a representative who shall be counted in determining a quorum and be permitted to vote in place of the regular member.

Decisions will be made on a consensus basis with recommendations being made to the SOMC that reflect this consensus. Non-consensus will be addressed by SOMC office.

Meetings

The Mechanical Committee shall meet on an annual basis or on a schedule to be determined by the Committee. Special meetings may be called in response to significant developments. Meetings may be held by telephone or video conference at the discretion of the members.

A quorum shall consist of the Chair (or Vice-Chair) and two members. The Vice-Chair will be recognized as a member when not acting as Chair.

Quorum

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Reporting Authority

The Mechanical Committee will report to the SOMC. The Committee will liaise with other RAC committees and working groups (e.g., Operations Committee, Track Safety Standards Working Group) on matters which are of mutual interest and benefit.

The Rules Revision Team will oversee the management and review of the Locomotive Safety Rules, the Freight Car Safety Rules, the Passenger Car Safety Rules, the Train Brake Rules, the Air Reservoir Rules, and report to the Mechanical Committee



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