

## SURFACE TRANSPORTATION BOARD

Docket No. EP 724 (Sub-No. 4)

ENTERED  
Office of Proceedings  
December 15, 2015  
Part of  
Public Record

## UNITED STATES RAIL SERVICE ISSUES—PERFORMANCE DATA REPORTING

Summary of Ex Parte Meeting between Canadian Pacific Railway Company (CP) and  
Surface Transportation Board (STB) StaffHeld December 4, 2015, 3:00 PM – 3:35 PM, via telephone

CP Participants: Robert Johnson (Senior Vice President of Operations-U.S.), Charles Webster (Law Department, Senior Counsel-U.S.)

STB Participants: Katherine Bourdon, Michael Higgins, Ronald Molteni, Lisa Novins, Nderim Rudi, Jason Wolfe

CP thanked the Board for the opportunity to discuss performance data requirements. CP did not have a separate opening statement beyond its March 2015 comments in this docket and its August 2015 fall peak letter, but welcomed discussion. CP then offered to provide some updated metrics regarding its performance compared to 2013-14.

CP stated that it is experiencing much better fluidity compared to the winter of 2013; its year-to-date metrics are significantly improved versus 2014. CP explained that its vital train speed metric has increased 36.9% compared to 2014. Its on-time departures are up significantly, and its major U.S. terminals, Bensenville, Ill. and St. Paul, Minn., remain fluid and are posting favorable numbers on car dwell time. These numbers are filed with the Board on a regular basis.

STB Staff turned to CP's March 2015 comments and noted CP's statement that system-level metrics are preferable to granular metrics to gauge the health and fluidity of the rail network. Specifically, CP's comments noted that train speed, terminal dwell, and cars online are important. STB Staff asked whether there are other system-level metrics that would be valuable for the Board to consider in shaping its reporting rule. CP responded that it looks at those three metrics regularly to determine the health of its network. Improvements in those metrics correspond to a decrease in customer complaints. If the Board observes that those three metrics are favorable for several weeks in a row, then the take-away is that a railroad is fluid and its customers are being served. However, if the Board observes a railroad's dwell time increasing dramatically, then it would be appropriate for the agency to take a deeper look and ask for additional information. CP further explained that terminal dwell is not only an indicator at the system level, but also at a terminal level. If the numbers are good, it indicates that the railroad is turning cars appropriately. CP executives look at system- and terminal-level dwell numbers on a daily basis.

STB Staff next asked whether CP considers the composite service indices found on some Class I carriers' websites, including data about on-time performance, connection performance, and locomotive miles per day, as having utility, and whether CP maintains similar measurements.

CP responded that it does not utilize a composite service metric and would not endorse that kind of reporting. It explained that more granular measurements, or secondary metrics, can yield mixed information, leading to sub-optimization. Rather, CP suggested that favorable terminal dwell and velocity translate into good customer service. CP stated that granular metrics do not necessarily provide clarity and that a railroad can dig deeper if it sees variation in core metrics.

STB Staff asked whether a metric such as cars held or trains held would be a secondary metric. CP responded in the affirmative. CP explained that holding trains degrades velocity.

STB Staff next inquired whether CP could elaborate on its comments about the Chicago terminal and specifically the Belt Railway Company of Chicago (BRC) and Indiana Harbor Belt Railroad (IHB). CP responded that the greater Chicago terminal is currently fluid and in good operating condition. Consequently, there is no reason for the Board to require more information than it does today. However, given the experience in the winter of 2013-14, CP recognizes that the Board has a legitimate interest in understanding the congestion in Chicago. CP explained that the Class I carriers interchange at BRC's Clearing Yard on a daily basis; on average the BRC probably processes 3,000 cars per day. Congestion there depends on the railroads departing their respective cars and trains on a timely basis. CP stated that if departures are not timely, then inbound cars can start to be closed off and congestion can extend deeper into rail network. CP explained that the BRC and IHB are the heart of the Chicago terminal. Currently, CP's on-time percentage for pulling out of the BRC is as good as it has ever been, and that all carriers are doing their part. CP added that reporting changes in the Chicago terminal's operating level is also useful.

STB Staff asked whether a metric reflecting the percentage of trains departing on-time each day would be more useful than the proposed average daily number of trains held for delivery to Chicago, sorted by receiving carrier. CP responded that if nothing is holding for delivery to Chicago, then it knows the terminal is fluid at a macro level. If the Board starts seeing trains held, it should try to figure out what is driving that change. STB Staff then asked what Chicago metrics CP system managers look at in their daily morning meetings. CP explained that, although they look at a variety of daily indicators, they primarily discuss constraints and expectations for the next 12, 24, and 36 hours.

CP closed by stating that its performance has improved considerably in the recent past for a variety of reasons. One of those reasons is that CP is not looking at too much data, but specific criteria that go to overall terminal, line segment, and system health. CP also noted that everyone is seeing improvements in Chicago and on rail networks across the nation. CP questioned whether collecting data for the sake of data is the right direction to take, as opposed to watching certain thresholds such as train speed. CP also noted that each railroad is extremely different, which is something the public must understand when looking at data. Finally, CP offered to provide clarification or further discussion if necessary.