

# RAC Shortline Committee Meeting – 2024/02

October 24, 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

**SHORTLINE COMMITTEE MEETING – 2024-02**  
**THURSDAY OCTOBER 24, 2024 – 12:30 – 14:30 (EDT)**  
**ZOOM MEETING (VIDEO & AUDIO) [CLICK HERE](#)**  
 Meeting ID: 832 2309 2672 / Passcode: 05416692

**FOR THOSE WHO CAN'T CONNECT BY VIDEO, USE THIS DIAL-IN INFORMATION**

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**AGENDA**

ADMINISTRATIVE ITEMS		LEADER	TIME
1.0	Welcome & Call to Order	Chair	12:30
1.1	Competition Law Policy – Forward Statement	Ben	12:32
1.2	Shortline Committee Minutes – May 7, 2024	Chair	12:35
1.3	Shortline Steering Committee Minutes – Sept. 11, 2024	Chair	12:38
1.4	Vice-Chair Vacancy	Chair	12:40
OPENING REMARKS			
2.0	Opening Remarks	Chair	12:45
3.0	President’s Report	Brazeau	12:50
MAIN ITEMS			
4.0	Public and Government Affairs Update	Smith	13:00
4.1	Advocacy Update	Stipanovic	13:10
4.2	Economic & Rail Atlas Update	Thibault	13:20
4.3	Environment & Programs Update	Chursinoff	13:30
4.4	Events & Member Outreach	Greene	13:40
4.5	Regulatory Affairs Update	Barfoot	13:45
4.6	Dangerous Goods Update	Croome	13:55
MEMBER ROUNDTABLE			
5.0	Committee Member Updates (e.g., compliance/regulatory challenges, policy issues, project updates, question period)	All	14:00
STATUS REPORTS IN WRITING			
6.0	Operation Lifesaver		
6.1	Proximity Initiative		
6.2	Safety Culture Initiative		
6.3	Environment		
6.4	Research and Data Analysis		
6.5	Dangerous Goods		
6.6	Mechanical Services		
6.7	Spectrum & Telecommunications		
DISCUSSION AND OTHER BUSINESS			
7.0	Other Business	Chair/All	14:20
8.0	Next Meeting – proposing March 2025	Chair	14:25

9.0	Adjourn	All	14:30
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**SHORTLINE COMMITTEE MEMBERS MEETING MINUTES – 2024-01**  
**TUESDAY – MAY 7, 2024**

**DELTA HOTEL – OTTAWA & VIRTUAL TELECONFERENCE**

**ATTENDANCE:**

**Members**

Denys Del Cardo, Genesee & Wyoming  
Chris Bevilacqua, BCR Properties  
Marcel Leboulaire, QNS&L  
Sean Sefsik, Quebec Gatineau Railway  
Daryl Duquette, Genesee & Wyoming

Lou Mastandrea, Rail America  
Stephane Tardif, Genesee & Wyoming  
Scott McDade, RAC Consultant  
Kevin Mosher, QNS&L  
Bonni Campbell, Carlton Trail

**RAC**

Johanne Delaney  
Kevin Mason  
Marc Brazeau  
Michael Barfoot

Lora Smith  
Ben Chursinoff  
Scott Croome

**1. WELCOME AND CALL TO ORDER**

Ben Chursinoff welcomed members and reviewed housekeeping items, and Johanne Delaney did the roll call and acted as secretary.

During the chair's absence, Denys Del Cardo acted as Chair and called the meeting to order and reported that notification of the meeting was given in accordance with RAC by-laws. He notes that there was a quorum and declared the meeting to be properly constituted for the transaction of business.

**1.1 Competition Law Policy – Forward statement**

The competition Law Policy is enclosed in the meeting documents. The policy emphasizes RAC's compliance with Canadian Competition Law in all meetings and activities. Ben Chursinoff read the RAC competition law statement to members.

**1.2 Meeting minutes – October 3, 2023**

No comments or questions from members. The minutes were approved by Kevin Mosher.

**1.3 Steering Committee Meeting Minutes – March 6, 2024**

No comments or questions from members. The minutes were approved by Lora Smith.

**2. OPENING REMARKS**

Denys Del Cardo thanked the attendees for attending the meeting and went through the agenda items.

**3. PRESIDENT'S REPORTS**

Marc Brazeau provided a brief update on RAC activities since the October meeting. His full report can be found in the briefing book.

The RAC met with government officials on the potential supply chain disruptions that will impact business continuity should the Class 1s strike on May 22. The RAC is receiving strong pro-labor support from all political parties.

Shipper associations continue to pressure all political parties to make extended regulated interswitching a permanent measure. Transport Minister is more focused on Quebec politics than rail regulations and this could influence the decision on whether to continue extended interswitching. The RAC received a commitment from Senator Dagenais to table the bill to repeal extended interswitching.

The RAC promoted a successful interswitching communications campaign with effective messaging and efficient audience reach.

Operation Lifesaver Program is currently operating without funding support from TC, however, funding should be available by early July 2024.

Canadian rail freight rates remain the lowest on average among major market economies. The RAC will update the CPCS freight rail study.

Railways continue to invest Billions annually to enhance the fluidity and resiliency of Canada's rail network of \$21.5 billion over ten years.

Shortlines are critical first-mile and last-mile supply chain links, The U.S. tax credit model is proven to increase investment and enhance safety.

The RAC continues to successfully delay TC freight rail review and cast doubt on its merits.

The recent federal budget showed commitment to replacing VIA's Long Distance, Regional, and Remote (LDRR) fleet and advancing High Frequency Rail (HFR).

The RAC was pleased to see that the Ontario budget recognized the importance of shortlines and committed to supporting them.

Secured favorable amendments to Bills C-26 and C-33; prevented thermal coal ban

The RAC continues with a high level of engagement with government officials and public officeholders.

#### **4. MAIN ITEMS**

##### **4.0 RAC Public and Government Affairs Update**

Lora Smith, Vice President of Public and Government Affairs, reported on the following items.

##### **Labor**

The RAC is working with four key industry associations, leading and coordinating an advocacy campaign to get letters to Federal ministers expressing concerns and providing examples of the impact that a strike would have on their members, freight railway shippers. Many letters from concerned shipper associations have been sent to ministers' offices and/or shared on social media. The RAC will complement this with a strategic PR campaign to further highlight the issues and add urgency to the message.

##### **Extended Regulated Interswitching**

Reaching month 8 of the 18-month pilot project that the government legislated in September 2023. The RAC is keeping a sustained and focused effort to get the policy repealed or at least expire at the end of the pilot in March 2025. The Interswitching Campaign is a combination of sustained boots-on-the-ground effort in collaboration with GR colleagues at both Class 1 railroads and an air offensive through various types of targeted communications media.

##### **Government Relations**

The RAC had many in-person discussions with the Federal political ecosystem, non-elected government decision-makers, and NDP ridings with digital communications. Media strategy included targeted display ads, direct buy placements, and targeted social media. The campaign started on January 24 and runs until May 24 with constant evaluation and redirection. The results have been encouraging with roughly 18 million total impressions and over 24,000 clicks. Twitter and LinkedIn are performing the best.

##### **Shortlines**

The RAC created a pre-budget submission for federal and several key railroad provinces focusing on Ontario. The RAC organized a day at Queen's Park with several shortline members, with targeted meetings and materials. Additional support was advocated for shortlines, ideally in

the form of a tax credit same as what is available in the US. It was a success in obtaining a commitment from Ontario although there is still a substantial amount of work to do in partnership with key shortline members and their agencies as we continue to provide information to Queen's Park.

**Passenger**

The RAC is pleased with the Federal budget released in April and other provincial budgets this spring. The support for this sector is extensive, with the work on ETC, Cybersecurity, safety, and sustainability benefiting RAC's members. In the coming months, the RAC will explore with members how their narrative can reflect the needs of passengers and freight more concisely and directly. The RAC hopes to further refine the communication so that the message remains focused on one sector when appropriate.

RAC's 31st edition of Rail Trends 2023 was prepared, published, and distributed.

A new printed version of the atlas was completed and distributed, bringing this valuable tool into the hands of members for the first time in years.

The RAC completed a refresh of CPCS' analysis on global freight rates. The Data maintains that Canadian railroads have the lowest freight rates in the world, with only China and Russia being more affordable with their state-supported and operated networks.

The RAC team made several parliamentary committee appearances and presentations to various audiences in the past months.

The RAC's social content calendar is being updated with additional content on industry safety, climate resiliency efforts, the proximity initiative, and passenger rail key advantages. In most of these cases, the RAC will seek to use targeted paid campaigns to cut through the noise and reach audiences more effectively.

**4.1 RAC Advocacy Update**

Kevin Mason RAC Director of Policy, Advocacy, and External Relations, reported on the following items.

RAC has been active in engaging government officials with well over 3,500 recorded unique touchpoints with policymakers, members, and other stakeholders since the last meeting in October. RAC is on pace to exceed the 2023 total number of registrable meetings with designated federal public office holders. The 2023 number was 10 times higher than 2022.

Below is a list of the top policy and political outcomes influenced by RAC since the last meeting.

- A Senator's commitment to table a Senate Public Bill to repeal extended interswitching
- Four parliamentary letters of support extended interswitching, with more to come
- Supporting VIA in securing the Long Distance, Regional, and Remote Fleet renewal (LDRR)
- Additional funding for RAC passenger railways
- An Ontario budget commitment to explore shortline support
- Preventing an early ban on the export of thermal coal
- Continuing to successfully delay the rail review process
- Securing certain favourable amendments to Bills C-26 and C-33

The Association is prepared to support its members during a potential labor disruption later this month. With this being a major priority, the RAC has been convening with shippers and other associations to assemble information and coordinate advocacy efforts.

The Association is also consulting with members to support communications and provide policy and regulatory expertise.

Beyond planning for the potential disruptions, RAC continues to push back against the stacking of labor and other regulations on top of generous existing benefits. RAC is supporting the FETCO coalition in opposing Bill C-58 (replacement worker ban). Regulatory stacking is a challenge spanning RAC's membership, from passenger to Class 1 to shortline.

RAC is executing on the extended interswitching strategic plan.

In addition to regular meetings with Transport Canada, parliamentarians, and other officials, RAC led the development of the industry's substantive response to the department's request for pilot project evaluation considerations. RAC's communications blitz on this issue broke through the "Ottawa bubble," with parliamentarians, staffers, and others commenting on the effectiveness of the ads.

With a Quebec-based Transport Minister more focused on politics than rail policy on the prairies, and with growing political opposition to extended interswitching (including within the Liberal caucus), RAC believes there remains a reasonable chance of repealing the policy by March 2025.

RAC's strategy of delay respecting Transport Canada's "Rail Review" has been effective to date. The Association is working to develop a substantive industry response, to be submitted at the appropriate time.

RAC and its members were disappointed that the federal budget did not include any new funds for the Rail Safety Improvement Program (RSIP) or the National Trade Corridor Fund (NTCF). The budget reallocated certain funds earmarked for the NTCF program.

RAC will press officials on the status of critical rail-supporting programs and for accelerated depreciation changes that would spur investment across supply chains. Influencing the work of the Supply Chain Office remains a key priority for RAC, which has been gathering intel and participating in recent roundtables with the Office's leadership. RAC's comprehensive submission to the Treasury Board's regulatory review and subsequent meetings with officials on the topic were intended to influence that process. These efforts will continue.

Since its review at the House Transport Committee, there has been no movement of Bill C-33 (port governance and railway safety) in the House. RAC will monitor its movement and shift advocacy to the Senate as appropriate.

The Association played a supporting role in the federal budget's positive announcements regarding passenger railways. RAC included the LDRR fleet ask in five pre-budget submissions and raised the issue with senior officials.

RAC made the case for dedicated tracks for passenger railways in densely populated economic regions at the House Committee on Transport, Infrastructure, and Communities. Building on plans to increase advocacy on behalf of passenger railways, RAC elevated its passenger-oriented communications. Ontario's Transportation Minister recently shared RAC's post on expanded GO service. Work is underway in collaboration with passenger members to ensure that issues important to this segment of our industry are prioritized. Bill C-26 (regarding cybersecurity) is one example of a bill affecting passenger railways where the RAC has been active in influencing the process and informing members.

Progress has been made in recent months towards infrastructure funding support for shortlines. Securing a firm commitment from the Ontario government in its 2024 budget to explore ways to support shortlines is a historic milestone for RAC and the industry. The industry has, for years, been pushing governments across Canada for a shortline tax credit. This now seems like a plausible outcome this year in Ontario.



RAC will continue to collaborate closely with members in the coming four to five months to influence the design of this support mechanism and ensure it is included in the provincial Fall Economic Statement.

The Association plans to use the momentum and playbook in Ontario to push other provinces and the federal government to act.

In the context of a federal minority parliament with an unpopular governing party, RAC will advance work intended to influence a potential new government during its transition. It will prepare for various political scenarios.

To conclude, RAC will continue to push hard in its advocacy and communications efforts for outcomes that benefit the rail industry.

#### **4.2 RAC Regulatory Affairs Update**

Michael Barfoot RAC Director of Regulatory Affairs, reported on the following items.

##### **Automatic Parking Brakes (APB)**

TC Rail Safety (TCRS) concluded its work regarding APB and the Working Group with industry. TCRS has determined that APB is an unproven technology and not ready for implementation. The TC Innovation Center may seek to research and test APB in the future.

##### **Wayside Inspection Systems (WIS) Working Group**

The work plan and terms are finalized by the WG. The initiative is split into three phases:

- Phase I focus is assessing the Brake Effectiveness Test (BET) on mountain grades as per the latest Train Brake Rules revision, to determine the level of safety and criteria for removing manual tests altogether which would result in further rule amendments. Estimated completion is May 1, 2025.
- Phase II will focus on Hot Bearing Detectors. To commence after Phase I.
- Phase III focus will focus on other wayside inspection systems. Timelines TBD.
- The National Research Council of Canada has been brought on to conduct research and testing. A draft methodology and data requirements document for the work is under review.

##### **Railway Employee Qualification Standards Regulations (REQSR)**

TC proposed in 2022 on its Let's Talk Website an approach to updating the REQSR, which has not been updated since its inception in 1987. The TSB highlighted insufficient railway employee training in at least one recommendation. The RAC submitted comments to TC on the proposed approach in January 2022 and on the proposed Regulatory Impact Analysis Statement (RIAS) in January 2024. Railways also submitted responses to a TC questionnaire in August 2023 that will be used to inform TC's cost/benefit analysis for the (RIAS). TC is planning to keep the regulations broad and flexible (CRM an example). Ideally, the regs would not go beyond what railways already have in their training programs. Concerns with the proposed two years of supervision could be addressed through guidance instead of regulation, which is a step in the right direction if we can align with TC on expectations.

TC's initial plan to move forward with a CGI publication in late June might be delayed until September.

##### **Ministry of Transportation (MTO), Ontario, Safety Framework for Urban and Regional Rail Transit**

MTO reached out to RAC advising that they are reviewing the Ontario safety oversight framework of the MTO as it relates to urban and regional passenger rail transit within the province. The scope includes review and analysis of subways, regional/commuter rail, light rail transit, and streetcars currently operating within the province or are in planning or construction phases. The MTO identified a need to update the safety oversight framework to better support the province's growing rail network and diversity of operators. The new framework may include updated

legislation and the creation of a regulator to oversee and support safety practices across the sector. Ernst & Young LLP (EY) was brought on by the MTO as a third-party consultant providing strategic advice on creating a rail safety framework that considers the safe design, construction, operation, and maintenance of urban and regional rail in Ontario. EY engaged with RAC and appropriate railways in consultations.

MTO informed in April 2024 that the EY report was received and is undergoing internal review. MTO is developing a path forward for the next phase of the framework which is expected to take the next few months, at which point MTO will re-engage with industry and RAC.

#### **Review of Railway Safety Management Systems Regulations**

TC notified the Advisory Council on Rail Safety (ACRS) on February 21, 2024, that pre-consultation is to begin in Q3, 2024, and that proposed regulations could be published in Canada Gazette, Part I in Q1, 2026.

There remains uncertainty as to whether updated regulations would include fatigue management and/or safety culture requirements.

#### **SMS Effectiveness Key Performance Indicators (KPI)**

After TC hosted an “Info Session” on February 28, 2024, TC published revised KPIs/Guiding Principles. These took effect April 1, 2024. Several changes were made to address comments submitted by RAC.

#### **Fund for Railway Accidents Involving Designated Goods (FRAIDG)**

RAC is now extending participation in the NBMOU to Federally regulated railways who are interested in being a party to the NBMOU. Being a part of the NBMOU is not a mandatory, or regulatory requirement, however, RAC believes that it is a good practice to have such a protocol in place between the railway and the Fund in the event there is an accident that will require the involvement of the Fund.

#### **Culvert Safety Management Guidelines**

TC initially intended to publish the amended guidelines at the end of January 2024 though this is still pending. TC committed to making changes based on RAC / industry joint consultations.

#### **TSB update**

TSB issued a Safety Advisory Letter (01/24) regarding operations under restricting signals in CTC. The letter has not been published on their website. It cites four occurrences in the past year in which trains have operated under restricting signals over speed and resulted in a collision. TC is looking to develop an action plan to address the issues. RAC has formally engaged TC (letter) to open dialogue. The intent is for TC and the industry to work towards a common understanding of the operating environment concerning restricting signals to then inform a way forward.

TC issued a Safety Advisory Letter (07/23) regarding the obstruction of inward-facing LVVR cameras. The letter has not been published on their website. In response, TC has notified the TSB of the following:

- Oversight activities to date have focused on ensuring installation, having proper signage, and notifying crew members.
- Subsequent oversight will also focus on protecting the integrity of recordings and overall compliance with the LVVR regulations.
- The next phase of TC’s oversight will allow TC to enhance monitoring against tampering, and technical and technological requirements, including the prescribed yearly testing of LVVR systems, and address known functionality issues.

TSB issued a Safety Concern regarding employee impairment, which is published on their website. TC is discussing internally what can be done within their existing powers to help address

employee impairment concerns. It's unclear what the possibilities are, although we understand that this would not include creating a random testing regime.

**Transportation of Dangerous Goods Regulations (TDGR) CGI Publication**

A proposed amendment to the Transportation of Dangerous Goods Regulations (TDGR) was published in CGI on December 9, 2023. The comment period ended on February 22, 2024. The proposed TDGR amendment would require, among other things, increased requirements for buffer cars on trains transporting TDG. The purpose is to harmonize with US requirements. Class 1s are less concerned than shortlines because Class 1s have greater access to buffer cars.

Currently, mixed commodity freight trains in Canada do not require buffer cars. TDG unit trains require buffer cars, but only on cross-border operations and it is the shippers that are responsible for providing the buffer cars, not the railways. Requiring buffer cars for Canadian domestic operations creates problems relating to buffer car unavailability, negative impact on train dynamics/handling, increased train length, increased switching, and therefore increased employee safety risk and inefficiencies.

The TDG Committee has submitted comments to Transport Canada regarding the CGI publication proposing amendments to the TDGR. Our position is that the amendment is unnecessary and TC's justification is unsound.

Further consultation is pending.

**Bill S-211 Fighting Against Forced Labour and Child Labour in Supply Chains Act**

The Supply Chains Act came into force on January 1, 2024. This Act was introduced by the Federal Government to fight against Forced Labour and Child Labour in Supply Chains.

The Act aims to combat the prevalence of forced labor in global supply chains by requiring companies to disclose information on their efforts to address forced labor in their operations and supply chains. This includes information about the company's policies and due diligence processes, as well as the actions taken to address identified risks.

Under the Act, entities & government institutions are required to annually report on their efforts to prevent or mitigate the risk that forced labor or child labor exists in their supply chains.

The annual reports are to be filed with the Federal Minister of Public Safety by May 31 of each year and will need to be published prominently on the entity's website.

Entities for the Act include companies "engaged in either producing, selling or distributing goods in Canada or elsewhere, importing into Canada goods produced outside Canada, or controlling an entity engaged in either of those activities".

After consulting with the Public Safety department and giving careful consideration to input from industry representatives, the consensus is that railways are considered "entities" and therefore must report annually if they meet the following criteria.

- is listed on a stock exchange in Canada; or
- has a place of business in Canada, does business in Canada, or has assets in Canada and that, based on its consolidated financial statements, meets at least two of the following conditions for at least one of its two most recent financial years:
  - it has at least \$20 million in assets,
  - it has generated at least \$40 million in revenue, and
  - it employs an average of at least 250 employees.

Public Safety released guidance that provides specific recommendations on the composition of reports in compliance with the Act, detailing both its format and content.

RAC sent an email to members in March 2024 to identify the expanse of members who are subject to the reporting requirements, to determine whether further advocacy is warranted.

**Standard Point of Location Codes (SPLC)**

RAC is taking over the SPLC administration process from the Canada Transportation Agency (CTA) as of April 15, 2024. The CTA has no legislative mandate to administer the Codes.

**COMING INTO FORCE****Ministerial Order (MO) 22-04 Phase 2 Train Brake Rules (TBR)**

Transport Canada published the MO on July 25, 2022, in response to TSB report R19C0015 recommendation R22-01 which requires, “that the DoT establish enhanced test standards and requirements for time-based maintenance of brake cylinders on freight cars operating on steep descending grades in cold ambient temperatures”.

The MO requires railway companies and local railway companies to revise the Railway Freight and Passenger Train Brake Inspection and Safety Rules (TBR) to reduce the risk posed to train operations in cold weather.

The MO is in two phases. Phase 1 applies to all federally regulated railways. A revision to the TBR addressing Phase 1 was approved on January 30, 2023, and these came into force on May 1, 2023. Phase 2 applies to freight cars operating on steep descending grades in cold ambient temperatures. The revised TBR was filed on May 31, 2023.

TC extended the assessment period from July 30 to September 29 to allow time for deeper technical understanding and collaboration with the Industry on the implementation of the Brake Effectiveness Test (BET). Further revisions to the TBR were made during the assessment period regarding BET and an enhanced brake test. With conditions, TC approved the revised TBR on September 29, 2023. These come into force on December 1, 2025.

**Grade Crossing Regulations (GCR)**

New regulations were issued on November 27, 2014. The purpose of the regulation was to provide consistent grade crossing safety standards that would improve enforcement capabilities. It also included a definition of roles, responsibilities, and collaboration between road authorities and railway companies.

These regulations allowed a 7-year compliance deadline (November 28, 2021). Although progress towards implementation had been made, achieving full compliance for thousands of existing grade crossings by November 28, 2021, was threatened due, in part, to the broad scope of the regulations; COVID-19; the lack of crossing data that were to be provided by road authorities; the significant challenges and issues encountered in the field; and a lack of clarity among stakeholders about specific responsibilities and liabilities for the required upgrades which would have led to disputes being raised to the Canada Transportation Agency (CTA) for settlement and contribute to implementation delays.

Therefore, a notice of proposed regulation was published in the Canada Gazette, Part I (CGI) on June 19, 2021, with a one-month consultation period. The proposed amendment would revise the scope of the regulations by establishing a risk-based model for crossings: excepting low-risk crossings and extending the compliance deadline by one year for high-priority crossings and three years for all other crossings.

Changes to the GCR that were to come into force on November 28, 2021, have been approved by Transport Canada. These changes include extending the compliance deadlines for upgrading crossings using a risk-based approach. High-risk crossings require compliance within a year. Medium-risk crossings within three years, and very low-risk crossings are exempt.

The extended compliance deadline for upgrading other-than-high-risk grade crossings is November 2024.



**Duty and Rest Period Rules (DRPR) Implementation**

PART D: The Fatigue Management Plan (FMP) of the Rules took effect November 25, 2021 (12 months from the coming into force date).

Full compliance is required 30 months from coming into force of the rules for freight railways (May 25, 2023), and 48 months from coming into force of the rules for passenger railways (November 25, 2024).

TC issued a guidance document to address differences in the interpretation of various rules.

**Ministerial Order (MO) 20-07 (Track Safety Rules [TSR])**

The MO requires extensive changes to the TSR across three phases. Phase 3 was approved on May 31, 2022, and includes new requirements (Rules) for concrete ties, a requirement that increases the minimum number of wood ties per each 39-foot segment of track, KPIs for track defect rectification, and better inspections for yard tracks over which passengers are carried. The Rules addressing Phase 3 take effect May 31, 2023, though the wood crossties provision is effective May 31, 2024.

**4.3 ETC Update**

Scott McDade, RAC Consultant, gave the update on recent activities.

The Railway Association of Canada's (RAC) Enhanced Train Control (ETC) Program consists of Amtrak, BNSF, CN, CPKC, CSX, Exo, GWRR, VIA Rail Canada, and Metrolinx representatives. The purpose of the ETC Program is to coordinate the implementation of ETC in Canada and develop common Standards and Interface Control Documents (ICDs) to allow ETC systems to be interoperable (tenant railway operating on host railway with protection from ETC system). This will be accomplished through the development of addendums to the Association of American Railroads (AAR) Interoperable Train Control (ITC) Standards.

The program began as a response to the Transportation Safety Board's (TSB) recommendations and because of the 2018 *Railway Safety Act Review* recommendations. The program's profile increased with the release of Transport Canada's (TC) Notice of Intent for *the implementation of enhanced train control in Canada* (the NOI) posted in the *Canada Gazette* on February 5, 2022. The final regulation published in Canada Gazette Part II is expected in 2025.

The ETC Program has been actively engaged with Transport Canada, conducting a series of meetings to provide recommendations, and supporting material to inform the regulation before publication in Canada Gazette Part I.

As a result of the meetings to date, we believe Transport Canada understands industry's position on:

- the functionality for Automatic Train Protection (ATP) and the Driver Advisory System (DAS);
- how interoperability will be achieved;
- the need for unequipped operation;
- dependency on highly reliable and available communications for ATP; and
- need to operate unequipped without restriction for a period following implementation as the reliability of the system is improved.

Industry and Transport Canada are not currently aligned on the methodology and thresholds for risk-based implementation of ATP and DAS or the timeline for implementation of ETC.

For risk methodology, the Industry recommended that key routes within Census Metropolitan Areas (CMA) be used as a freight determinate for highest-risk track segments requiring ATP. Transport Canada's determinants result in a large increase in track requiring ATP (>3.25x at an estimated cost of \$6B). The industry remains in the position that CMAs are an established

determinate for risk and should be used to evaluate consequences in terms of impact on public safety.

Transport Canada expects that implementation of ETC will commence in 2030 and be completed on all required track segments by the end of 2035. Industry continues to stress that the timeframe proposed by Transport Canada is unrealistic and unachievable.

Transport Canada has indicated that they will be in a position to share details on what is expected to be contained within the proposed regulation later this year. Industry continues to stress the need for clarity on regulatory requirements to avoid additional risk to the proposed implementation timelines.

#### **4.4 RAC Dangerous Goods Team (DGT) Update**

Scott Croome RAC Director of Dangerous Goods Operations and Regulatory Affairs gave an update on recent activities.

In May 2020 Transport Canada shared a working document for a rewrite of Part 6 of the Transportation of Dangerous Goods Regulations (TDGR) which includes the proposed draft provisions for the incorporation by reference of the proposed standard CGSB-192.3, Transportation of Dangerous Goods Training, Assessment and Competency to the TDG Regulations. RAC comments were submitted on May 14, 2020. It was published in part I of the Canadian Gazette (CGI) in December 2021 and comments were submitted on February 9, 2022, about the new requirements for the dangerous goods training certificates. The comments analysis from the June 2023 informal consultation showed that most stakeholders are not in agreement with the assumptions used to calculate the revised costs of the proposal. With the adjustment of the CBA assumptions, the new net cost of the proposed Regulations is estimated at approximately \$400M as opposed to the \$17M that was anticipated. The TDG Program approved of the approach to redevelop the Part 6, Training policy in its entirety and re-publish in CGI. TC is currently researching and analyzing international standards for training and competency assessment. Once further informal consultations and analysis are conducted with subject matter experts, inspectors, and industry, a white paper with renewed options will be circulated to the industry for formal feedback (likely in early 2024).

#### **Notice – Publication of updated Transport Canada standard Containers for the Transport of Dangerous Goods by Rail TP 14877 (January 2018)**

In November of 2021, the Draft Standard was considered approved as the 1<sup>st</sup> Committee Draft Standard by the CBSB Committee. Public review closed on August 6<sup>th</sup>, 2022, and comments were reviewed by the CGSB Committee.

Accepted comments that favored railways were:

- Under 11.3.5 Added “CARRIER” to the paragraph “vehicle may be transported between two properties owned or leased by the manufacturer, producer, carrier or user of the dangerous goods for temporary storage”
- OTMA’s issued in the USA are now permitted in Canada provided the movement is compliant with all applicable requirements in the 49 CFR.
- Red and or Blue flags are now permitted to be displayed to warn approaching railway vehicle operators.

The proposed CGSB will be incorporated by reference in the Regulations Amending the Transportation of Dangerous Goods Regulations (Canadian Update) which would come into force after a six-month transitional period following the date of publication in the Canada Gazette, Part II.

**CGSB Committee Standard 192.3 TDG Training Competencies** - In 2017 the CGSB established a standards committee to develop a new standard for Competency-based training and assessment for the transportation of dangerous goods. The standard will be incorporated by reference into the TDG Regulations and was published in part I of the Canadian Gazette in

December 2021. Draft Guidance material was provided to the Industry. Publication in Canadian Gazette II – still pending.

**AMPS – Administrative Monetary Penalties with the tabling of Bill C-33**

introduce the legislative amendments necessary to introduce an AMP regime and CA framework under the Transportation of Dangerous Goods Act, 1992 (TDGA) the TDG Program is now seeking the industry's feedback regarding the details of its proposed AMP and CA policies. Amps Notice of Violations (NoV) and will publish the details of any violations on the Canada.ca website. Details would be listed under the Administrative Enforcement Action Summaries which would include the name of the person (individual or organization), nature of the violations, amount of the penalty, and Status of each NoV. Publications will be present for up to 5 years after they are paid. The first reading was completed in the House of Commons in November 2022. The second reading is in progress.

**Regulations Amending Certain Regulations Made Under the TDGA (Part 12 and International Harmonization Update) sent via email December 27, 2023.**

This consultation document presents changes made to the proposed 'Regulations Amending Certain Regulations Made Under the TDG Act, 1992 (Part 12 and International Harmonization Update)' based on comments received after the pre-publication in the Canada Gazette, Part I (CGI). The main objective of the changes is to align the TDGR with UN Recommendations, as well as with the latest amendments that are incorporated into ICAO TI., the IMDG Code, and the 49 CFR, the proposed Regulations would:

- facilitate the transport of dangerous goods between Canada and the U.S.
- promote competitiveness by introducing a technical standard for the manufacture of large packaging, that would allow Canadian stakeholders to enter the international manufacturing market for this packaging;
- enhance safety for Canadian businesses by adopting cost-saving amendments and safe alternative provisions in the TDGR;
- improve clarity, consistency, and certainty for stakeholders by ensuring that the same requirements apply to both domestic and international transport of dangerous goods;

Comments were submitted to Transport Canada and publication in the Canada Gazette, Part II is anticipated for early 2025.

**Regulations Amending the Transportation of Dangerous Goods Regulations (Canadian Update)** Published in CGI December 9, 2023. The TDGR's domestic provisions have been updated and clarified to correspond with current industry practices and address comments received over the years. The purpose is to align TDGR with international codes and other federal regulations.

**Buffer Car changes**

- buffer cars required on unit trains in Canada between occupied units and DG.
- Includes prohibiting IMS DG next to occupied units (\* indicates any source of ignition).
- Includes not allowing train dynamics to override the requirements of buffer cars.

**Align with International DG standards:**

- Allow voluntary display of UN numbers if not misleading.
- Specify when and how to use the terms Residue or residue-last contained on a shipping document.

**Incorporate by reference the new CGSB standards.**

- updates the safety requirements for tank cars used for toxic-by-inhalation dangerous goods, such as anhydrous ammonia;
- updates the safety requirements for tank cars used for flammable cryogenic dangerous goods, such as liquefied hydrogen and liquefied natural gas;

Comments submitted regarding the buffer cars changes and industry are of the view that the proposed amendments to the TDG Regulations will not achieve the desired additional safety benefit therefore industry is opposed to the addition of a Buffer car on a unit train. Additional comments on the marshaling of intermodal shipments noting each well is considered as one car. The proposed Regulations would come into force after a six-month transitional period following the date of publication in the Canada Gazette, Part II

The DGT works under the auspices of the RAC Dangerous Goods Committee. Working with Shortline railway members by providing regulatory updates and provide DG operational advice. (e.g., DG tank car storage, employee training)

RAC's Railway Emergency Response (RER) training is coming up June 10-14 (sold-out) and September 9-13 at the Justice Institute of British Columbia (JIBC).

The DGT is continuing TRANSCAER operations across Canada. There is a large demand for this training and DGT continues to service as many as possible.

The Chemical Industry Association of Canada (CIAC) and the RAC have produced a V/R tool that incorporates a training tour of the CCPX911 that currently resides at the Fire and Emergency Services Training Institute (FESTI) at Toronto Pearson Airport. The new safety train tank car is almost completed and will likely be operational by late spring of 2024.

#### **4.5 RAC Environment & Programs Update**

Ben Chursinoff RAC Manager, Policy, Environment, and Programs provided an update.

##### **Memorandum of Understanding with Transport Canada**

RAC signed a new Memorandum of Understanding (MOU) with Transport Canada (TC) in December 2023 to reduce locomotive emissions in the Canadian rail sector. The MOU outlines areas of collaboration for industry-government to collectively advance decarbonization from 2023-2030.

Key initiatives include recognition of Class 1 SBTi emission reduction targets to 2030, the aspirational goal of the industry using 10% to 20% renewable fuel, advancing trials of net-zero technologies, advancing shared knowledge of climate risks and adaptation, air quality, and advancing modal shift to rail.

##### **Funding Mechanism for Rail Decarbonization**

RAC contracted Pollution Probe and Delphi Group to develop a report providing rationale and recommendations for federal government support of rail decarbonization. The final report was shared with Transport Canada following renewal of the MOU. The MOU Management Committee will serve as the platform for advancing discussions on federal government support.

##### **2018-2022 MOU Audit**

As per the 2018-2022 MOU between RAC and TC, a 3<sup>rd</sup> party audit is required to verify the credibility of the data and reporting processes. The project has been pushed to spring/summer 2024. The MOU Management Committee will determine the auditor and scope of work. Transport Canada will fund this audit with the understanding that RAC will fund the next audit.

##### **Locomotive Emissions Monitoring**

The 2022 LEM first draft report was circulated to the Technical Review Committee on March 28 for review. Comments are expected by April 17<sup>th</sup>. RAC will compile all comments and work with Delphi Group to develop V2 of the report. The anticipated completion date for 2022 LEM is late June.

##### **Science-Based Target Initiative**

The SBTi opened a Call for Evidence on the Effectiveness of the Use of Environmental Attribute Certificates (EAC) in Corporate Climate Targets. RAC provided industry perspectives with



support from CN and CPKC to outline the significance of supporting a chain of custody models such as a book and claim method. These methods are critical enablers for rail decarbonization.

### **Environmental Management Systems**

Aureus Solutions has completed the project to develop additional supporting materials for members seeking to implement Environmental Management Systems (EMS). A series of policy checklists, templates, and videos are available on the members-only website under Resources.

### **Port of Vancouver Climate and Air Quality Action Plan**

The Port of Vancouver continues to develop its Climate and Air Quality Action Plan. RAC met with representatives from the port in March 2024 to discuss rail sector perspectives on decarbonization, infrastructure requirements, the status of net-zero technology for rail, and the role of low-carbon fuels.

Future engagement opportunities are anticipated throughout 2024 as the Port of Vancouver develops the action plan.

### **Reduction in the Release of Volatile Organic Compounds (Storage and Loading of Volatile Petroleum Liquids) Regulations**

TRC Companies presented to the Environment Committee on ECCC's discussion document on these regulations.

It's been determined that a scenario of gasoline tanks at railway facilities used for fueling equipment would be exempt, even those with tanks over 4,000 liters in size.

The key section is s.14 which states that for these Regulations, all gasoline is considered to have a VOC concentration of 100% by weight, a TVP of 65 kPa, and a benzene concentration of 1% by weight.

Given this, 2(f) would be the primary exemption to use:

These Regulations do not apply to the following facilities:

2(f) facilities where the following conditions are met:

- i) The tanks at the facility never store and the loading racks at the facility never load volatile petroleum liquids with a TVP greater than 76 kPa or a benzene concentration **greater** than 1% by weight,
- ii) The sum of the internal volume of all tanks at the facility used to store volatile petroleum liquids is less than 500 m<sup>3</sup>, and
- iii) The total volume of volatile petroleum liquid loaded at the facility does not exceed 1000 standard m<sup>3</sup> in a calendar year.

Since gasoline has a TVP of 65 kPa (i.e. not greater than 76 kPa) and a benzene concentration of 1% (i.e. not greater than 1% by weight) you would be exempt provided the sum of the internal volume of all gasoline tanks at the facility is less than 500,000 liters (500 cubic meters) and the total volume of gasoline loaded at the facility does not exceed 1M liters (1000 cubic meters) in a calendar year which should not be an issue for any railway facilities.

The Environment Committee agrees with the assessment provided by TRC Companies. Industry comments were not filed.

### **British Columbia Carbon Tax**

RAC continues to advocate for carbon tax reform in British Columbia. The tax is applied to renewable fuels in the same manner as petroleum diesel. This acts as a barrier to decarbonization. RAC also continues to support Advanced Biofuels Canada (ABFC) advocacy efforts.

BC Budget 2024 failed to include carbon tax reform. Advocacy efforts continue requesting a) Minister meeting and b) a formal joint review of the issue led by FIN with ENV/EMLI departments.

**Salmon in BC**

The Canadian Wildlife Federation (CWF) approached both CN and CPKC separately regarding a research study they completed. This study estimated the impacts on salmon and their habitats from railway infrastructure (e.g., culverts and bridges). Members brought the issue to the attention of RAC to manage this from an industry perspective.

A meeting will be held between CWF and the industry to discuss the findings of the report, opportunities for rail opportunities for CWF objectives, and how we may potentially collaborate.

**Right to a Healthy Environment**

RAC is developing comments in response to ECCC's discussion document on incorporating principles of environmental justice, environmental racism, non-regression, and intergenerational equity into the Canadian Environmental Protection Act (CEPA). The document contains high-level conceptual policy discussions. The direction received from the Environment Committee is to highlight the rail sector's positive contributions to sustainability and raise concerns over potential regulatory stacking effects.

**Subcommittees**

The Environment Committee approved the creation of two new subcommittees to provide expert advice to the Environment Committee. One is focused on Natural Environment which will work on areas related to biodiversity, herbicides, habitat conservation, and species at risk. The other will focus on subjects related to the rail industry and Climate Resilience.

**STATUS REPORTS – PAC/SOMC STANDING COMMITTEE – FOR REFERENCE**

The various reports below were considered as read and briefly reviewed.

- 5.0** Operation Lifesaver
- 5.1** Proximity Initiative
- 5.2** Safety Culture Improvement Initiative
- 5.3** Environment
- 5.4** Dangerous Goods
- 5.5** Mechanical Services
- 5.6** Spectrum & Telecommunications

**6. OTHER BUSINESS**

No other business was discussed.

**7. NEXT MEETING**

The next Steering Committee meeting will be June 19, 2024.  
The next Shortline Committee meeting will be in October 2024.

**8. ADJOURNMENT**

Meeting adjournment was unanimously approved by the committee.

Meeting ended at 7:55 AM EDT.



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**RAC Shortline Steering Committee Meeting**

**September 11, 2024**  
**Teleconference**

**Attendees**

Andrew Glastetter, Great Western Railway  
Shawn I. Smith, Boundary Trail Railway  
Drew Duquette, ONR

**Absent**

Neil Johnson, GIO Rail  
Denys Del Cardo, GWRR

**RAC Attendees**

Ben Chursinoff, RAC	Janet Greene, RAC
Lora Smith, RAC	Johanne Delaney, RAC
Michael Barfoot, RAC	Katarina Stipanovic, RAC

**1. Welcome & Opening Remarks**

Andrew Glastetter welcomed members, called the meeting to order at 10:30am EDT, and discussed agenda items with the group.

**Competition Law Policy – Forward Statement**

The competition law policy is enclosed in the meeting documents. The policy emphasizes RAC's compliance with Canadian Competition Law in all meetings and activities. Ben Chursinoff read the RAC competition law statement to members.

**Approval of the Steering Committee Minutes – June 19, 2024**

No comments or questions from members. The minutes were approved and moved by Drew Duquette and seconded by Andrew Glastetter.

**2. Regulatory Affairs**

Mike Barfoot delivered the update.

Michael met with TC's Rail Safety DG, Steven Scott, to discuss fall priorities such as developing a missed signals action plan. Kathy Fox, the former Chair of the Transportation Safety Board (TSB) wrote to Transport Canada's Minister or the Director General addressing the passing of stop signals, the restriction of signals, and/or improper use of authority. TC is considering an action plan and will maintain communication with the RAC to collaboratively determine its implementation.

Additionally, TC wants to discuss bridge safety because the most recent revision to the bridge safety management guidelines was updated in 2018. TC wants a stronger regulatory structure to oversee bridge safety and is considering the possibility of enacting regulations

or rules that would incorporate parts of the guidelines. They are also considering delaying the Safety Management Systems (SMS) regulation assessment from 2025 to this fall. The RAC will meet with TC at the end of September to discuss further.

There is no update on Transport Canada's Enhance Train Control (ETC) policy guidance. The minister received the TC's policy direction, but he has yet to approve it. RAC is working with the PMO to produce AAR-compliant standards and regulations that will create a standardized, interoperable system across North America.

New TSB Chair Yoan Marier was appointed in August. RAC sent a congrats and introduction letter. The TSB watchlist's three-year cycle ends in 2025 and they will contact the RAC this Fall to discuss. The RAC will collect industry data on it.

In August, the RAC released proposed amendments to sections 103 and 103.1 of the Canadian Rail Operating Rules (CROR) to harmonize grade crossing requirements with the November 28, 2024, rules to align and reduce gaps and enhance CROR. RAC members should respond quickly since the consultation ends on September 29, 2024, and will file on September 30, 2024.

Early this summer, the government released a discussion document on a new vision for wildfire management in Ontario, improvements to wildfire management programs and regulations, and suggested modifications to the Forest Fires Prevention Act. The RAC consulted with Ontario members and does not expect this vision and legislation to affect railways. Two weeks ago, the RAC provided comments on the discussion document, indicating a consensus for increased attention to wildfire control. However, railways require flexibility to reach outlying settlements, a feature the document does not address. The RAC will continue to monitor and provide input.

No update to report on wayside inspection however, the working group continues to look at wayside detectors. TC is looking to regulate detector designs across the system. Class one shares detection data with the National Research Council (NRC), which objectively compares the number one brake test and the automated brake efficacy test. RAC wants to reopen rail brake standards in 2025 and replace the primary brake test with codified brake effectiveness testing in some cases. However, the NRC must finish its study and prove its feasibility and security.

The regulations for railway employee qualifications are ongoing. The Railway Employee Qualification Standards (RAC) anticipates the publication of the Canada Gazette I (CG) draft rule, which will outline the new training and restrictions. The CGI should coincide with the release of the draft guidelines. We would then evaluate the gazette and create guidelines. We notified the RAC last week that the publishing will take place in September and the fall.

The MTO has not released any new information about the safety framework for rail transit in urban and regional areas.

An amendment to the culvert safety management guidelines is anticipated.



### **3. Public Affairs & Communications**

Lora Smith delivered the update.

Parliament begins next Monday, September 16, with the Senate following on the 17th. The NDP withdrew from the supply and confidence agreement. A lot has been written about that. Transport Minister Pablo Rodriguez to step down from the Trudeau cabinet and run for leadership of the Quebec Liberal Party. The RAC will monitor the announcement of the new Transport Minister.

BC election is expected in October. The RAC will monitor two significant federal by-elections in Quebec and Winnipeg.

The RAC has been busy on the labor file, especially coming up to the Class 1 lockout and the Canada Industrial Relations Board (CIRB) mandate that they return to work. The RAC is assisting where we can, however, class 1s negotiations are handled properly. RAC's work reflects being connected to other industry groups and the AAR to keep people up to speed and informed, as well as pulling in information, impact statements, etc., on how these conditions harm individual cases. Additionally, Canada's commercial relations and reputation.

The RAC worked on the next phase of the interswitching campaign over the summer. The campaign will have a strong graph meeting, a face-to-face component, and a strong digital component targeting bureaucratic department decision-makers. The Fall economic statement will be a major political chance for the administration to declare whether they'll act on this strategy. The RAC will work hard to see as many federal bureaucrats, senators, and provinces as possible as the Fall economic statement comes out.

A commitment to shortline support funding is included in the latest budget. The RAC team met with the Ministry of Finance and Transport department and political staff in Toronto and Queens Park on two occasions. The team also met with Transport Minister Sarkarya, Doug Ford, and Vic Fideli's staff. RAC's lobbying is based on the US 45G Tax Credit paradigm. The goal is to implement something similar in Ontario and move it to the federal level or other provinces. The RAC spoke with many Ontario shortline members, and the tax credit remains the best choice for many. The RAC continues to advocate for this option and has demonstrated to the Department of Finance and Transport why it is preferable. Looking ahead, we hope to have some commitment to the tax credit in the fall economic statement.

The Chair praised the RAC's progress in gaining traction with such a large and prominent province.

### **4. RailCAN24**

Janet Greene gave the update on the upcoming RailCAN24 Conference.

The RAC is organizing a RailCAN24 conference on November 26 at the Shaw Centre in Ottawa. Members would recognize it as the former Rail Government Interface (RGI). It's an industry gathering with government, mostly bureaucrat officials to discuss mutual challenges. The RAC will launch the event page by next week solely for members to have exclusive access to booths before it is launched to the public. Members will have two weeks to book.

RAC's holiday reception and award ceremony is the following day November 27 at the Queen Street Fair in the RAC building on the main level. New this year, the RAC will launch the Operation Lifesavers Roger Cyr Award at the award ceremony. More information to follow on a morning even on November 27.

## **5. Ontario Tax Credit Update**

Katarina Stipanovic gave the update on the Ontario Tax Credit.

The latest budget included a commitment to shortline support funding. The RAC team met with the Ministry of Finance and Transport department and political staff in Toronto and Queens Park for the first time on two occasions. The team also met Transport Minister Sarkarya and the staff of Doug Ford and Vic Fideli.

RAC's lobbying has been based on the US 45G Tax Credit concept. The goal is to implement something like that in Ontario and move it to the federal level or other provinces. Ontario is a good start as they've shown interest in this.

The RAC spoke with many Ontario shortline members, and the tax credit remains the best choice for many. The RAC continues to advocate for this option and has demonstrated to the Department of Finance and Transport why it is preferable. Looking ahead, we hope to have some commitment to the tax credit in the Fall economic statement.

## **6. Environment & Programs**

Ben Chursinoff gave the update on RAC's programs.

The safety culture initiative has been busy for the past few months. Great progress with the safety culture evaluations with Western Railway, Universal Rail, Atlantic Industries, A & B Rail Services, and GWR produced their action plan. The assessments went well with no major issues. Organizing the developing plan for Hudson Bay Railway and Tshiuetin Railway to launch their safety culture assessments this month, which will likely take us into December, potentially into early 2025. The RAC will open applications for safety culture assessments in March 2025 safety.

Transport Canada contracted a third-party auditor for verification to complete an audit of the 2018 to 2022 Memorandum of Understanding (MOU).

The management committee approved a new consulting firm to audit the 2021 LEM report. They conducted the audit in 2016. The auditor has signed a non-disclosure agreement to protect the member's data. The auditors will conduct interviews with key RAC personnel, Transport Canada, and potentially other federal ministries. Afterward, they'll explore many RAC data approaches and resources. The RAC expects a first draft of the report by November 1 for review and a final report by mid-December. We look forward to finishing this audit. It should confirm our work, establish transparency, and maybe uncover future efficiencies.

Bill C-59, Amendments to Canada's Competition Act, received royal assent on June 20. New greenwashing regulations require Canadian businesses to justify environmental advantages, products, or services. The RAC has concerns since there's no clear description of how to prove it. The new provisions apply a widely known methodology without specifying it. It also mentions utilizing acceptable evidence to establish assertions,

which is unclear. The RAC is working with the environment committee, putting comments together to identify challenges. Comments are due by the end of September. The environment committee also addressed stakeholder emissions queries. CPKC received many requests from Saskatoon for local emissions for their municipal inventory. The lack of data makes it difficult to estimate for Saskatoon and other local stakeholders, thus the RAC decided not to give that data. The RAC developed a standard written response that the members can use. The RAC will circulate to the shortline steering committee.

The RAC provided comments to Environment Canada for a consultation on petroleum storage tank systems and associated petroleum product regulations. These were submitted on August 7 and comments focused on clarifying restrictions and improving readability.

The RAC recommended incorporating new technical standards, and that Environment and Climate Change Canada (ECCC) consult with storage tank and component manufacturers to ensure the most recent standards are included. The next step in this consultation is to organize a meeting between the RAC, and some of the members in ECCC to discuss viewpoints.

## **7. National Shortline Tax Credit Working Group**

Andrew Glastetter spoke about the growing interest in the shortline tax credit working group.

Andrew spoke to Katarina and Ben about creating a shortline tax credit working group ensuring that the group has no conflicts of interest with other parties or members. This idea came from an event that Andrew attended where several individuals who were involved in the establishment of the 45G program in the United States delivered a comprehensive presentation on the factors they believed were instrumental in its success. The program's initial success can be traced back to the early 2000s. One of the most significant messages was that they ensured that as many diverse shortlines participated in the lobbying of the working group and had a voice, as well as that as many associations as possible, related associations that could potentially benefit from the initiative, were involved. Suppliers were also incorporated, as they were a significant factor in the program's initial success in the United States.

The objective of this working group would be to advance the shortlines position with the federal and provincial governments regarding the tax credit regime for shortlines. It is important to maintain the focus on this very specific matter. The larger shortline companies would need to play an active role in this.

Andrew will submit a written summary proposal for the prospective new working group to the RAC.

## **8. Shortline Committee Survey Next Steps**

Ben spoke about the next steps of the shortline survey.

In May, the RAC distributed a survey to its members to ascertain the priorities and perspectives of the membership to inform our actions as an organization. The results of that survey showed that advocacy is priority number one and regulatory support is priority two. The RAC must now get a better sense of the specifics of that. The advocacy side was clear, but the survey didn't show anything specific for the regulatory support. The next steps

would likely involve a follow-up survey that is straightforward or perhaps a town hall conversation with the members. The town hall could include a presentation at the beginning from RAC's staff responsible for the regulatory file on what they already do in terms of regulatory support. A town hall would provide that two-way communication. The RAC could also do Lunch & Learns or sessions where they share ideas or experiences.

The Chair, Andrew, agrees that a town hall idea would be more effective for the RAC and the shortline industry. However, the RAC regulatory team would like to know specific areas where shortlines need support before the town hall. Shawn suggested perhaps one-on-one calls to get specific areas of support needed.

**9. Other Business and next meeting**

The next shortline committee meeting will be scheduled in October with an invite to follow shortly. And the last steering committee meeting of the year in December. A doodle poll will be sent to confirm a date.

**10. Adjournment**

The meeting was adjourned at 11:50 am EDT.





Railway Association  
of Canada

# ***PEOPLE. GOODS. CANADA MOVES BY RAIL.***

President Report  
Marc Brazeau, President & CEO



# SITUATIONAL CONTEXT



Federal advocacy remains the top priority in light of upcoming sunset date for extended regulated interswitching (political and with officials).



Given upcoming election and likely Gov't change, developed policy recommendations that benefit Canadians and railways in key areas of economic regulation, safety, labour and sustainability.



Provincial and municipal outreach on timely issues/opportunities.



New Transport Minister. Track record of competency when compared to others in this Government. Will be challenged in balancing responsibilities for two important ministerial portfolios. GTA background.



Rail Safety Week generated active support and engagement of railways across the country and significant media coverage.



# CURRENT LANDSCAPE

## Wins

- Effective collaboration and alignment with business and shipper associations during rail work stoppage created significant pressure on Federal government
- TC renews funding agreement with Operation Lifesaver Canada
- Senator Dagenais to push for Public Bill S-287 to repeal extended interswitching
- Extended interswitching campaign continues to raise awareness and keeps shipper association on the defensive
- Ontario exploring funding structure model to support shortline investments
- Detailed submission on TC freight rail review and Federal Pre-Budget submission
- ECCC will use RAC Rail Trends data on GHG emissions going forward

## Risks

- Continuation and/or expansion of extended interswitching beyond March 2025
- Spreading of misinformation by shipper lobbyist leads to negative public policy or regulatory outcomes
- Ongoing risks related to supply chain labour disruptions
- TSB consultations could result in new rail related watchlist items in 2025
- Supply Chain Office role/purpose continues to be put into question
- Upcoming SMS Regulatory Review could lead to requirements for Safety Culture and/or Fatigue Management
- Uncertainty around Enhanced Train Control (ETC) regulatory framework

## Opportunities

- Expand parliamentary opposition to extended interswitching with focus on need to protect Canadian unionized jobs
- Advocate the need for the Federal government to swiftly equip itself with more tools to address labour stability
- Continue to advocate for accelerated depreciation for all supply chain partners that invest to improve safety or expand capacity
- Continue to promote modal shift for passenger and freight railways by highlighting strong environmental performance
- Promote passenger railways and secure desired policy outcomes
- Grow support for funding shortlines in other provinces and federally



# TOP PRIORITIES IN Q4

## ADVOCACY

- Submit rail policy recommendations to political parties to enhance economic prosperity for Canadians
- Obtain broad Parliamentary/Bureaucracy support to repeal/sunset EIS by March 2025
- Continue to collaborate with Senator Dagenais on Public Bill S-287
- Work with Ontario government to finalize proposed funding structure for Shortlines
- Maintain high level of engagement with government officials and public office holders leading up to Fall Economic Statement

## COMMUNICATIONS

- Focused communications and media campaign to repeal EIS
- RailCAN24 to serve as an important platform to advocate industry needs, challenges and successes to decision-makers in Ottawa
- Ensure ongoing updates to keep Board and Committees, members, and key stakeholders engaged and informed

## HUMAN CAPITAL

- Extensive Board feedback provides opportunities for maximum input and engagement of all Directors
- Onboarding of new employee to support advocacy team
- Continue to drive strong employee engagement and culture with focus on delivering tangible member value
- Succession planning for key positions/roles



Railway Association  
of Canada

# ***PEOPLE. GOODS. CANADA MOVES BY RAIL.***

Public and Government Affairs Update





# WORKING STRATEGICALLY ON KEY ISSUES TO PREVENT ADDITIONAL REGULATION

## REPEALING EXTENDED INTERSWITCHING

Targeted, multi-level government engagement. Focused, strategic digital media campaign. Actively dispelling falsehoods from grain shipper associations.

## POSITIONING FOR A NEW GOVERNMENT

Present policy recommendations that will directly benefit Canadians and enhance economic prosperity along 4 topics: Economy, Labour, Safety, Sustainability.

## TACKLING TAX POLICY

Avoid damaging tax policy changes and advocate for tax policies that accelerate modal shift, positioning the industry for success compared to competitors.

## ENGAGING ON LABOUR REGULATIONS

Active involvement leading to and during labour disruption period. Advocating for timely, predictable federal tool to resolve supply chain labour disputes. Continue to regularly highlight impacts of stacking labour regulations.

## ADVOCATING FOR SHORTLINE TAX CREDIT

Continued advocacy efforts in Ontario. Provincial government is supportive. Renewed interest federally on the need to support shortlines. Information sharing with Western Shortlines.



## **4.1 ADVOCACY UPDATE**

### **Overview**

RAC has been active in engaging government advocacy since the last board meeting in May 2024.

From May 2024 to mid-September 2024, there were 16 in-person meetings and over 300 recorded touchpoints with targeted officials (Transport Canada and others), Members of Parliament, rail-relevant parliamentary committee members, and other stakeholders.

Below is a list of the top outcomes influenced by RAC since the last board meeting.

- Senator Dagenais tabled Bill S-287 to repeal extended interswitching.
- Active shipper association sent input to the government related to labour disruptions.
- VIA announced the renewal of their Long Distance, Regional, and Remote Fleet.
- Tacit buy-in from the Ontario government on the need for shortline support. They continue to explore support mechanisms for shortlines. The Ministry of Transport (MTO) and the Ministry of Finance (MOF) are closely engaged on the file.
- The Rail Review was successfully submitted. The process was slow – effectively “dragging the puck”.

### **Political Landscape**

- The NDP has 'torn up' the supply and confidence agreement, opening the possibility of an early election.
- Many Ottawa insiders believe the risk of a fall election remains low, given opposition parties like the NDP and BQ have given a soft commitment to supporting the Liberals on confidence motions. However, RAC continues to prepare for an election next year.
- Conservatives are gaining support. Current polling suggests a federal Conservative majority government will be elected in the next election.
- Transportation Minister Pablo Rodriguez resigned as Transport Minister to pursue the leadership of the Quebec Liberal Party. RAC is preparing advocacy efforts for the new Transportation Minister, Anita Anand. She will continue holding both the Transportation file and the Treasury Board file.
- Anand represents the federal riding of Oakville, Ontario, which is not an agriculture-based riding. She is generally regarded as one of the more competent members of the Liberal caucus.

### **Key Files**

#### **2025 Pre-Budget Submission to the House of Commons Standing Committee on Finance (FINA)**

RAC successfully submitted its pre-budget submission to the Standing Committee on Finance (FINA), recommending the following actions:

1. Repeal the extended regulated interswitching immediately.
2. Incentivize capacity-enhancing supply chain investments.
3. Establish a predictable support mechanism to revitalize shortline railways.
4. Increase operational and capital support for passenger railways.

5. Address the economic impact of labour disruptions and incremental labour regulations.
6. Support the rail industry's decarbonization and climate resiliency.

RAC will continue to monitor Budget 2025 developments and respond as necessary.

### **Department of Finance Consultation on Budget 2024 Measures to Deliver Fairness for Every Generation**

RAC successfully submitted its submission to the Department of Finance on this consultation which was focused on supply chain investments. RAC recommended the following:

1. Implement accelerated (or 100 per cent immediate) depreciation for all supply chain participants that make investments to improve safety or expand capacity.
2. Augment funding for the National Trade Corridors Fund (NTCF) and the Rail Safety Improvement Program (RSIP) to complement a new Accelerated Capital Cost Allowance to further expedite investment in supply chain infrastructure.
3. Immediately repeal extended interswitching because it drives unionized jobs and investment to the United States and risks undermining the capacity, efficiency, and fluidity of Canada's supply chains.

RAC will continue to track government consultations and will respond accordingly to those that are of interest to the rail industry.

### **Extended Interswitching**

Senator Dagenais tabled Bill S-287 to repeal extended interswitching, currently at second reading in the Senate. A fall advocacy plan has been initiated, with communications targeted at key decision-makers in Finance, Transport, Agriculture, Treasury Board Secretariat (TBS), NRCan, and the PMO. Advocacy efforts will focus on the three Prairie provinces (Alberta, Saskatchewan, and Manitoba), with outreach already started with Daniel Blaikie in the Premier's Office and Deputy Minister of Transport, Ryan Klos. The main messaging will centre around unionized job losses.

### **Labour Disruptions**

RAC convened shipper and industry associations to assemble information and coordinate advocacy efforts. These efforts called on the government to take action to prevent, and later quickly end work stoppages.

### **Rail Review**

RAC submitted its response to Transport Canada's Rail Review discussion document in August, after successful efforts to delay the process. The submission focused on promoting railways as economic enablers and highlighting industry concerns with the government's pre-existing processes. RAC continues to check in with Transport Canada for updates on the next steps of the consultation process.

### **Ontario Shortline Tax Credit**

RAC held numerous productive meetings with MTO, MOF, Economic Development Minister Fedeli's staff, Finance Minister Bethlenfalvy staff, and Transport Minister Sarkaria throughout the summer in Toronto. RAC remains hopeful that clarity will be provided in the fall economic statement regarding the support available to shortlines. The main opposition has come from the tax department within MOF, which favours grants over tax credits, based on expanding eligibility to not-for-profit railways and provincial crown corporations. RAC continues to advocate that a tax credit is preferable to a grant.

### **Political Platform Submissions**

In preparation for a potential federal election, RAC is developing four policy white papers to

submit to political parties, on the general theme of *Unlocking Canada's Economic Potential: Policies for Driving Growth, Efficiency and Prosperity*", and delving into the following areas:

1. Unlocking Greater Economic Benefits: The Strategic Role of Rail in Canada's Future
2. Increasing Labour Stability in the Rail Sector
3. Enhancing Rail Safety in Canada: From Leadership to Further Innovation
4. Sustainability: The Key to Unlocking Growth and Efficiency

### **Passenger Rail**

RAC supported VIA Rail in Moncton for the announcement of its fleet renewal. RAC is also closely monitoring the ongoing parliamentary investigation into disruptions in passenger rail service at the TRAN committee. RAC continues to advocate for designated tracks for passenger railways.

### **Legislative Updates:**

- **Bill C-58** (Replacement Worker Ban) received Royal Assent on June 20, 2024.
- **Bill C-33** (Amendments to the Railway Safety Act, Transportation of Dangerous Goods Act, Marine Transportation Security Act, Canada Transportation Act, and Canada Marine Act) is at the report stage in the House of Commons.
- **Bill C-26** (An Act respecting cybersecurity, amending the Telecommunications Act, and making consequential amendments to other Acts) is at second reading in the Senate.

### **Federal Outreach Opportunities**

#### **Standing Committee on International Trade (CIIT) Committee Appearance**

RAC appeared as a witness before the CIIT Committee on May 9, 2024, which was focused on a study regarding *Canadian Businesses in Supply Chains and Global Markets*.

#### **Office of the Leader of the Opposition (OLO) Round Table**

Bryce McRae, Manager of Stakeholder Relations, connected with RAC to propose a rail roundtable leading up to the Canada-United States-Mexico Agreement (CUSMA) renegotiations. Although on pause before labour disruption was resolved, RAC will recommence working with him and MP Randy Hoback's office for a possible meeting.

### **Committee Participation**

RAC continues to attend relevant parliamentary committee meetings in person to support members and engage with parliamentarians.

### **Ottawa Outreach**

RAC has worked to strengthen relationships with key associations such as the Canadian Chamber of Commerce, the Federation of Canadian Municipalities (FCM), Federally Regulated Employers – Transportation and Communications (FETCO), the Association of American Railroads (AAR), and the Chemistry Industry Association of Canada (CIAC), along with many others.

Additionally, we have had the opportunity to engage with and build relationships within the Ottawa government community attending various events, including:

- RAC's Shortline Rail Conference
- Vancouver Fraser Port Authority Reception
- Parliamentary Internship Program Reception
- iPolitics Parliamentarian Awards and End of Session Celebration
- Ottawa Mayor's Breakfast with Martin Imbleau
- Calgary Stampede

- iPolitics and Earnscliffe Back to Session Reception

RAC will continue to engage in opportunities as they arise.

**Government Meetings Since May 1, 2024**

1. Office of the Leader of the Opposition
2. MP Dave Epp
3. MP Dan Mazier
4. MP Warren Steinley
5. MP Vance Badawey
6. MP Barsalou-Duval
7. MP Claude DeBellefeuille
8. MP Rosemary Falk
9. MP Kelly Block
10. Manitoba Deputy Minister of Transport (Ryan Klos) and public servants
11. Former MP Daniel Blaikie, current advisor to the Premier of Manitoba (Wab Kinew)
12. Bureaucrats from MTO and MOF
13. Ontario Minister of Economic Development, Job Creation and Trade political staff
14. Ontario Minister of Finance political staff
15. Ontario Minister of Transportation (Prabmeet Sarkaria)
16. Ontario Deputy Minister of Transport (Douglas Jones)



#### 4.4 **WORKFORCE DEVELOPMENT & EVENTS**

The new industry-approved conductor curriculum has been sent to Lambton College, Cégep de Sept-Iles, GIO Rail Holdings, and Confederation College. BCIT and SAIT have yet to sign the agreement. In 2025, the RAC plans to incorporate learning activities throughout the curriculum to help students retain knowledge.

The newly revamped Human Resources committee met in April 2024 to discuss objectives moving forward. The committee will work on a joint industry campaign promoting rail as a career of choice and working with the colleges that offer the conductor course on other programs they offer, such as welding and heavy-duty mechanics. The committee will hold a hybrid meeting in early November to help plan for 2025 and invite the colleges to a portion of the meeting to foster collaboration.

**RAC EVENTS** The Railway Association (RAC) hosts several events each year to help promote the rail industry. Whether it is courses, lunch and learns, or conferences, the RAC aims to be a one-stop shop to deliver useful and timely information to government, members, and stakeholders.

Appendix A is a snapshot of events that have taken place from May 2024 through to the present. Appendix B is a listing of upcoming events the RAC will be hosting throughout the remainder of the year and going into 2025. Appendix B is a living document and is subject to change throughout the year as diverging subjects and challenges arise.

##### **Appendix A – 2024 Q2/Q3 status update**

<b>Event</b>	<b>Purpose &amp; Audience</b>
<b>Shortline Conference</b>	<p>On May 6-7, RAC hosted its second Shortline Conference in Ottawa, ON. On the afternoon of May 6, RAC held a tour of the National Research Council Canada's research facility that was followed by a dinner. The feedback on the tour was extremely positive, and attendees found it to be of interest to them and their business. On May 7, RAC held a full-day conference with speakers talking about the Shortline tax credit ask, supply chains, sustainability, and safety culture. Keynote speaker, Sarah McVanel, opened the day with an energetic talk about how recognition helps retain employees. The feedback on the event was very positive and provided learning and networking opportunities to all in attendance.</p> <p>RAC surpassed the expected numbers with 94 people registered (compared to just over 60 participants at our first shortline conference).</p>
<b>Women in Rail</b>	<p>On June 12, RAC hosted its fourth edition of Women in Rail. The keynote speaker, Professor Maja, opened the session by sharing her knowledge on experiences studying women's confidence and communication skills. The panel themes were: <i>What does railroading look like for women in operations</i> and <i>Career progression in rail and retaining our talent</i>.</p>

	<p>RAC surpassed the expected numbers with just over 225 people registered. Because of this, RAC raised \$8,050 in sponsorship funds that will be divided up among the four colleges that offer the conductor curriculum to help support women going into a career in rail.</p>
<b>Lunch &amp; Learns</b>	<p>On May 16, the RAC held an Indigenous Engagement session with CN, VIA, and Tshiuettin Rail as speakers. The session shared ideas and offered other members an opportunity to ask questions and gain advice from what others were doing.</p> <p>On May 29, RAC held a session on climate resiliency for the CTA. CN, CPKC, and VIA Rail spoke about what they are doing to address and prevent weather challenges such as wildfires and washouts.</p> <p>On September 12, RAC's Jonathan Thibault gave a Q2-Quarterly report update to members on the latest data trends.</p>
<b>Rail 101 and Railway Operations Live</b>	<p>The RAC held 4 sold-out Railway Operations Live courses this year. The first course was held on April 9, 11 &amp; 12, which consisted of a full class of Transportation Safety Board representatives. The second was held on April 9, 25 &amp; 26 and consisted of representatives from the Canadian Transportation Agency (CTA) and Transport Canada (TC). The third was held on September 3, 5 &amp; 6, which consisted of representatives from TC and the CTA. The fourth was held September 3, and October 5&amp;6, and consisted of TC and one person from Metrolinx.</p>

#### Appendix B – Upcoming events 2024 Q4 and Q1&Q2 2025

Event	Purpose & Audience	Timing
<b>Lunch &amp; Learns</b>	<p>On October 9, Dr. Malcolm Cairns will give a three-hour presentation for RAC staff on the history of rail. This will be a refresher for some staff but will be a great learning opportunity for the new staff at the RAC.</p> <p>RAC is planning a four-hour Indigenous cultural training for staff development on November 7 with Holly Fortier.</p>	Ongoing
<b>RailCAN24: Conference and Tradeshow</b>	<p>On November 26, RAC will host its re-branded annual conference and tradeshow. The conference will bring together representatives from the government and key figures in the rail industry to tackle the challenges faced and highlight the strides the RAC is making in driving Canada's economy and creating prosperity.</p>	November 26

	<p>The event will feature a tradeshow showcasing the latest innovative products and services in the rail industry.</p> <p>RAC expects over 100 people in attendance and to have 15 booths for the tradeshow.</p>	
<b>Member session</b>	The morning of November 27, the RAC will host a member session on advocacy and regulatory files as well as give a refresher on the RAC Atlas functionality and provide an update on the Q3 quarterly report data.	November 27
<b>RAC Holiday Reception and Safety Awards</b>	On November 27, RAC will hold its annual holiday reception and awards ceremony. RAC will be inviting members, stakeholders, bureaucrats, and parliamentarians to attend the reception. RAC will also interview the safety award winners for social media recognition and a press release announcing the winners.	November 27
<b>Railway Operations Live</b>	RAC will host two Railway Operations Live courses in the Spring of 2025 at CN's Walkley yard in Ottawa for bureaucrats.	Spring 2025
<b>RAC Executive Committee meetings</b>	The Spring executive committee meetings will take place in Montreal in May 2025.	Dates TBD
<b>Women in Rail</b>	This will be RAC's 5th edition of RAC's virtual Women in Rail. The theme will focus on the feedback received from participants who attended the 2024 Women in Rail conference. All proceeds will go to the colleges that offer the conductor course in our continuous effort to diversify the workforce.	June 2025

## **4.5 REGULATORY UPDATE**

### **ONGOING ITEMS / IN DEVELOPMENT**

Through the summer and early fall, there have been no Ministerial Orders, Railway Safety Act Section 19 Rule changes, or active TC / Industry regulatory consultations.

TC's latest forward-looking regulatory plan was presented at the Advisory Council on Railway Safety (ACRS) meeting on September 26. Key items:

- TC continues to monitor Bill C-33.
- Railway Employee Qualification Standards Regulations – Expecting CGI publication in late 2024.
- Possible ETC CGI Publication in late 2025.
- Upcoming regulatory reviews of:
  - Safety Management System Regulations, 2015
  - Railway Operating Certificate Regulations
  - Passenger Rail Transportation Security Regulations
  - Transportation of Dangerous Goods by Rail Security Regulations

Stephanie Plouffe, Director of Regulatory Affairs at Transport Canada, has left for another opportunity.

### **Functional Safety Assessment / Addendum to Exemption Application Guidelines**

TC informed at the September 26, 2024 meeting of the Advisory Council on Rail Safety (ACRS) that it intends to publish a framework for establishing a functional safety assessment and publish an addendum to the Guidelines on Applying for Exemption or Filing a Notice of Exemption.

TC's current Guideline for applying for exemptions has not been updated since 2011 and presents challenges when evaluating new technology exemption requests. The scope of application is for exemption submissions for new technologies or processes seeking to replace currently regulated rules and/or procedures.

TC is seeking to add an addendum to the current Guideline on Applying for an Exemption or Filing a Notice of Exemption to provide greater clarity and strengthen the evaluation of new railway technology exemptions.

The draft addendum, which was provided to ACRS participants shortly before the September 26 meeting, includes more detailed explanations and guidelines on how to

best submit technical exemptions, introduces the Functional Safety concept, and defines a new pre-submission phase.

The draft addendum is meant to consider the feedback received by the Railway Association of Canada in 2021 and align with the Federal Railroad Administration's Guidance on submitting requests for waivers, block signal applications, and other approval requests.

The revised framework considers the evolving technical nature of exemption requests:

- The technologies proposed may be new to TC.
- TC may require specialist knowledge to properly evaluate exemption request
- Legislative timelines require TC to evaluate increasingly difficult exemption submissions in 60 days

Key changes of the draft Addendum:

- Early pre-consultation between industry and TC to share details of the new technology.
- Guidance on exemption submission content including testing results, risk assessments, and operational integration to ensure functional safety.
- Proactive conversations throughout the exemption submission process.

Transport Canada is seeking to provide clear guidance on the steps and documents required in exemption submissions.

Next Steps:

- Industry is invited to submit feedback on the draft addendum by the end of October 2024. RAC is coordinated through the Regulatory Affairs Working Group.
- Publication of the Framework to Transport Canada's website in late Fall 2024.

### **Wayside Inspection Systems (WIS) Working Group**

#### October 16, 2024, Update

Work is ongoing between class 1s and the National Research Council of Canada (NRC) to assess the effectiveness of manual brake inspections and BET.

RAC intends to open TBR in 2025 towards codifying BET instead of the No. 1 Test by 2026.

#### May 8, 2024, Update

The work plan and terms have been finalized by the WG. The initiative is split into three phases:

- Phase I focuses on assessing the Brake Effectiveness Test (BET) on mountain grades as per the latest Train Brake Rules revision, to determine the level of safety and criteria for removing manual tests altogether which would result in further rules amendments. Estimated completion is May 1, 2025.
- Phase II focus is proposed to be on Hot Bearing Detectors. To commence after Phase I.
- Phase III focus is proposed to be other wayside inspection systems. Timelines TBD.



The National Research Council of Canada has been brought on to conduct research and testing. A draft methodology and data requirements document for the work is under review.

#### Background Information

Transport Canada Rail Safety is researching the use of WIS on the Canadian railway network to better understand the landscape. It will seek to gain insights on what WIS technology is practicably available and in use by the industry; how information gathered from WIS is used by the industry; and identify strengths and potential opportunities. TC and the industry have formed a working group and are in the early stages of drafting Terms of Reference and a work plan.

### **Railway Employee Qualification Standards Regulations (REQSR)**

#### October 16, 2024, Update

TC informed at the September 26, 2024, meeting of the Advisory Council on Rail Safety (ACRS) that the draft regulations will be published in CGI sometime this fall.

#### May 8, 2024, Update

TC's initial plan to move forward with a CGI publication in late June is delayed until September. TC has informed that requirements relating to the "two years supervision" notion will be high-level, and guidelines will be created.

#### Background Information:

In 2022, TC proposed an approach to updating the REQSR on its Let's Talk Website, which has not been updated since its inception in 1987. The TSB highlighted insufficient railway employee training in at least one recommendation.

The RAC submitted comments to TC on the proposed approach in January 2022 and on the proposed RIAS in January 2024. Railways also submitted responses to a TC questionnaire in August 2023 that will be used to inform TC's cost/benefit analysis for the Regulatory Impact Analysis Statement (RIAS). TC is planning to keep the regulations broad and flexible (CRM an example). Ideally, the regs would not go beyond what railways already have in their training programs.

Concerns with the proposed two years of supervision could be addressed through guidance instead of regulation, which is a step in the right direction if we can align with TC on expectations.

### **Review of Railway Safety Management Systems Regulations**

#### October 16, 2024, Update

On September 26, 2024, TC informed the Advisory Council on Rail Safety (ACRS) working group of its intention to begin a regulatory review of the SMS Regulations 2015 by the end of 2024. Fatigue requirements will be considered as part of this review. Consultation with the Industry throughout the review is expected.

#### May 8, 2024, Update

TC notified the Advisory Council on Rail Safety (ACRS) on February 21, 2024, that pre-consultation is to begin in Q3, 2024, and that proposed regulations could be published in Canada Gazette (CG), Part I in Q1, 2026.

There is uncertainty as to whether updated regulations would include fatigue management and/or safety culture requirements.

### Background Information

TC emailed railway stakeholders on August 25, 2022, that it was commencing a review of the SMS Regulations, having launched a public consultation ending September 25, 2022.

TC published on the Let's Talk website a "what we heard" report. Pre-consultation is expected to continue into 2024 with a possible CGI publication, if required, in late 2024.

Various factors motivated the review of the Railway Safety Management System Regulations, 2015, such as:

- The 2018 Rail Safety Act Review recommended that TC continue to build capacity to assess the effectiveness of a railway company's SMS.
- TSB investigation reports and recommendations that flagged a need to ensure the adequacy of company safety management systems (e.g., investigation reports R13D0054 and R19C0015, TSB Recommendation R14-05).
- The addition of safety management to the TSB watchlist in 2018.
- The 2021 OAG report: Follow-up Audit on Rail Safety recommends that TC "regularly assess the effectiveness of railway companies' safety management system processes".
- The June 2022 report from the House of Commons Standing Committee on Transport, Infrastructure and Communities recommended that TC conduct "a comprehensive review of Safety Management Systems in the rail sector".

TC is looking to build on lessons learned from the first years of SMS implementation and is looking at the regs as well as the supporting tools. This could drive future regulatory amendments, updates to industry guidance, and policy changes.

### **Rail Research Advisory Board (RRAB)**

The RRAB has been conducting meetings throughout 2024 to gather input for identifying focus areas and thematic research priorities that will guide the selection of flagship government-led research projects for the 2025-2028 work plan. To assist the RRAB in prioritizing research, MxV has identified 18 research themes that they have grouped into the following categories:

Category A: Operations and Maintenance

Category B: Safety and Security

Category C: Climate Change Adaptation and Resiliency

Category D: Decarbonization

Each Category has a Task Team. Participants in each Task Team have prioritized research themes through a voting process.

Each Task Team will meet during the fall of 2024 to review the research proposals for their category which were put together over the summer of 2024. Following the review, each task team will prioritize each proposal through a voting process.

As a result, a prioritized list of the recommended research proposals reviewed by each Task Team will be presented to RRAB. The RRAB will then select research projects for the 2025-2028 work plan.

### **Culvert Safety Management Guidelines**

#### October 16, 2024, Update

No progress to report on TC publishing changes to the guidelines and the timeline is unknown.

#### May 8, 2024, Update

It is expected that TC will publish changes to the guidelines in the coming days/weeks based on consultations with the industry over the last several years.

#### Background Information:

Transport Canada is updating the Guideline for Culvert Safety Management. The initial publication of the Guideline was in 2012, and sufficient time and practice have passed that an update to the Guideline is prudent to ensure accuracy and relevance.

In 2020 and 2021, TC engaged RAC and made considerable headway on revisions to the Guideline.

TC was to have published the final draft for industry review in 2021, though this didn't occur due to competing factors (e.g. Lytton fires).

### **TSB update**

#### October 16, 2024 Update:

Yoan Marier has been appointed as Chairperson effective August 21, 2024, succeeding Kathy Fox.

The TSB Watchlist will be reviewed and updated in 2025 for a three-year term. Industry consultations are expected to commence in 2025.

#### May 8, 2024 Update:

TSB issued a Safety Advisory Letter (01/24) regarding operations under restricting signals in CTC. The letter has not been published on their website. It cites four occurrences in the past year in which trains have operated under restricting signals over speed and resulted in a collision. TC is looking to develop an action plan to address the issues. RAC has formally engaged TC (letter) to open dialogue. The intent is for TC and the industry to work towards a common understanding of the operating environment with restricting signals to then inform a way forward.

TC issued a Safety Advisory Letter (07/23) regarding obstruction of inward-facing LVVR cameras. The letter has not been published on their website. In response, TC has notified the TSB of the following:

- Oversight activities to date have focused on ensuring installation, having proper signage, and notifying crew members.
- Subsequent oversight will also focus on protecting the integrity of recordings and overall compliance with the LVVR regulations.

- The next phase of TC's oversight will allow TC to enhance monitoring against tampering, and technical and technological requirements, including the prescribed yearly testing of LVVR systems, and address known functionality issues.

TSB issued a Safety Concern regarding employee impairment, which is published on their website. TC is discussing internally what can be done within their existing powers to help address employee impairment concerns. It's unclear what the possibilities are, although we understand that this would not include creating a random testing regime.

Namely because of the "operations under restricting signals in CTC" letter, there is also growing interest from TSB, TC, and industry to reconvene the RDWG which has not met since last year. On the agenda is work related to "following signal indications" data and updating reporting guidelines. RAC is coordinating with TSB on a suitable date for the next meeting.

### **Canadian Rail Operating Rule (CROR) 103 Amendment**

#### October 16, 2024, Update:

Rule 103 and 103.1 updates were filed with the Minister of Transport on September 30. No safety-related comments were received from any industry or labor stakeholder.

#### May 8, 2024, Update:

Working through 2024 towards CROR revision to align Rule 103 with GCR. Existing discrepancies between GCR and CROR:

- Operation time – GCR requires a minimum operation time for crossing warning devices that varies depending on crossing-specific variables. The CROR requires observation of a minimum of 20 seconds of operation. An employee observing such an operation may then foul a crossing before the time required by GCR has been observed.
- Sightlines – GCR introduces sightlines specific to each crossing. CROR Rule 103(e) requires revision.

Amendments will also be needed for ETC and a mass clean-up revision is anticipated in 2025.

### **Ministry of Natural Resources (MNR) Ontario**

The Ontario Ministry of Natural Resources issued a discussion document regarding its new vision of wildfire management in Ontario, updates to wildland fire program and policies, and the development of proposed changes to the Forest Fires Prevention Act. Rail impact is not expected to be significant.

RAC submitted comments to the discussion document on August 29, 2024. RAC reached a consensus that future wildfire management will require increased vigilance and that railways will need to be flexible to ensure access to remote communities during Ministerial Orders to aid in evacuations and to provide appropriate placement of dangerous goods, for example.

RAC will monitor this file as it progresses.

## **Ministry of Transportation (MTO), Ontario, Safety Framework for Urban and Regional Rail Transit**

October 16, 2024, Update:

No progress to report

May 8, 2024, Update:

MTO informed in April 2024 that the Ernst & Young LLP (EY) report was received and is undergoing internal review. MTO is developing a path forward for the next phase of the framework, which is expected to take the next few months, at which point MTO will re-engage with industry and RAC.

### Background Information:

The MTO reached out to RAC advising that they are reviewing the Ontario safety oversight framework of the MTO as it relates to urban and regional passenger rail transit within the province. The scope includes review and analysis of subways, regional/commuter rail, light rail transit and streetcars currently operating within the province or are in planning or construction phases.

The MTO identified a need to update the safety oversight framework to better support the province's growing rail network and diversity of operators. The new framework may include updated legislation and the creation of a regulator to oversee and support safety practices across the sector.

Ernst & Young LLP ("EY") was brought on by the MTO as a third-party consultant providing strategic advice on creating a rail safety framework that considers the safe design, construction, operation and maintenance of urban and regional rail in Ontario. EY engaged with RAC and appropriate railways in consultations.

## **COMING INTO FORCE**

### **Ministerial Order (MO) 22-04 Phase 2 Train Brake Rules (TBR)**

Transport Canada published the MO July 25, 2022, in response to TSB report R19C0015 recommendation R22-01 which requires, "*that the DoT establish enhanced test standards and requirements for time-based mtc of brake cylinders on freight cars operating on steep descending grades in cold ambient temperatures*".

The MO requires railway companies and local railway companies to revise the *Railway Freight and Passenger Train Brake Inspection and Safety Rules* (TBR) to reduce the risk posed to train operations in cold weather.

The MO is in two phases. Phase 1 applies to all federally regulated railways. A revision to the TBR addressing Phase 1 was approved January 30, 2023, and these came into force May 1, 2023. Phase 2 applies to freight cars operating on steep descending grades in cold ambient temperatures. The revised TBR was filed May 31, 2023.

TC extended the assessment period from July 30 to September 29 to allow time for deeper technical understanding and collaboration with Industry on the implementation of Brake Effectiveness Test (BET). Further revisions to the TBR were made during the assessment period regarding BET and an enhanced brake test. With conditions, TC approved the revised TBR on September 29, 2023. ***These come into force December 1, 2025.***



### **Grade Crossing Regulations (GCR)**

New regulations were issued November 27, 2014. The purpose of the regulation was to provide consistent grade crossing safety standards that would improve enforcement capabilities. It also included a definition of roles, responsibilities and collaboration between road authorities and railway companies.

These regulations allowed a 7-year compliance deadline (November 28, 2021). Although progress towards implementation had been made, achieving full compliance for thousands of existing grade crossings by November 28, 2021, was threatened due, in part, to the broad scope of the regulations; COVID-19; the lack of crossing data that were to be provided by road authorities; the significant challenges and issues encountered in the field; and a lack of clarity among stakeholders about specific responsibilities and liabilities for the required upgrades which would have led to disputes being raised to the Canada Transportation Agency (CTA) for settlement and contribute to implementation delays.

Therefore, a notice of proposed regulation was published in the Canada Gazette, Part I (CGI) June 19, 2021, with a one-month consultation period. The proposed amendment would revise the scope of the regulations by establishing a risk-based model for crossings: excepting low-risk crossings and extending the compliance deadline by one year for high-priority crossings and three years for all other crossings.

Changes to the GCR that were to come into force on November 28, 2021, have been approved by Transport Canada. These changes include extending the compliance deadlines for upgrading crossings using a risk-based approach. High-risk crossings require compliance within a year. Medium-risk crossings within three years, and very low-risk crossings are exempt.

The extended compliance deadline for upgrading other-than-high-risk grade crossings is November 28, 2024.

### **Duty and Rest Period Rules (DRPR) Implementation**

PART D: Fatigue Management Plan (FMP) of the Rules took effect November 25, 2021 (12 months from the coming into force date)

Full compliance is required 30 months from coming into force of the rules for freight railways (May 25, 2023), and 48 months from coming into force of the rules for passenger railways (November 25, 2024).

TC issued a guidance document to address differences in interpretation of some rules.

### **Passenger Rail Transportation Security Regs / Railway Safety Act into AMPS:**

These were published in CGI on July 5, 2024, and are in effect. TC is determining how to apply the RSA provisions, i.e. issuing AMPS to individuals (trespassers) and informed participants at the meeting of the Advisory Council on Rail Safety on September 26, 2024, that it will seek Industry support/recommendations (e.g. Rail Police) in 2025.

## OPERATION LIFESAVER CANADA (OL) UPDATE

### Key takeaways from this report:

- Serious/fatal trespassing and suicide incident statistics continue to trend well above the five-year historical average (5YA). Trespassing incidents in the first half of 2024 were up 57% over the 5YA. This is a major focus of our outreach activities and awareness campaigns over the fall/winter, and into next year.
- OL was successful in securing its full ask regarding the Rail Safety Improvement Program (RSIP) funding for core operations (\$1.2M over two years). Early discussions have begun with program leadership about ways to make OL funding less cyclical and 'project-based' and more predictable, longer-term. Updates on those discussions will be provided as warranted.
- OL and other applicants to the Enhanced Road Safety Transfer Payment Program continue to await funding decisions re: two special projects. OL is engaging in discussions with insurance industry contacts about potential funding for those as well.
- With the RSIP funding secured, albeit later than promised, OL was able to launch a robust omni-channel communications and awareness campaign for Rail Safety Week, September 23-29, 2024. This year's theme was "There is no 'Undo' button" and it focused on addressing risky behaviours, with a focus on trespassing incidents by young people (aged 12-35).

### OL Activities Since May 2024: Discussion

#### ***Government relations and advocacy***

OL was able to secure its full RSIP ask because of concerted, timely, and targeted outreach to government officials, elected and non-elected. OL met with RSIP program officials the day after our submission was sent, walked them through the details, and pointed out alignment areas, including a greater focus on data-rich digital activities focusing on their expressed target audiences. As the proposal worked its way through Transport Canada (TC), more than a dozen outreach touchpoints with progressively senior bureaucrats and contacts in the Minister's Office led to us receiving approval on July 8, 2024.

#### ***Industry and stakeholder relationship-building***

Over the last six months, OL engaged in relationship and coalition building with aligned organizations across Canada and around the world. This includes safety leads and Rail Safety Week planning leads within RAC member and associate member companies, provincial and municipal government leaders, safety culture organizations, and others.



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OL was well represented at the Federation of Canadian Municipalities conference in Calgary in May. Conversations were had with hundreds of municipal leaders, and many of those are interested in Look. Listen. Live. decals/signage and other rail safety awareness activities.

OL's interim National Director Chris Day attended the Atlantic Railway Conference in Moncton in June. He has also devoted time and effort to reengaging with Operation Lifesaver, Inc. (OLI) in the United States, the *Asociación Mexicana de Ferrocarriles (AMF)*, and International Level Crossing Awareness Day (ILCAD) and Trespass Awareness Day (TRESPAD) globally. This has included recent virtual presentations to OLI and ILCAD events with dozens of respective stakeholders in attendance for each.

### ***Earned media***

Incident statistics reveal that OL's work continues, and its mission remains as relevant as ever. In the absence of funding certainty, OL looked to do as much earned media as possible. This included serving as a reference point/relief valve for several RAC members in the wake of high-profile track tragedies earlier this spring. Message penetration in each interview was very strong, and each helped elevate the stories' focus from incident specifics to broader, national issues.

In the first half of 2024, an average of ten Canadians per month were seriously hurt or killed at crossings, or by trespassing onto federally regulated railways. That's a 33% increase over the five-year historical average.

We have ramped up communications efforts across paid, earned, shared, and owned channels surrounding our *#STOPTrackTragedies*, *#Today is Better* and *Train To Drive* campaigns.

Our focus for **Rail Safety Week** was "There is no 'Undo' button," to drive home that when it's you vs. a train, there is no room for error. Specifically, we focused paid and organic digital ads on combatting risky behaviours including train surfing, selfies-on-tracks, and other trespassing activities. We were laser-focused on four target groups:

- Youth aged 12-17
- Young men (aged 18-35)
- Indigenous youth living along or near railways
- Drivers (new/young, commercial, rideshare and meal delivery, farm equipment operators)

Geo-targeted digital ads focused on major population centres and key hotspot areas.

Our full **Rail Safety Week** [communications toolkit is available here](#) and was distributed to nearly 10,000 stakeholders. We engaged social influencers, and new-to-OL out of home tactics including in-game and in-app promotions of our *STOPTrackTragedies* messages. At the time of writing this note, these were just being rolled out. Metrics and results will be shared with at a later date.



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### ***Refreshing Mental Health Materials***

OL begun to engage with mental health experts, researchers, and other on how to further enhance our suicide prevention messaging, including by gap-filling. Until we get to zero incidents, zero track tragedies, and zero lives lost, OL's work must continue.

### **More information:**

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## **6.1 PROXIMITY INITIATIVE**

Canada's ongoing housing crisis has placed affordable and attainable housing at the forefront of government policy agendas. While federal funding and incentives are now in place to support and increase development, concerns from railway industry partners have arisen around safety and livability due to housing developments near transportation corridors. Early-stage, thoughtful planning is crucial to ensure that health and safety are prioritized in these new housing initiatives. The Proximity Initiative is focused on 4 key areas to deliver on the objectives of raising awareness of proximity issues and promoting of the proximity guidelines.

### **Key Focus Areas:**

#### **1. Continued Stakeholder Engagement:**

- Continuous engagement is at the core of our efforts, as the RAC expands outreach to include new partners such as the Canadian Institute of Planners, CMHC, Transport Canada, Environment Canada, urban development institutes, land developers, and engineering groups like HATCH and WSP. The RAC continues to engage at early planning and development levels to ensure that safety mitigations are included from the beginning of the planning and development stages.
- Previous proximity guidelines did not include consultations with Indigenous leaders, which is critical under the duty to consult outlined in UNDRIP. The RAC is committed to continuous and meaningful engagement with Indigenous communities to ensure their input is thoroughly integrated into our current and future guidelines.

#### **2. Engagement with Indigenous Organizations:**

- A significant focus for the remainder of 2024 and into 2025 will be the development of an ongoing strategic engagement plan with Indigenous communities. Rail currently runs through approximately 360 Indigenous communities across Canada. There is an increase in urban reserve areas being designated within municipalities as well, meaning that high-density populations and multi-family housing will become more common within these newly designed indigenous regions as well.
- This engagement process is essential for ensuring that Indigenous perspectives and safety concerns are embedded in our guidelines, ensuring housing development projects are inclusive and culturally sensitive across Canada.

#### **3. Raising Awareness and Promoting Proximity Guidelines:**

- There is an urgent need for ongoing promotion of the Proximity Guidelines and for better collaboration with planners and engineers at early planning stages to address evolving safety concerns like noise, emissions, and risk assessments near rail infrastructure
- There is a desire from planners, developers, and municipal leaders towards a risk-based assessment model, allowing for flexibility based on population density, rail classification, and zoning, which will require ongoing dialogue with stakeholders to ensure guidelines are adaptable and relevant to diverse community needs.



These will allow for better application of the guidelines to address the actual needs of the development areas, moving away from a one-size-fits-all approach, which will in turn ensure that municipalities can provide assessments to ensure that a practical approach can be applied to each development.

#### **4. Conferences and Outreach:**

- Our team has actively engaged with stakeholders by attending the Federation of Canadian Municipalities Conference, the Canadian Planners Institute Conference, the Women in Rail Conference, and Saskatchewan's Ag in Motion Tradeshow. Ongoing participation in industry conferences will remain a priority as the RAC continues to gather critical feedback from a wide range of experts and municipalities.
- The team presented to the Canada Mortgage and Housing Corporation (CMHC) as a lunch and learn promoting the guidelines to municipal planners from across Canada. The RAC will take part in a second lunch and learn in the new year.
- Looking ahead, the RAC has several conferences planned for Fall 2024 as part of our strategy to foster continuous engagement and keep safety and livability concerns at the forefront of discussions.

#### **Engagement highlights**

##### **Saskatchewan Urban Municipalities Conference and Tradeshow**

- The event took place April 16-19, 2024
- Engagement with municipal leaders from across Saskatchewan. Saskatchewan is currently seeing an influx of new people moving into the province. Major projects like the world's largest potash mine being constructed in Jensen, SK, along with a pea protein plant in Yorkton and SaskPower expansions are bringing economic development.
- Saskatchewan is planning for significant population increases in the coming years. This will bring an increase in housing needs and increase the importance of following the proximity guidelines.

##### **Saskatchewan Common Ground Alliance**

- This was a unique opportunity to participate in a video and educational breakfasts to discuss the importance of "call before you dig" regarding the numerous construction sites that are ongoing within the province of Saskatchewan.
- In 2022, there were over 500 utility strikes on construction sites near railway corridors. This results in safety concerns, work stoppages and service disruptions including water, phone and water for communities. This campaign ran for the month of April across Saskatchewan communities where the RAC had the opportunity to promote the proximity guidelines and talk about rail safety.

##### **Federation of Canadian Municipalities Conference (FCM) and Tradeshow**

- An opportunity to meet elected officials from across Canada to identify areas of growth that need to be focused on. This is the showcase opportunity to promote the proximity guidelines and promote rail safety in collaboration with Operation Lifesaver.
- Many follow-up meetings occur from this conference, allowing us to set up information sessions with our communities from across the nation. It is a time for us to remind communities that Rail Safety Week takes place in September of each year. The RAC can send out rail safety messages.

- One such event will be taking place October 3, in the City of Stony Plain, AB, where the RAC will be speaking at a city event, along with CN, highlighting the importance of the proximity guidelines, rail operations, and how we can proactively work together to ensure rail operations do not impact everyday safety and livability within the community.

#### **Canadian Institute of Planners Conference**

- This was an inaugural event for the RAC, and it was a success. This event provided the opportunity to promote the proximity guidelines with planners, developers, and engineers from across the country. The RAC was able to share its message of the importance of implementing the guidelines in the early stages of planning and development to ensure that considerations are made to build safe and livable communities.
- The conversations were different than those at the municipal levels, highlighting the importance of having proximity discussions at multiple levels to ensure that they are not overlooked. For example, the RAC had the opportunity to review early planning documents from Richmond, BC, Saanich, BC, and Merrit, BC. These conversations allowed the city planners to consider mitigations that could be incorporated into the planning documents to improve safety in their communities.

#### **Ministry of Transport Quebec (MTQ)**

- In September 2024, RAC engaged with the MTQ as a follow-up to comments provided in response to Quebec's land use planning and development regime consultation from 2023.
- MTQ is interested in incorporating elements of the proximity guidelines into their land use planning framework.
- Next steps are to continue engaging with MTQ to influence how this may develop.

#### Other notable engagements since May 2024 include.

- Meeting with Kicking Horse, BC
- Deny Volkov, the Association of Manitoba Municipalities
- Meeting with Dillon Consulting re: Proximity Guideline update
- Meeting with Julianne Threlfall, CN
- Meeting with Chris Ellerton, Habitat for Humanity
- Meeting with Sandeep Agrawal, University of Alberta's Planning school
- Meeting with Greg Bender, Director of Urban and Community Planning, Vancouver, BC
- Meeting with Vernda Tomic, planner for Saanich, BC
- Meeting with Heather Bell, Stony Plain, AB re: invitation to be guest speaker at City event October 1
- Meeting with Max Walker, City of Ottawa, ON
- Meeting with Lee Gareau, City of Saskatoon, SK
- Meeting with Mike Sullivan, ATCO electric re: concerns with construction near railway corridors. Interested in doing a public awareness campaign for Alberta
- Meeting with Ashkan Matlabi, WSP
- Meeting with Lori Foster, Lac La Hache, BC
- Meeting with Adam Snow, Metrolinx, re: sensitive use areas and emissions concerns
- Meeting with Steven Santelli, CN Manager of Indigenous Relations

- Meeting with Catherine Dufour, City Planner, Northwest Regional Commission, New Brunswick
- Meeting with Daniel Salvatore, CN
- Meeting with Andrew Morris, City of Saskatoon, SK
- Meeting with Chris Woodstock, CMHC

**Upcoming Events in 2024**

- The Alberta Municipalities Conference
- The Alberta Rural Municipalities Conference
- Lloydminster Indigenous Economic Partnership Summit
- Association of Manitoba Municipalities Conference and Tradeshow
- RailCAN24

## **6.2 SAFETY CULTURE INITIATIVE**

### **2024 Safety Culture Assessments**

Demand for Safety Culture assessments in 2024 has been high with 5 assessments planned during the year. Members are already expressing interest for assessment in 2025.

RAC began working with Great Western Railway, Universal Rail Atlantic, and A&B Rail Quebec on their safety culture assessments from the spring through summer months. These three assessments are nearly completed as they are in the action planning phase.

RAC is now launching safety culture assessments with Hudson Bay Railway and Tshiuetin Railway which will run through to the end of the calendar year.

### **Safety Culture Asynchronous Leadership Education (SCALE)**

In response to RAC member demand, the safety culture team has been developing a web-based training program for managers/supervisors.

The aim of the Safety Culture Asynchronous Leadership Education (SCALE) initiative is to provide people in management and supervisory roles, with an understanding of safety culture and how they can use their roles to implement initiatives that will positively influence safety culture in their organization.

The phase-one pilot ran from September 2023 to January 2024 which provided lots of great feedback to action. Now the phase-two pilot of SCALE launched in June 2024 with over 30 participants from Cando Rail, VIA Rail, and CN. This phase will conclude by early December to enable final edits (e.g., translation to French) before a broader offering of SCALE in 2025 to the RAC membership.

### **Steering Committee Focus Group**

RAC will engage members of the Safety Culture Steering Committee in December 2024 in a focus group to identify opportunities to enhance the RAC safety culture initiative to best respond to the member's needs. This exercise was last completed in December 2020 which resulted in the development of SCALE, the creation of the comprehensive Assessment Guidance document, communications brochures, and the safety culture peer sharing initiative. The steering committee supports this initiative because of the dynamic environment and the changing needs of members.

### **Safety Culture Indicators**

Safety culture indicators are necessary for understanding safety culture changes over time, understanding changes within specific areas of safety culture, and enabling companies to understand the impact of their initiatives. This initiative complements the SC assessment and reassessment processes while aligning with the direction envisioned by industry members. Moreover, regulators are keenly interested in SC indicators and have commissioned a study in this domain. As such this initiative is expected to be valuable to members while conveying a proactive message to regulators.

In 2019, RAC developed a report that identified opportunities for advancing safety culture indicators. Ultimately, this report supported the development of and implementation of the reassessment process.

In 2024, RAC has been working with the steering committee to a) identify a shortlist of 3-5 indicators b) develop a practical approach for data collection c) create a methodology for safety culture indicators assessment.

The shortlist of potential indicators identified through interviews with members of the Safety Culture Steering Committee includes:

<b>SAFETY CULTURE DIMENSION</b>	<b>SC INDICATOR / METRIC*</b>
<b>LEADERSHIP COMMITMENT</b>	1. Leadership safety visits to field – quantity and effectiveness 2. Leaders trained in safety – training delivered and subsequent actions
<b>LEARNING</b>	1. Near miss reporting – quantity and effectiveness 2. Investigation causes / contributing factors – proportion and effectiveness
<b>EMPLOYEE ENGAGEMENT</b>	1. Work Procedures developed / implemented with meaningful** employee involvement 2. Risk Assessments performed with meaningful** employee involvement

Next steps are to work with the steering committee to develop a practical approach for data collection and a methodology for assessment, as well as having a member railway pilot this initiative.



### 6.3 **ENVIRONMENT**

#### **Memorandum of Understanding with Transport Canada to Reduce Locomotive Emissions**

The MOU Management Committee has held two meetings to date (April and June). Discussion topics have been focused on renewable fuels, climate modelling, reducing Criteria Air Contaminants, selection of the eNGO representative (the committee agreed to continue working with Pollution Probe), and work planning.

The next meeting is being planned for early November which will focus on prioritizing elements of the work plan and discussing research proposals presented by Pollution Probe (i.e., low-carbon fuels and fueling infrastructure, and modal shift).

#### **2018-2022 MOU Audit**

As per the 2018-2022 MOU between RAC and TC, a 3<sup>rd</sup> party audit is required to verify the credibility of the data and reporting processes. The MOU Management Committee has agreed to advance the audit with Niewe Consulting. TC will be the project authority with RAC providing support throughout the process.

Interviews and data analysis will be undertaken by Niewe Consulting from September through October. The first draft report is anticipated by November 1 while the final report will be expected to be delivered to the Management Committee by December 13.

#### **Locomotive Emissions Monitoring**

The 2022 LEM report was published on September 18 which demonstrates that Canada's rail industry continues to be a leader in environmental sustainability.

Since 2005:

- Freight railways' GHG emissions intensity has reduced by 26.7%.
- Intercity passenger railways' GHG emissions intensity has reduced by 28.1%.
- Total rail industry's criteria air contaminant emissions have decreased, including carbon monoxide (9% reduction), nitrogen oxides (48%), hydrocarbons (55%), particulate matter (61%), and sulphur dioxide (99%).

#### **Environment and Climate Change Canada – National Inventory Report**

The GHG emissions trend in the LEM reports differed from the trend shown in ECCC's National Inventory Reports (NIR). RAC, TC, and ECCC held discussions at the staff level to determine the cause of the discrepancy.

ECCC had been relying on rail industry fuel demand as reported through the Report on Energy Supply and Demand (RESO), which is based on information from fuel suppliers, rather than on actual fuel used in locomotives as reported by Canada's railways in RAC's Rail Trends and Statistics Canada's Annual Survey on Rail Transportation. Following the discussions, ECCC has confirmed that their proposed methodology for the 2025 NIR will adhere to the fuel volumes reported in RAC's Rail Trends reports, rather than the RESO.

This is good for two reasons.

- 1) RAC is recognized as an authority on rail data
- 2) There will be an improvement to the railways' emissions trend in NIR reports moving forward (starting April 2025). The RAC trend showed an 8% decrease in GHG emissions from 2005 to 2022 using RAC data (as shown in the LEM report), whereas the ECCC reports showed a 4% increase.

### **Bill C-59 – Greenwashing Amendments to Canada's Competition Act**

RAC provided detailed comments to the Competition Bureau on the recent greenwashing-related amendments to the Competition Act. These provisions require companies to substantiate environmental claims using "adequate and proper substantiation in accordance with an internationally recognized methodology." RAC's submission highlights the need for clear guidance on what constitutes proper substantiation and recognized methodologies, particularly to ensure all organizations can comply, regardless of size or resources. RAC also commented on the need to maintain Canada's global competitiveness, while emphasizing the need for flexibility for environmental initiatives and consideration of good faith efforts when assessing compliance.

### **BC Carbon Tax**

RAC worked with Advanced Biofuels Canada to support an advocacy campaign to change how the provincial carbon tax is applied to biofuels in British Columbia. Currently, the policy treats renewable fuel content the same as traditional diesel from a carbon tax perspective. Advocacy focused on seeking carbon tax reform to remove the application of the carbon tax on renewable fuels as this acts as a barrier to decarbonization.

BC Budget 2024 failed to include any carbon tax reform. As the 2024 BC general election will be held on or before October 19, 2024, opportunities for advocacy on this policy are becoming limited.

### **Standard Industry Response for Local Emissions Inquiries**

The RAC Environment Committee has developed a draft written response for railways to use when fielding inquiries from stakeholders seeking local emissions data. The genesis for this was that the City of Saskatoon was seeking local emissions data from CPKC.

After having industry discussions, it was decided to not provide this granular data as it requires the use of estimates to calculate and the RAC does not want to give any potentially misleading information, and it is not a regulatory requirement. The committee agreed that railways could use a standard response to direct inquiries on local-level emissions to the RAC's LEM Report for information on industry emissions and trends.

### **Spotted Lanternfly**

The Canadian Food Inspection Agency (CFIA) approached RAC in the springtime to discuss monitoring and surveillance for the invasive Spotted Lanternfly. This pest is now located in several Northeastern US states (e.g., Michigan, New York, Pennsylvania, and Vermont). These pests are known to travel on railways.

RAC and members will work with CFIA to raise awareness and perform surveillance activities at rail yards in high-risk areas.

**Ministry of Natural Resources and Forestry's Initiative to Modernize Wildland Fire Management in Ontario**

RAC Regulatory Affairs, with support from the Environment Committee, led the development of comments in response to Ontario's initiative to modernize wildland fire management. RAC comments focused on:

- acknowledging that any provincial changes would not apply to federally regulated railways
- the opportunity to modernize and enhance timeliness of fire communications
- ensuring flexibility for railways to access communities to provide assistance and to ensure the safe placement of dangerous goods
- comments raising concerns about the use of administrative monetary penalties.

RAC will continue to monitor this provincial initiative to modernize wildfire management in Ontario.

**Regulations Amending the Storage Tank Systems for Petroleum Products and Allied Petroleum Products Regulations**

The RAC Environment Committee provided comments to Environment and Climate Change Canada in August in response to this consultation. Industry comments focused on:

- incorporating technical standards into the regulations to improve readability
- recommended engagement with storage tank and component manufacturers
- identification of some problematic language; and
- requested updates on the regulatory stock plan.

The next steps are to organize a call with ECCC and members to discuss the comments.

## 6.4 **RESEARCH & DATA ANALYSIS**

### **Rail Trends 2024 Report**

*Rail Trends 2024*, scheduled for publication in December 2024, will showcase the performance of Canadian railways over the 2014-2023 period.

Rail Trends surveys (operating year 2023) were sent out to members in March 2024. Survey data is currently being collected, verified, and entered into the RAC Database. The report will be drafted, translated, and designed in fall 2024, and published on the RAC website before the end of 2024.

### **2022 Locomotive Emissions Monitoring Report**

The Locomotive Emissions Monitoring (LEM) report is produced every year under the terms of the MOU between RAC and TC for reducing locomotive emissions. MOUs date back to 1995. The 2022 LEM report will be the final report under the 2018-2022 MOU.

The 2022 LEM Report was published in September 2024.

Key highlights of the 2022 LEM Report:

- From 2021 to 2022, GHG emissions intensities decreased (improved) for all three categories of railway operations with MOU targets: intercity passenger (-36.3%), regional & shortlines (-2.5%), and Class 1 freight (-1.1%).
- From 2017 to 2022, Class 1 freight railways reduced GHG emissions intensity by 7.0%, exceeding the MOU's target of a 6% reduction.
- From 2005 to 2022, the GHG emissions intensity of freight railways improved by 26.7%, while the GHG emissions intensity of intercity passenger railways improved by 28.1%.
- Despite an increase in rail traffic between 2005 and 2022, Canadian railways' CAC emissions (absolute levels) have decreased considerably: CO (-9.1%), NOx (-47.7%), HC (-55.1%), PM10 (-61.4%), and SO2 (-99.0%).
- In 2022, Canadian railways continued to make progress in modernizing their fleets. The share of the active locomotive fleet meeting an emission standard (Tier 0 through Tier 4) increased from 67.9% in 2017 (beginning of the MOU period), to 82.9% in 2021 and 84.4% in 2022. The share of active locomotives equipped with an anti-idling device increased from 69.1% in 2017 to 84.1% in 2021 and 90.3% in 2022.





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### RAC Quarterly Reports

The quarterly report sources weekly, monthly, and quarterly data from railways and various statistical and regulatory agencies to provide a timely update on the state of the economy, the transportation sector, and freight and passenger rail operations. This informative, timely report bolsters the RAC's reputation as a reliable go-to source for information on Canada's railways.

Since the May 2024 PAC meeting, RAC has released the Q1-2024 Report and Q2-2024 Report. The results of the Q2-2024 Report were presented to RAC members and associate members in a Lunch & Learn on September 12, 2024.



Each report provides an opportunity to identify key highlights of the rail sector's performance and communicate these through social media. For example, recent reports highlighted an increase in Class 1 investment, a recovery in passenger rail ridership, a reduction in terminal dwell times, and exceptional safety performance. In addition, the reports have shined a light on the detrimental impacts of labour uncertainty and work stoppages.

The Q3-2024 Report is scheduled to be released in early December 2024.

### Digital Atlas

The Canadian Rail Atlas is a user-friendly, interactive map of Canada's nearly 43,000-kilometre railway network.

In July 2024, the digital atlas underwent a significant data update. Three new data layers were added, including RAC carloading training, critical mineral facilities, and CN & CPKC facilities. In addition, several existing layers were updated, including the emergency response network, TRANSCAER® events, TSB occurrences, crossings, rail lines and carriers' information, rail stations (SPLC codes have been added), radios, federal and provincial MPs and MPPs, industrial facilities, and protected areas.

RAC continues to provide training on the Atlas for members upon request (please email Jonathan Thibault at [jthibault@railcan.ca](mailto:jthibault@railcan.ca)).



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**6.5 DANGEROUS GOODS**

RAC has three Transportation of Dangerous Goods Specialists (TDGS) who are based in Montreal, Toronto and Edmonton. One of them will be retiring at the end of the year. His replacement will be named before the new year.

Activities that are ongoing for 2024

- The DGT works under the auspices of the RAC Dangerous Goods Committee.
- Work with Shortline railway members by providing regulatory updates and providing DG operational advice. (e.g., DG tank car storage, employee training) **Note: TDG Training is available to all RAC Members either in person or virtually.**
- **Project ERP** (Emergency Response Plan) - When conducting member site visits, where applicable, the RAC DG Specialist will conduct training on the use of the E/R Plan template. Of note, not all railways will use this template as they may already have robust E/R plans in place.
- **Railway Emergency Response (RER) training** – two 40-hour courses have been completed at the Justice Institute of British Columbia (JIBC) this past June and September. Both RER courses at the JIBC had a full slate plus guest instructors. The RER courses have always been well received and a huge thank you goes to all those on the committee who have continued to volunteer to make these courses the caliber they are.
- **TRANSCAER® activities** – The DGT is continuing TRANSCAER operations that are being conducted across Canada. There seems to be large demand for this training and DGT continues to service as many as possible. We have seen an increase this year and are close to a return to 2019 event numbers.
- Chemical Industry Association of Canada (CIAC) and the RAC have produced a V/R tool that incorporates a training tour of the CCPX911 that currently resides at the Fire and Emergency Services Training Institute (FESTI) at Toronto Pearson airport. The new safety train tankcar is nearing completion and looking to see it on the rails later this year.
- **Training and Inspection services to Member Plants (shippers)** - The DGT is continuing in person member plant inspections and training. With an absence of services in the past couple of years, the demand for service is high. It is worth mentioning that service from the RAC DGT must be requested and service fees have been increased for 2024.
- **On-call DGT service** - Continue to maintain an operational readiness 24/7, for RAC members in the event of a dangerous goods incident. There has been assistance/advice rendered at 6-member railway incident presently in 2024.

**Committee Work**

- **AAR Tank Car Committee** – voting member.
- **AAR Security Working Group** – member.
- **AAR Hazmat Committee** – member
- **A new Task Force has been formed and CPKC is the Chair**
- **TRANSCAER®** – National and Regional – railway member.
- **TEAPIII** – Transportation Emergency Assistance Plan, Executive and Editorial Board – member and working towards Assessment Team Leader(s).
- **CERCA** – Canadian Emergency Response Contractors' Alliance - stakeholder member.
- **ERAC Executive Committee** – Emergency Response Assistance Canada – railway member. Covered by C. Myson
- **GPAC** – General Policy Advisory Council – railway member representing RAC Shortlines - alternate is Jean Pierre Couture.

- **GPAC Subcommittees**
  - International engagement
  - Compliance and response
  - Policy and regulatory affairs
- **TC subcommittees** - on ER Training (CERFLIT)
- **MACTDG** – Multi Association Committee on TDG – railway member.
- **CIAC Safety Train Committee** (development and construction of the new training tank car) – member and Sub-Committee Chair.
- **Transport Canada Rail Security Working Group** – railway member.
- **RAC Dangerous Goods Committee** (RAC facilitator)
- **RAC Security Committee** (RAC facilitator)

#### **Training and Other Team Projects (full team)**

- Chlorep
- Ammonia
- CPKC / CN training schools (guest instructor)
- Fire School
- Fire Rescue Canada
- Disaster Former

#### **Canadian Rulemaking**

##### **Order Repealing Certain Regulations made Under the *Railway Safety Act***

Provide clarity to stakeholders by removing ambiguity between the Regulations and more modern federal regulations. The repeals would also strengthen the current oversight regime by removing duplicative and redundant provisions.

Exempted from prepublication in the Canada Gazette, Part I. Publication in the Canada Gazette, Part II, anticipated late 2024.

##### **Order Fixing Fees for Registrations Related to Dangerous Goods Means of Containment**

Introduce new fees and service standards for the Transportation of Dangerous Goods (TDG) MOC Facilities Registration Program. These changes would promote better balance between the financial burden borne by service recipients and by Canadians. This regulatory initiative is part of Transport Canada's Fee Modernization Initiative.

Published in *Canada Gazette*, Part I on March 25, 2023. Publication in the *Canada Gazette*, Part II is anticipated for late 2024

##### **Canada Gazette, Part I, Volume 156, Number 48: Regulations Amending Certain Regulations Made Under the Transportation of Dangerous Goods Act, 1992 (Part 12 and International Harmonization Update)**

Modernize outdated domestic requirements for the transport of Dangerous Goods (DGs) by air and align the *Transportation of Dangerous Goods Regulations* (TDGR) with updates from the international codes.

Published in *Canada Gazette*, Part I on November 26, 2022. Publication in the *Canada Gazette*, Part II is anticipated for early 2025.

##### **Regulations Amending the *Transportation of Dangerous Goods Regulations* (Canadian Update)**

Update and clarify several domestic provisions of the Transportation of Dangerous Goods Regulations (TDGR) to align with new industry practices and address comments received over the years. Align TDGR with international codes and other federal regulations.

These proposed changes would further improve public safety during transportation of dangerous goods, eliminate the need for many equivalency certificates which are considered administrative burden for Canadian businesses, and increase reciprocity with the United States for rail transportation.

Published in *Canada Gazette*, Part I on December 9, 2023. Publication in the *Canada Gazette*, Part II, anticipated in mid-2025.

**Regulations Amending the *Transportation of Dangerous Goods Regulations* (Part 6, Training)**

Require general awareness and function-specific training and assessment. The proposed regulatory changes would clarify existing training requirements and are expected to enhance the safety of the employees and reduce incidents, thereby increasing public safety and reducing operating costs due to property damage.

Prepublication in the *Canada Gazette*, Part I is anticipated late 2026 with a 60-day comment period.

**Regulations Amending the *Transportation of Dangerous Goods Regulations* (Part 3 - Documentation)**

Respond to recommendations stemming from the Study on the use of electronic shipping documents for the transport of dangerous goods, by allowing the use of electronic shipping documents for the transportation of dangerous goods by rail and by remotely piloted aircraft. These changes would also modernize the requirements and modify the format and specific elements of the shipping document by eliminating unnecessary information.

The proposed changes are expected to be published in the *Canada Gazette*, Part I, once the program review has been completed.

**Regulations Amending the *Transportation of Dangerous Goods Regulations* (Part 17 – Site Registration Requirements)**

Published in CGII October 25, 2023 - as Part 17 of the TDG Regulations. Coming into effect October 25, 2024: A person must not import, offer for transport, handle or transport dangerous goods at a site that they own or operate in Canada unless they are registered in the registration database relating to dangerous goods on the Department of Transportation website in accordance with the regulations.

**United States: Rulemaking**

- **HM-219D NPRM Published:** Adopt Petitions and Regulatory Update. Published March 3, 2023. Comment period closes May 2, 2023. HMSA proposes amendments to the Hazardous Materials Regulations (HMR) to update, clarify, improve the safety of, or streamline various regulatory requirements. Specifically, this rulemaking responds to 18 petitions for rulemaking submitted by the regulated community between May 2018 and October 2020 that requests PHMSA address a variety of provisions, including but not limited to those addressing packaging, hazard communication, and the incorporation by reference of certain documents. Adopt Petitions and Regulatory Update. Published March 3, 2023. Comment period closed May 2, 2023. *This Final Rule went into effect on April 3rd, 2024, with a delayed compliance date of March 4th, 2025.*
- **HM-263 NPRM:** Real-Time Train Consist Information Final Rule published June 24, 2024, This final rule requires railroads transporting hazardous materials to generate train consist information in electronic form, maintain that information off-the-train, and update that information in real-time. The train consist must contain the direction of travel and the Emergency Response contact number. Immediately following either an accident involving

a train carrying hazardous materials or an incident involving the release or suspected release of hazardous material from a train, the railroad operating the train must make an emergency notification telephonically and provide train consist information electronically to the primary Public Safety Answering Point (PSAP). PHMSA also adopts a requirement that railroads must test their emergency notification system at least annually

- **HM-265A ANPRM:** Modal HM Regulation Update published July 5, 2023, to solicit stakeholder input on initiatives PHMSA is considering that may modernize its Hazardous Materials Regulations (HMR: 49 CFR parts 171-180) in order to improve hazardous material transportation efficiency, improve transparency and stakeholder engagement, and better accommodate technological innovations-all while maintaining or improving public safety and environmental impacts. This ANPRM has identified over 40 topics for consideration in the Hazardous Materials Regulations. Comments closed Dec 4, 2023. TBD
- **HM-215Q NPRM:** Harmonization with International Standards. In this final rule, PHMSA amended the HMR to maintain alignment with international regulations and standards by incorporating various amendments, including changes to proper shipping names, hazard classes, packing groups, special provisions, packaging authorizations, air transport quantity limitations, and vessel stowage requirements. These revisions were necessary to harmonize the HMR with recent changes made to the IMDG Code, the ICAO TI, and the UN Model Regulations. Published May 30, 2023. Comment period closed July 31, 2023. Rule was posted April 10, 2024, and is effective May 10<sup>th</sup> with a delayed compliance date of April 10, 2025.

#### U.S. Pending Rulemaking

- **HM-233G, Hazardous Materials:** Continued Conversion of Special Permits, PHMSA-2017-0121. In this NPRM, PHMSA will be proposing to amend the HMR to adopt provisions contained in certain widely used or longstanding special permits that have an established safety record. The proposed revisions are intended to provide greater flexibility and eliminate the need for numerous special permit renewal requests, thus reducing paperwork burdens for the agency and the regulated community and facilitating commerce while maintaining. Sent to Secretary for Final Review/Approval. Expected 2023
- **HM-264B NPRM:** Improving the Safety of Transporting Liquefied Natural Gas is under development with PHMSA and FRA staff. Both agencies are reviewing all available information and developing options for Departmental Leadership Review. Expected NPRM 2024.
- **HM-265 NPRM:** Modal Regulatory Reform Initiatives. Of rail interest – To address rail issues from HM RSAC/AAR M-1002 and updating Parts 174, 179 and 180. Note: The FRA HMG-127, Revision 5 draft will be included with the issuance of this NPRM for review and comment along with the NPRM comment period once it is issued in the Federal Register. Is currently in final agency review stage. Expected NPRM: 2024.

## 6.6 **MECHANICAL SERVICES**

### **Broken Wheel Discussion**

CPKC is working on a new technology for identification of broken wheels called Generative Wheels. They are designing a machine to identify cracks on wheels with vision algorithm. It's still in the very early stages of development but has shown some promising results.

On the research side in the U.S. MxV has been working on an electromagnetic sensor that they embed on the side of the track that detects broken wheels as the train rolls over it. It too is in the very early stages of development but is showing some promising results. MxV has presented this at their annual research reviews in the past.

VIA Rail shared that as part of their introduction to the Venture Fleet, Siemens is installing a VEM System and a Thermal Trace Measurement System. The VEM system is a vehicle equipment measurement system for wheels and visual inspections. And the Thermal Trace Measurement System looks at gear boxes, radiators, motors etc. VIA Rail is currently in the installation phase and noted that neither of these systems will replace any current regulatory inspections. The goal is that once the system is operational every one of their trains will run through the VEM system after it's been serviced. The VEM machine will create a digital twin and records of all the wheels to help monitor and predict any issues with the wheels.

The next committee meeting will be held in March 2025.



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## 6.7 **SPECTRUM & TELECOMMUNICATION**

Spectrum Manager, Enzo De Benetti, will be retiring at the end of 2024. The job description has been posted on the RAC Website. The wireless Committee meeting will be held later in the year once a suitable candidate has been chosen.

### **ISED Upload Format Change Project**

ISED officially announced that the legacy Spectrum Management System (SMS) will be retired as of October 31. After this time the SMS will be the only system accepting RAC Spectrum License records. ISED will not migrate the old records from the old system into the new system. This will be responsibility of the licensee.

A project has been initiated to modify the present system, Spectrum-E, to create an upload that will be compatible with the ISED's new SMS. The new upload format requires new information which was not part of the legacy system. The railroads are collecting the data to be entered into the newly modified application.

### **Health Canada Safety Code 6**

The Spectrum-E spectrum management tool was modified last year to be able to perform audits of installation for compliance with Health Canada Safety Code 6 regulations. Several installations were identified as being out of compliance with the regulations. The members have done an excellent job identifying and correcting sites that were not in compliance. Users have become used to the new process and are testing for compliance with every application.

### **PSBN Consultation**

Some members of the WCC along with the spectrum manager have been working with the Enhanced Train Control team to respond to the long-awaited Public Safety Canada's Consultation on the Governance Framework for a Nationwide Public Safety Broadband Network (PSBN). The response intends to indicate the railroad's potential interest in contributing to the PSBN in exchange for access to the spectrum.