

Corporate Services

Kathryn J. Gainey Deputy General Counsel

601 Pennsylvania Ave NW Suite 500, North Building Washington, DC 20004 T 202.347.7840 M 202.510.0567

Kathryn.Gainey@cn.ca

November 8, 2021

VIA EMAIL

The Honorable Martin J. Oberman Surface Transportation Board 395 E Street, SW Washington, DC 20423

Dear Chairman Oberman,

In response to your letter dated May 28, 2021, the Grand Trunk Corporation ("GTC") is submitting the attached report of revenue from demurrage and accessorial services for the third quarter of 2021. If you have any questions, please do not hesitate to contact me.

Sincerely,

/s/ Kathryn J. Gainey

Kathryn J. Gainey

cc: Janie Sheng, Acting Director, Office of Public Assistance, Government Affairs, and Compliance

GTC's demurrage revenues and accessorial revenues for the third quarter of 2021 were as follows:¹

	Q1 2020	Q2 2021	Q3 2021	Q4 2021
Demurrage Revenue	\$13,914	\$14,188	\$15,536	
Accessorial Revenue	\$41,300	\$60,962	\$106,625	

¹ Revenues are reported in thousands and are rounded to the closest thousandth.

Demurrage and accessorial charges are included in Schedule 210 of GTC's R-1. Specifically, demurrage charges are found in Account 106.

The demurrage revenues and accessorial revenues include detention and other services invoiced pursuant to confidential contracts and movements of exempt traffic.

As to accessorial services, the US rail operating subsidiaries of GTC offer a menu of optional services to its customers. Customers are not required to use these services. Instead, customers may elect to use any such services offered by GTC for the customer's convenience. Accessorial services include storage, loading/unloading, switching, product transfer, intermodal terminal services, cleaning, diversion, equipment use and rental, inspection services, protective services, special train assignment, labour, transloading services, trucking, and documentation. There are also some other accessorial charges for items such as overloaded railcars or securing leaking railcars for dangerous goods.

The increase in accessorial revenues in Q3 2021 mainly reflects increased storage of imported intermodal containers, primarily in Chicago and Memphis.