



**HOW SHORTLINES HELP KEEP SUPPLY CHAINS MOVING**

RAC Shortline Conference – May 7, 2024

# OVERVIEW

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# CANDO OVERVIEW

# TRACK THIS

**46**  
YEARS

OF RAILWAY EXPERIENCE  
**WE HANDLE:**



**2.4**  
MILLION  
RAILCARS/YEAR



**1.8**  
MILLION  
CONTAINERS/YEAR



**95+**  
LOCOMOTIVES  
IN FLEET

**55+**

LOCATIONS ACROSS  
**NORTH AMERICA**

**12 STRATEGICALLY LOCATED TERMINALS**  
allow us to keep customers' product moving

WITH

**100%**  
CUSTOMER RETENTION  
Cando has never lost a  
customer.

MOVE AND MANAGE **\$94.2 BILLION** OF PRODUCT FOR  
CUSTOMERS A YEAR INCLUDING:

**19**  
BILLION  
LITRES  
of energy and  
chemical products

**20.5**  
MILLION TONS  
of potash, **90%** of  
all potash produced  
in Canada

**4.7**  
MILLION TONS  
of pulp and paper  
products

**1.4**  
MILLION  
truck frames and  
new vehicles



# DIFFERENT SHORTLINE MODELS

## BARRIE COLLINGWOOD RAILWAY (BCRY):

### COMMUNITY OWNED, THIRD PARTY OPERATED MODEL

#### » LOCATION & OVERVIEW

19 mile shortline that runs from CPKC Interchange at Utopia, ON to Barrie, ON

Seven customers, twice weekly service

Commodities include chemicals, lumber, plastics, carbon fibre and heavy equipment

Owned by the City of Barrie, operated by Cando

#### » SOLUTIONS

First Mile/Last Mile services

Railcar storage services

Supporting the continuation of a vibrant manufacturing and industrial base in the community



## CANDO STURGEON MULTI-PURPOSE TERMINAL:

## VIRTUAL SHORTLINE MODEL

### » LOCATION & CAPACITY

3,600 railcar spots for staging, storage, & transloading

Directly serviced by CN

302 acres, located in Alberta's Industrial Heartland

Expansion – capacity for 5,000 railcar spots

Opened October 1, 2020

### » SOLUTIONS

Ancillary service offerings:

- First Mile/Last Mile haulage on CN track to and from terminal (virtual short line)
- Unit train assembly
- Transloading
- Railcar inspection & repair
- Railcar cleaning/washing



## CANDO WINNIPEG MULTI-PURPOSE TERMINAL:

## SHORTLINE “PLUS” MODEL

## CENTRAL MANITOBA RAILWAY (CEMR)



### LOCATION & CAPACITY

Multi-purpose rail terminal and shortline railway in Winnipeg, MB servicing more than 80 customers stretching over two subdivisions and 87 miles of track

3,600 spots of railcar and unit train staging & storage

Interchanges daily with CN at Symington Yard and CPKC at North Transcona, MB



### SOLUTIONS

Service offerings:


- First Mile/Last Mile switching
- Railcar storage
- Transloading
- Railcar repair
- Locomotive repair





# CEMR HISTORY & OVERVIEW

- Established in 1999, in the traditional shortline railway model providing First Mile/Last Mile services on a low volume branch line previously owned by a Class I railway
- Over 10,000 carloads per year, mixed traffic including grains, fertilizer, chemicals, manufacturing, lumber, and refined fuels
- Through our entrepreneurial spirit and desire (Can-do Attitude) to grow the operation and terminal footprint beyond that of a traditional shortline, the facility now includes:
  - Railcar repair shop
  - Locomotive repair shop, back shop, and parts warehouse
  - Railcar storage
  - Multi-track, multi-commodity, multi customer transload facility including:
    - Rail to truck, truck to rail, rail to rail
    - Bulk liquid and dry commodities
    - Renewable and refined fuels
- CEMR served as the test bed of what became Cando's Terminal & Transload Operations (Multi-Purpose Terminals)
- As traffic volumes from the original line haul customers have slowly declined over the years, this has been more than made up for by the traffic generated by the Terminal & Transload operations
- CEMR's transload now generates the third largest volume of revenue carloads handled



**CASE STUDY:  
VALUE OF  
SHORTLINES TO  
THE SUPPLY CHAIN**

# CASE STUDY: MB PIPELINE

- In March, the pipeline which carries refined fuels to Winnipeg MB, from Gretna, MB, was shut down for repairs
- Solutions were required to quickly fill a critical gap in the supply chain at a time of need



# MB PIPELINE OUTAGE

- How CEMR is supporting this important supply chain:
  - Providing the capacity to move additional railcars into the Manitoba Market
  - Providing additional switching services at both Winnipeg fuel terminals
  - Providing rail to truck transloading operations to supplement the terminals
  - Providing alternate capacity & efficiencies
- Supply chain has remained fluid
- Viable alternative and more cost effective than trucking options



# MB PIPELINE: BY THE NUMBERS

- 400% increase in daily switching at the Winnipeg fuel terminals
- 6 Mobile Transload Units operating
  - Handling more than 2MM litres (20 railcars), 16 hours per day
  - Supporting six different fuel suppliers and ten different trucking operators
- 30 additional transloading and switching personnel from across Cando's network
- Over 150 trucks per day off the road between Edmonton/Regina and Winnipeg



# SHORTLINES ARE CRITICAL TO THE SUPPLY CHAIN

- Nimble and responsive in times of need
- Can act as a pressure relief to congestion in the supply chain
- Can add capacity and resources when required
- Protecting Security of Supply





# SHORTLINES REDUCING EMISSIONS IN THE SUPPLY CHAIN

# SHORTLINES REDUCING EMISSIONS

## *CANDO'S ELECTRIC SWITCHING LOCOMOTIVE PROJECT*

- We recognize that reducing transportation-related GHG emissions is an industry-wide effort
- We applaud the Class 1's climate goals and investments
- Shortlines also have an important role – as a shortline operator and rail service provider we are committed to doing our part – developing a Lithium-Ion (Li-Ion) battery-powered switching locomotive at our Winnipeg shortline mechanical shop
- Government of Alberta providing \$2 million through Emissions Reduction Alberta's Industrial Transformation Challenge
- Once retrofit complete, we will demo the battery-powered locomotive/supporting charging infrastructure in a real-world switching environment in the Fort Saskatchewan area







# QUESTIONS?