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Via E-Filing

Cynthia T. Brown
Chief, Section of Administration
Office of Proceedings
Surface Transportation Board
395 E Street S.W.
Washington, D.C. 20423

Re: Docket No. EP 711 (Sub-No. 2), *Reciprocal Switching for Inadequate Service*

Dear Ms. Brown:

Grand Trunk Corporation, on behalf of the U.S. rail operating subsidiaries of Canadian National Railway Company (collectively, “CN”) respectfully submit this letter in connection with the weekly service data reporting required by the Board’s new regulations adopted in the above-captioned proceeding, codified at 49 C.F.R. § 1145.8(b), and effective September 4, 2024. Pursuant to the Board’s decision served April 30, 2024 (“Final Rule”) and reporting instructions served on August 23, 2024, CN is filing its first reports for the Original Estimated Time of Arrival (“Original ETA”) and Industry Spot Pull (“ISP”) service metrics today. These metrics are system-wide for CN’s US network for both Original ETA and ISP and also by operating division for ISP. CN is providing a methodology document along with its initial submission describing how CN is calculating and reporting data under the Final Rule.

The service performance thresholds adopted in this proceeding were based on data generated by the Class I railroads in Docket No. EP 770 (Sub-No. 1), which were generated from internal metrics that are substantively different from the Board’s adopted Original ETA and ISP metrics.

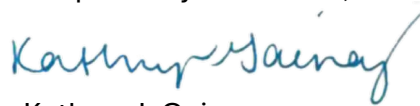
CN wanted to identify one example for Original ETA that illustrates the Original ETA data reported today is not reflective of the strong service currently provided by CN. A significant discrepancy between how the Final Rule defines Original ETA and how CN reported Original ETA in EP 770 (Sub-No. 1) is with respect to early deliveries. Specifically,

the Board's Original ETA metric treats as a failure any shipment delivered more than 24 hours early, whereas CN would not consider early delivery a failure.

Whether an early delivery counts as a failure for reporting Original ETA significantly impacts CN's reported data, as reflected in the table below. The bottom line is that whether early delivery counts as failure for Original ETA causes a difference of more than 30% for these weeks in reporting Original ETA. Further, the Original ETA numbers reported today vary significantly from what CN reported in Docket No. EP 770 (Sub-No. 1)—again, due to the inclusion of early arrivals here. In its last service report filed in that proceeding, CN reported that its system-wide weekly percentage of manifest service placed within 24 hours of Original ETA was 84%.¹

	Original ETA Reported Under § 1145.8(b)	Original ETA With Early Arrivals As Passes
Week ending 9/13/2024	54.25%	91.64%
Week ending 9/20/2024	58.12%	91.19%

Respectfully submitted,



Kathryn J. Gainey

¹ CN Weekly Reporting, *Urgent Issues In Freight Rail Service—Railroad Reporting*, Docket No. EP 770 (Sub-No. 1), at Row 163 (PrimaryKey 160) (filed Dec. 29, 2023).

**GRAND TRUNK CORPORATION
WEEKLY SERVICE METRICS REPORTING METHODOLOGY**

September 25, 2024

This document outlines Grand Trunk Corporation's (hereinafter "CN") methodology for service metrics for Original Estimated Time of Arrival and Industry Spot Pull reporting pursuant to 49 C.F.R. § 1145.8(b) and the Final Rule in Docket No. EP 711 (Sub-No. 2).

Original Estimated Time of Arrival (OETA)

Class I carriers are to report "the percentage of shipments on the carrier's system that moved in manifest service and that were delivered within 24 hours of OETA, out of all shipments on the carrier's system that moved in manifest service during that week." 49 C.F.R. § 1145.8(b).

- CN is reporting loaded railcars traveling in manifest service. *See* 49 C.F.R. § 1145.1 (definition of "shipment").
- Reporting does not include:
 - Unit trains, intermodal traffic, cross-border traffic, and empty railcars regardless of ownership or lease status per the Final Rule.
 - Traffic subject to contract under 49 U.S.C. § 10709 or exempt traffic.
 - Manifest cars that are originally assigned to travel on unit trains, as CN does not use trip plans for unit trains.
 - Bad-order railcars.
 - Cars on company service (e.g., ballast cars).
 - Movements for which CN is a bridge carrier between two other, non-CN-affiliated carriers.
 - Any other manifest movement for which there is no valid trip plan, which occasionally occurs.
- CN's systems generate OETA when the railcar is released for movement by the customer. In most instances, the release occurs essentially simultaneously with receipt of a bill of lading.¹

¹ In most instances, generating OETA upon customer release rather than the bill of lading results in no meaningful difference in when OETA is generated. Under CN's system,

- For railcars that are diverted to a new destination by the customer, CN is reporting performance on the reissued OETA to the new destination.
- In situations where CN is the receiving carrier at interchange, OETA is issued based on an interchange receipt record.

Industry Spot Pull (ISP)

Class I carriers are to report, “for each of the carrier’s operating divisions and for the carrier’s overall system, the percentage of planned service windows during which the carrier successfully performed the requested local service, out of the total number of planned service windows on the relevant division or system for that week, all within the meaning of this part.” 49 C.F.R. § 1145.8(b).

- CN is reporting ISP data at a system-wide level for the U.S. portion of its network and for each of its three U.S. operating divisions (see narrative below).
- CN is reporting loaded railcars and unloaded private or shipper-leased railcars traveling in manifest service per the Final Rule.
- Reporting does not include:
 - Unit trains, intermodal traffic, and railroad-owned empty railcars per the Final Rule.
 - Traffic subject to contract under 49 U.S.C. § 10709 or exempt traffic.
 - Railcars not ordered by the applicable cutoff time per the Final Rule.
 - Unplanned work that is not committed to a daily operating plan (DOP).

the majority of shippers in the United States are by default on what is called “auto-release”—in other words, CN’s systems automatically release the railcar for movement essentially simultaneously with receipt of the bill of lading. Any lag time is a matter of minutes.

However, an auto-release shipper may elect to indicate a later release date/time for the railcar when it submits the bill of lading, in which case the OETA will be generated at the later release time designated by the shipper. Shippers may also elect not to be on auto-release and instead to be set up for “manual release.” For customers on manual release, the customer chooses when to manually release the railcar through CN’s eBusiness site. Both of these options provide shippers with flexibility in managing their own logistics processes. As noted, a relatively small proportion of CN’s customers fall into these two categories.

- For purposes of this reporting, the service window is mapped to the DOP (which ties to the crew on-duty time/assignment start time) plus 12 hours.
- For purposes of this reporting, a railcar is “ready for local service” within the meaning of § 1145.2(e)(3) when it arrives at a local serving yard and is committed to the DOP prior to the cutoff time.
- Successes are counted based on whether the customer received the correct commodity not whether the precise railcar requested is delivered.

Narrative Overview of CN’s U.S. Operating Divisions²

CN’s U.S. rail system is divided into three operating divisions:

- The Central Division is comprised of CN’s lines in Iowa, southern Minnesota, northern Illinois (north of Kankakee), Indiana, southern Michigan, Ohio, and Pennsylvania, and includes all of CN’s lines in and around Chicago.
- The Midwest Division encompasses all of CN’s rail lines in Wisconsin and the Upper Peninsula of Michigan, and most of its lines in Minnesota.
- The Gulf Division is comprised of CN’s lines in central and southern Illinois (south of Kankakee), Kentucky, Tennessee, Mississippi, Louisiana, and Alabama.

² These operating divisions have not changed since CN was reporting service performance data in Docket No. EP 770 (Sub-No. 1).