



April 29 2010

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

Dear Sirs,

We thank you for the opportunity to provide our comments and concerns to the Rail Freight Service Review.

Fraser Surrey Docks LP (FSD) is located on the Fraser River within Port Metro Vancouver, Surrey British Columbia. With seven berths supported by four dock gantry cranes, 150 acres of yard space and over 360,000 square feet of weather sensitive cargo storage, we are the largest facility of our kind on the west coast of North America. Our modern, multipurpose, secured and bonded marine terminal began serving customers in 1964 and each year millions of tons of cargo move through the facility.

As a multipurpose terminal we handle a variety of different commodities including containers, general cargo, and various forest products. Specialty products include agricultural cargoes, wind turbines, industrial generators, yachts and various rolling stock. Rail service to our facility provides our customers with a seamless logistics solution for their products.

Situated immediately adjacent to FSD is the Port Authority rail yard, the railways service area called Brownsville, which is the delivery and pick-up point for all FSD rail traffic. This rail yard has 18,000' of track capacity with the potential of future expansion capabilities. Rail carriers CN Rail, BNSF and SRY have direct access to this rail yard with CP Rail having agreements in place to allow them to service FSD as well. We are ideally situated with rail connections to all rail carriers, our gateway to and from the North American market.

Our on site rail infrastructure comprises of an additional 18,000' which is strategically located for effective loading and or unloading throughout the site, into our warehouse's and alongside the berths for direct handling to and from vessels. Also included on site is our intermodal facility which has 9,000' of track and can accommodate unit train volumes. Our rail switching is accomplished by our own switch crews and switching power.

In coordination with the railways, we provide block marshalling for destinations and work with all parties to have the right cars delivered & picked up at the right time for the right customers. This service alleviates the switching time in the railway yards, reduces

railcar dwells and moves our customer's products more quickly and efficiently. We consider ourselves an important part of the transportation logistics chain and work diligently with all parties to meet our customers needs.

CN Rail and CP Rail are our major service providers at this time given the products and customers we presently have. We have small and infrequent traffic volumes from BNSF and SRY. We do not have any service agreements or contractual arrangements with these railways. Our agreements are with the shippers and steamship lines which in turn have agreements with the rail carriers. This leaves us with a disadvantage of ensuring our best interests are being recognized or considered by the rail carriers.

Our concerns and recommendations to the Panel would be as follows;

- **A partnership / service agreement with mutually agreed performance targets, metrics & KPI's between the terminal operator and the railways.**

There are no arrangements in place between the rail carriers and our facility to monitor performance levels between the parties, track & monitor railcar dwells or have mutually agreed on metrics & KPI's.

- **A mechanism be put in place to ensure the terminal operator has input with the rail carrier on the service & scheduling of its facility.**

Rail service schedule changes for our facility are made in our absence. The railways must take into consideration our servicing needs before making change. The ability to provide our customers with effective service requires the railways to consider our interests and work collaboratively with us.

- **Dispute resolution mechanism to address lack of accountability on service matters.**

When continued rail service issues seriously affect our operations a dispute resolution mechanism with timelines must be in place. At present we have no avenue for addressing these service disruptions.

Fraser Surrey Docks appreciates the opportunity to express our views and hope we have provided constructive feedback to assist with your review.

Sincerely,



Jeff Scott  
President & CEO  
Fraser Surrey Docks LP