



PORT METRO
vancouver

Pacific Gateway Intermodal
Integrated Winter Plan

Winter 2011/2012

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Introduction

The Pacific Gateway Intermodal Integrated Winter Plan is designed to focus attention on all key aspects of the Gateway intermodal supply chain to ensure performance reliability through the winter months.

These aspects include but are not limited to winter preparedness planning, planned events such as holiday closures, unplanned events such as rail service and terminal disruptions, planned communications, and escalation processes.

The Integrated Winter Plan is a collaborative effort involving personnel from all the major container terminals within the Vancouver Gateway plus British Columbia Railway Company (BCR), Canadian National Railway Company (CN), Canadian Pacific Railway Limited (CP) and Port Metro Vancouver (PMV).

Winter Preparedness Planning

Container Terminals

- Deltaport: extensive repairs and upgrades to 50 percent of the RMGs, replacement and upgrade plan completed for container handling equipment plus the tractor fleet has been increased to 125
- Centerm: additional rail management and new rail operating practices have been implemented
- Vanterm: phase two of an extensive upgrade to the East Intermodal Yard has been completed and replacement program of container handling equipment

CN

- Additional locomotives and monitoring capabilities for the fleet (40 High horsepower/438 distributed power)
- Single point of 24/7 customer support with tight communication linked directly to operations
- New detector infrastructure and snow equipment plus deployment of snow clearing gangs
- Strategic reserve of cars at key locations plus additional cranes and equipment plus manpower at Inland terminals

CP

- New locomotives on line, 61 added during 2011 with an additional 30 planned for 2012
- New Hire program (3,300 system wide or 2-3 percent net increase)
- Additional snow equipment (50 percent new snowplows and 67 new wireless switch heaters monitored remotely)

- Changes to Holiday shutdown (shorter shutdown and no Reefer embargo)
- Vancouver South Shore improvements to productivity through operating procedures and infrastructure

BCR

- Additional yard tracks (leads/crossovers/track) built to facilitate longer train handling and concurrent yard operations

PMV

- Consolidated Gateway short term vessel forecasts

Gateway Holiday Work Schedule

	December										January	
	23	24	25	26	27	28	29	30	31	01	02	
<u>Terminal</u>												
Centerm	Normal Hours	Work to 12:00	Closed	Work from 01:00	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Work to 12:00	Closed	Work from 01:00	
Deltaport	Normal Hours	Work to 12:00	Closed	Work from 01:00	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Work to 12:00	Closed	Work from 01:00	
Fraser Surrey	Normal Hours	Work to 12:00	Closed	Work from 01:00	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Work to 12:00	Closed	Work from 01:00	
Vanterm	Normal Hours	Work to 12:00	Closed	Work from 01:00	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Work to 12:00	Closed	Work from 01:00	
<u>Railway</u>												
CP Rail	Normal Hours	Work to 20:00	Work from 12:00	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Normal Hours	
CN Rail	Normal Hours	Normal Hours	Work from 12:00	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Normal Hours	Normal Hours	

Gateway Holiday Work Schedule Cont'd – Marine Container Terminal Truck Gates

	Centerm	Vanterm	Deltaport	Fraser Surrey Docks
December 19 – 23	07:00 – 16:00	07:00 – 16:00	07:00 – 16:00 (2)	08:00 – 16:00
Saturday, December 24	07:00 – 11:00	Closed	Closed	Closed
Sunday, December 25	Closed	Closed	Closed	Closed
Monday, December 26	Closed	Closed	Closed	Closed
Tuesday, December 27	Closed (1)	07:00 – 16:00	07:00 – 16:00 (2)	08:00 – 16:00
December 28 – 30	07:00 – 16:00	07:00 – 16:00	07:00 – 16:00 (2)	08:00 – 16:00
Saturday December 31	07:00 – 11:00	Closed	Closed	Closed
Sunday January 1	Closed	Closed	Closed	Closed
Monday January 2	Closed	Closed	Closed	Closed
Tuesday January 3	07:00 – 16:00	07:00 – 16:00	07:00 – 16:00 (2)	08:00 – 16:00

(1) May work if sufficient volume

(2) Night Gates TBD based on demand

Planning for Holiday Closures

- Container terminals and railways will work in collaboration to draw down import intermodal on-dock footage to agreed-upon targets leading into each holiday shutdown
 - Draw down based on short term (7-14 days) forecasting information and latest view vessel ETAs provided by the shipping lines
 - Rail car supply to increase as needed 7-14 days prior to shut down
- Prior to the December 24 shutdown, each container terminal will have an operating plan in place to ensure an adequate supply of railcars on-hand coming out of the holiday shutdowns
- Ample terminal capacity and labour supply
- Additional emphasis will be placed on the repair of bad order railcars and pre-inspections by railways during terminal shut down to ensure car supply for re-start of operations
- On-dock intermodal import footage targets set for Dec 24 and Dec 31
 - Vessel on-time arrivals plus terminal and railway operating conditions during the draw down period will play a significant factor in achieving the agreed-upon targets
 - Allows for the normal resumption of terminal operations on Dec 26 and Jan 2

	Canadian Pacific		CN	
	Min/Max Range	Target	Min/Max Range	Target
Centerm	10,000 – 15,000	10,000	0	0
Deltaport	10,000 – 15,000	10,000	18,000 – 54,000	36,000
Vanterm	2,000 – 5,000	4,000	0 – 4,000	2,200

Recovery from Unplanned Disruptions

- A variety of unplanned disruptions can impact intermodal service reliability during the winter season including
 - Rail service disruptions
 - Late vessel arrivals
 - Marine terminal disruptions (weather/equipment/labour)

- To minimize the impact of any unplanned events, both CP and CN have committed to hold a “safety stock” of empty railcars at storage locations within the Vancouver Gateway
 - Both railways have safety stocks that represent approximately two days of supply
 - Safety stock inventory is reviewed weekly to ensure adequate supply in the event of a disruption
- Each marine container terminal currently has the capacity to ramp-up rail loading to off-set lost production due to disruptions
- Both the railways and container terminals have detailed contingency plans in place to cover a variety of potential disruptions
- In the event of a disruption, the overall target is to clear any backlog at a minimum rate of 15-20 percent of current daily rail production per day

Lines of Communication

Scheduled Operations Communications

- Daily operations calls
 - Daily conference calls between container terminals and railways to review railcar requirements and vessel arrival performance
- Intermodal working group calls
 - Weekly calls facilitated by PMV involving all container terminals and railways. Review current Gateway fluidity including operations and potential short-term (7-14 days) issues
 - Frequency of calls based on current operating performance

Short-term Forecasting

- Monitoring of on-dock import rail footage against thresholds aligned with 3-day dwell targets for each Gateway container terminal
 - Designed to identify potential issues before they become reality
 - Measures planned railcar supply versus forecasted import rail volumes over a 7-14 day period
 - Measures the impact of late vessel arrivals
- To ensure that stakeholders are updated on key aspects of winter performance, PMV will make the following available through its website
 - Holiday Shutdown Schedule
 - Integrated Winter Plan
 - Regular updates on winter performance

- Container terminals and railways will continue to provide their customers with specific service information as required

Escalation Processes

- Each terminal and railway has existing escalation channels of communication which are triggered by operating conditions as identified on daily operations scorecards that are widely circulated
- PMV Ops monitors terminal fluidity on a daily basis to identify any potential issues that may arise. On-dock footages are widely reported on a daily basis within PMV
 - Potential issues are reviewed with operating personnel from the container terminal and/or railway to confirm that an action plan is already set and in progress
 - Should an issue not be resolved in a timely manner, PMV Ops will escalate the issue internally for senior PMV involvement with the container terminal and/or railway management for resolution

Summary

The Integrated Winter Plan focuses on ensuring intermodal performance reliability through the winter months and is developed based on input from all key operating entities within the Gateway.

The Plan takes a proactive approach to dealing with holiday closures, ensures formal recovery and escalation processes are in place in the event of any disruptions, and improves visibility through short-term forecasting and daily monitoring through scorecards and reporting.