

MRAC
January 2015

Province of Nova Scotia

INTERIM REPORT

Phase One Activities and Outcomes of the Ministers' Rail Advisory Committee

Ministers' Rail Advisory Committee
– Interim Report –

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1.0 Mandate

On August 22nd, 2014, the Honourable Geoffrey MacLellan, Minister of Transportation and Infrastructure Renewal, and the Honourable Michel Samson, Minister of Economic and Rural Development and Tourism, established an advisory committee in response to the announced intention by the Cape Breton & Central Nova Scotia Railway to file with the Nova Scotia Utility and Review Board (NSUARB) for abandonment of the rail segment between St. Peter's Junction (at Point Tupper) and Sydney under Section 42 of the Railways Act. This 98-mile segment of rail is referred to as the Sydney Subdivision. The Cape Breton & Central Nova Scotia Railway is wholly-owned by Genesee & Wyoming Inc., a railway company based in Montreal with its head office in Connecticut, USA.

The members of the Ministers' Rail Advisory Committee (MRAC) were mandated to work together to ensure Cape Breton continues to have the necessary transportation links – whether they are at the port, on the tracks, or on the highways – to ensure that freight can continue to move on and off the Island cost-effectively. This component of the mandate will be implemented by undertaking studies related to rail versus truck shipping methods and an examination of economic opportunities related to the availability of rail service. The MRAC mandate also includes supporting efforts to find another buyer/operator who recognizes the potential of the container port and other economic development initiatives planned for the Port of Sydney.

Specifically the MRAC has been charged with:

- reviewing previous studies prepared on the Sydney Subdivision for the Province;
- informing Cape Breton stakeholders on the current situation;
- reviewing the business case, and considering the likelihood of increasing rail traffic or the client base for the Sydney Subdivision;
- advising on the likelihood of Sydney Port development opportunities and the potential increase in rail traffic; and,
- advising on the likelihood of a new, experienced rail operator acquiring the Sydney Subdivision, and scoping out the opportunity to find a new operator or buyer for the Sydney Subdivision.

The province's role on the MRAC is to chair committee meetings, report to Ministers and lead provincial initiatives related to this work. The remaining members of the MRAC are asked to provide input, feedback and support in relation to the mandate outlined above. The MRAC will report back to the Province on its findings. This interim report provides Minister Samson and Minister MacLellan with an overview of accomplishments to date and the work plan that is before the MRAC.

2.0 Overview

The MRAC has met regularly since its inception and has made considerable progress in a number of areas, including building a common understanding of the mandate and terms of reference among committee members and initiating research and exploratory work on several fronts.

Initially the MRAC focused on building its knowledge base on the current situation with respect to changes in the rail business environment, the plans of the current rail owner, and the processes surrounding discontinuance and abandonment.

A presentation by staff of Genesee & Wyoming helped the MRAC to understand the intentions and critical drivers in the decision making process of the company, and a presentation by staff of the Nova Scotia Utility and Review Board provided clarity on the process for discontinuance of service provided by a railroad. Staff of the Department of Transportation and Infrastructure Renewal provided information on the changing legislative landscape related to the abandonment of rail lines and outlined the legislative changes made to the Railways Act to protect the interests of Nova Scotians. The findings from these presentations are highlighted later in the Interim Report.

The MRAC members discussed potential impacts of rail abandonment and salvaging operations, as well as remediation required to protect the environment. These discussions will be brought forward through the process to develop the regulatory requirements related to - abandonment applications.

Members also spent time discussing the key features of the rail business in Cape Breton and the importance of gathering clear and decisive information about the future economic opportunities of the railway. Quantifying the potential of these opportunities will be important to support discussions with prospective buyers of the line.

It became clear to the members that several research studies would be needed to fulfill the mandate of the MRAC. Terms of reference for these studies were prepared and refined, and several vendors with the needed expertise were approached. The invitations to vendors were sent on December 5th with a closing date of December 30th. It is anticipated that the work will be underway by mid-January and completed in March 2015.

The output from these studies impacts various aspects of the MRAC mandate, including assessing and informing stakeholders on the current situation, assessing the business opportunity with regard to future economic development ventures, rail traffic and client base for the Sydney Subdivision, and determining the condition of the rail line to support future traffic. Information gleaned may also support dialogue with potential new operators or buyers.

In summary, it is anticipated that the first phase of MRAC's work, related to establishing the fact base, will be complete by early spring. The MRAC members note that their mandate would need to extend beyond the timeframe first envisioned. This is due to the expanded time frame for discontinuance and abandonment processes, the new regulations being developed by the Province, and the importance of analyzing and employing the findings from the studies.

The MRAC members are pleased to provide this Interim report to Minister MacLellan and Minister Samson and look forward to any additional direction or guidance from the Ministers based on their work to date. The following sections provide more detail on the findings and processes currently underway.

3.0 Phase One Activities and Outcomes

A. Gaining Clarity on the Current Context and Situation affecting Rail in Cape Breton

i. Confirming the Intent of Genesee & Wyoming

To support clarity in understanding the position of the railway owner, the MRAC invited staff from Genesee & Wyoming (G&W) to present at its October 23rd meeting. At this meeting, G&W Assistant Vice President, Ms. Josée Danis, outlined the steps leading to the decision to file for service discontinuance of the Sydney Subdivision and for abandonment of the line with the NSUARB on October 6th, 2014. The Sydney Subdivision comprises a 98-mile stretch from St. Peter's Junction to Sydney.

G&W confirmed that it did not wish to extend the subsidy arrangement with the Province. They believe that accepting the subsidy offer would impede the company's ability to apply for discontinuance and abandonment with the NSUARB.

Further, the company indicated that it does not see a future for this rail line and it is not part of G&W's future business plan. Ms. Danis cited a number of reasons including the insufficient profitability for shareholders, current and anticipated reductions in rail traffic, and anticipated capital expenditures required to maintain the safety of the line. While the company currently considers the line to be safe, it feels there are near-term issues that will need to be addressed as a result of erosion of the rail bed, aging infrastructure such as bridges and culverts on the right of way, and corrosion due to sea spray. She confirmed that the company was not interested in making a significant capital investment to maintain the line. Ms. Danis did not provide detail for verification of these issues or estimated costs. G&W also indicated that it had not reviewed the profitability or physical condition of rail line at the time of the purchase as this line was part of a larger package.

It was made clear to the MRAC that G&W was not interested in negotiating further on the terms and conditions associated with the existing subsidy arrangement and the company's sole goal at this stage is to discontinue and abandon the Sydney Subdivision portion of the line. It was also made clear to the MRAC that the Hopewell portion of the line (from Truro to St. Peter's Junction) is profitable and that the Sydney Subdivision was dampening these profits. Ms. Danis stated that, despite the losses incurred with rail service on the Sydney Subdivision, overall the entire line made a profit.

Further, Ms. Danis stressed the company's interest in realizing the net salvage value from the removal of the rail. She indicated that G&W may be willing to leave the infrastructure in place for two years but the liability issues would involve a very high cost and significant risk to the Province. Specifically she noted that the Province would have to assume all liabilities, operating costs and losses, and in addition, it would have to compensate G&W for all opportunity costs with not taking up the rail for its salvage value.

During this presentation by G&W a significant amount of time was spent discussing the impact on customers and clients of the line, as well as the importance of adequate planning time and fair process. Despite the concerns raised, G&W insisted they were taking all necessary steps to minimize the short term impacts.

ii. Understanding the Legislative Framework related to Discontinuance and Abandonment of a Rail Way in Nova Scotia

The legislative requirements governing rail service in Nova Scotia are outlined in the Railways Act. One of the first tasks of the MRAC was to gain a solid understanding of the scope, processes, and roles and responsibilities under this legislation related to discontinuance and abandonment.

The Railways Act is managed under the portfolio of the Minister of Transportation and Infrastructure Renewal (TIR). Staff of TIR provided a presentation on the processes related to discontinuance of service and abandonment of lines, both before and after the legislative changes.

Significant changes to the legislation took place during the fall sitting of the Nova Scotia House of Assembly. Bill 65 was introduced by the Honourable Geoffrey MacLellan on October 31st, 2014. It passed third reading on November 6th and received Royal Assent on November 21st, 2014. These amendments to the Railways Act effected a separation of the application processes for discontinuance of service and abandonment of rail lines.

The amendments also changed time lines involved in both processes to allow for more reasonable planning and decision-making horizons. They served to recognize that the information needs, localized and broader impacts, planning processes and decision-making

requirements varied significantly when considering both types of applications. The amendments also created a new decision making approach related to abandonment applications to better balance both the interests of Nova Scotians with the needs of business in the province.

The MRAC agrees with the direction taken by the Province and that these changes were needed to address gaps in the legislation. The amended Railways Act can now support well-managed and well-informed decision-making related to rail discontinuance and abandonment processes.

iii. Clarifying the Scope and Mandate of the Nova Scotia Utility and Review Board as it relates to Applications for Discontinuance and Applications for Abandonment

- Although the Railways Act is managed under the portfolio of the Minister of TIR, the discontinuance of service and abandonment of lines required an application to the NSUARB. Legislation was amended in November 2014 to shift jurisdiction over abandonment to the Minister.
- The MRAC received a presentation from Mr. Paul Allen, Executive Director of the NSUARB where Mr. Allen outlined the processes, time frames and scope of the Board's role and decision making with respect to rail-based applications. He confirmed the types of issues that were out of scope and reviewed the Board's policy to publicly release decisions within 90 days of a hearing process. He also noted that the NSUARB is the "final court of fact" and findings of fact cannot be the subject of an appeal. Board Decisions can be appealed on matters of law or jurisdiction.

To determine reasonableness of a discontinuance plan, Mr. Allen confirmed that the NSUARB will be giving consideration to the:

- reasonable time frame for discontinuance (within the allowable limits) and a reasonable time frame for customers to make alternate arrangements;
- needs of users and clients in determining the reasonableness threshold, the actions taken by parties to mitigate concerns/issues and to prepare for the change in service;
- clients and users that are most significantly affected and their needs from a factual standpoint; and,
- other matters deemed to be 'in the public interest'.

The MRAC was kept fully apprised of the activities associated with the Hearing through correspondence from the NSUARB to intervenors, and through the NSUARB website. MRAC members communicated information about the NSUARB process through their various constituencies, and encouraged interested parties to participate in the Hearing.

B. Advising on an Appropriate Legislative and Regulatory Framework for the Protection of Nova Scotians and the Environment

With the recent amendments to the Railways Act through Bill 65, the abandonment of a railway line is now subject to the approval of the Minister of TIR. Regulations are currently being developed by the Department of TIR to support implementation of the legislation.

In the past, Nova Scotia has had some negative and costly experiences with rail service being discontinued and rail lines abandoned, perhaps without due process and consideration of the range of impacts on Nova Scotians and the environment. Some of these experiences resulted in the Province having to remediate structures to ensure public safety, such as a recent dismantling of three bridges at taxpayers' expense on the former line running from Kentville to Digby. It is the hope of the MRAC that these regulations may assist in protecting against this sort of requirement in the future.

Work underway in the Department currently includes examining regulatory frameworks in other jurisdictions and considering the environmental questions that need to be addressed. MRAC appreciates that the membership will continue to be consulted in the development of the regulations under the Railways Act, and will support consultative processes involving other parties.

C. Initiating Studies in Three Key Areas

Through the early dialogue of the MRAC, it became clear that more information and investigation would be needed to implement the mandate of the MRAC. Three areas of investigation were identified and statements of work were prepared. Potential external vendors with the necessary expertise were also identified and invitations were extended to four companies. Through support from the Department of Economic and Rural Development and Tourism (ERDT), these vendors were invited to submit proposals for the first two studies on December 5th with a closing date on December 30th, 2014. The invitations indicated that the work is expected to commence mid-January and be completed by March 2015. The third study related to investment that may be needed to upgrade the line is in progress.

The three levels of government, through the Atlantic Canada Opportunities Agency (ACOA), Cape Breton Regional Municipality and ERDT, are providing funding to support these studies. Staffs of ERDT, ACOA and TIR will undertake the initial evaluation of proposals, and decisions will be made shortly as to whom to award the contracts. The MRAC will be provided with a report and presentation upon completion of the studies. The following provides a brief overview of the studies being proposed.

Study 1 Assessment of Rail/Truck Shipping between Cape Breton and Mainland Nova Scotia

This study will serve to assess the impacts of diverting freight from the current rail method of shipping to trucking for inbound and outbound shipments from Sydney, Cape Breton to mainland Nova Scotia. The study will provide a detailed analysis of the benefits and disincentives to trucking these goods, including relative costs in both time and financial resources. This study will assist the MRAC in fulfilling its mandate to advise the Ministers of the implications to users, municipalities and others in moving from rail to trucking.

The external vendor will be asked to do the following:

- undertake and analyze a survey of current and recent past users of rail to determine the commodities currently being shipped by rail, including both volumes and costs;
- undertake and analyze a survey of current and recent past users of rail to investigate anticipated increases in trucking volumes without rail service, as well as anticipated costs of shipping by truck, any anticipated time differential of truck transport compared to rail, and any other impacts of shipping by truck (such as timeliness of service, potential deterioration of product, capital investment required, etc.); and,
- prepare a high-level analysis of current trucking capacity in the region.

Study 2 Assessment of the Upcoming Economic Opportunities in Cape Breton in relation to Rail Services

This study will provide a detailed inventory of the potential major industrial developments identified for Cape Breton in the next 3-5 years. This includes gathering information from various project investors and proponents to get clarity on the content and status of the projects, financial information and interests involved, time frame for proceeding, and the importance of rail transportation to project success. This information will be analyzed to provide a realistic assessment of the feasibility of such projects, to determine the likelihood that they will proceed in the medium term (3-5 years), and to outline which projects would include rail service as part of their business model or approach.

This study will assist the MRAC in advising Ministers on the likelihood of Sydney Port development opportunities and the likelihood of increasing rail traffic or the client base for the Sydney Subdivision, as well as informing Cape Breton stakeholders of the current situation.

At a minimum, the external vendor will be asked to interview proponents involved with potential projects associated with the Sydney Container Terminal, Donkin Mine, Provincial Energy Ventures, and International Iron Beneficiation Group as well as other projects involving intermodal traffic with a potential to convert to rail. The Cape Breton Municipality will also be

asked to identify projects to be included for consideration in this study.

The initial findings from this study will be reviewed and, if needed to fully assess and quantify the projected economic activity, a more detailed analysis of some projects may be requested. This could include a review of project business plans, and a projection of anticipated rail volumes and requirements for each project.

- Development of a Tool to Support Expressions of Interest from Potential Buyers

One of the aforementioned tasks of the MRAC is to support efforts to find another buyer/operator who recognizes the potential of the container port and other economic development initiatives planned for the Port of Sydney. In response to this aspect of its mandate, one of the possible outputs of the assessment of upcoming economic opportunities could be the preparation of a tool to elicit expressions of interest from potential buyers of the Sydney Subdivision. It could provide an opportunity for the Province and partners to frame the business opportunity in a way that allows potential buyers to understand the promise of the Sydney Subdivision. It could also enable the Province and partners to convey the historical and geo-social context of the railway, and to highlight any advanced business development ventures underway for Cape Breton involving rail service.

It is recognized that the rail line is privately owned, and any sale would be negotiated between G&W and the interested buyer. This tool would likely take the form of a short description of the business opportunity from the perspective of Cape Breton business leaders and governing bodies.

Having a short description of the business opportunity can serve a number of purposes in any sale negotiations with G&W. It may:

- help to initiate a dialogue with rail companies across North America;
- provide useful information to potential buyers and enable them to distinguish themselves from other competitors;
- serve to create a realistic list of qualified buyers that may be pursued
- assist all parties in understanding the expectations of potential buyers and the valuation range that a buyer is willing to pay for a company; and,
- help to receive signals of an anticipated time frame for closing the transaction, the acquisition rationale, the transaction structure, the sources and use of funds, and any other areas that would help parties to determine if the buyer would be a good fit.

Study 3 Evaluation of the Level of Investment required to Upgrade the Sydney Subdivision

This study will be undertaken using a different methodology than the first two studies as it requires a review of information about the rail right-of-way itself. This study will serve to

identify the operating and capital costs to maintain operations on the Sydney Subdivision. It will also provide a detailed evaluation of the level of investment that would be required to upgrade the Sydney Subdivision to one of two specifications:

- regional railway standards of 40mph (Transport Canada Class 3 track)
- national railway standards of 60mph (Transport Canada Class 4 track)

This study will assist the MRAC in reviewing the business case for rail service continuation, assessing the viability of rail service to support economic opportunities, and to possibly support discussions related to finding a new operator for the line.

To undertake this analysis, an engineering assessment of the current state of the lines is required. It is currently being determined if an existing engineering evaluation is available and appropriate, or if a new assessment is required. Possible sources of information include documents held by the departments of TIR or ERDT, or available from G&W.

D. Hearing of the Nova Scotia Utility and Review Board

As noted earlier, the NSUARB received an application from the Cape Breton & Central Nova Scotia Railway on October 6th, 2014 for the discontinuance of rail service from St. Peter's Junction to Sydney (Sydney Subdivision). A public hearing was held on December 8th and 9th, 2014 at the Membertou Trade and Convention Centre in Cape Breton. The hearing panel consisted of Mr. Peter Gurnham as chair, Mr. David Almon, and Ms. Roberta Clarke.

Many members of the MRAC formally participated in the hearing as intervenors, specifically:

- Cape Breton Small Business Development Centre
- Cape Breton Partnership
- Cape Breton Regional Municipality
- CB Beverages/Atlantic Canada Performs
- COPOL International
- Municipality of Inverness County
- Municipality of Richmond County
- Municipality of Victoria County
- Polysteel Atlantic/East Coast Rope
- Town of Port Hawkesbury

Committee members, as individuals, supported communications leading up to the hearing to ensure interested parties were aware of the opportunity to speak or intervene at the hearing, or write to the Board to express their views and concerns. Senior officials from TIR and ERDT also attended the hearings as observers.

Two preliminary matters were addressed the first morning, specifically:

- G&W asked the Board chair, Mr. Gurnham, if he was in a conflict of interest as he was legal representation for NS Power during 2002 hearing. G&W asked that he be removed as Chair and the hearing be delayed. The Board adjourned and upon returning, the chair indicated that he was satisfied he could conduct a fair hearing.
- The Cape Breton Regional Municipality (CBRM) expressed concern that CN was not party to the hearing stating that, as a condition of the 1993 sale, CN would assume ownership of the line if there was discontinuance of service. CBRM felt a reasonable notice period could not be determined without knowing how much time CN needed to take over the line. The NSUARB stated that it had no jurisdiction to compel CN to be party of the hearing. It further stated that currently the Province of Nova Scotia regulates the railway under the Railways Act, and any such arrangement with CN would have been a private agreement between the Province and CN, and not under the jurisdiction of the NSUARB.

Throughout the testimony a wide range of concerns and perspectives were brought forward related to the content and timing of the discontinuance plan presented by Genesee & Wyoming and its subsidiary, the Cape Breton & Central Nova Scotia Railway. The testimony and cross-examination covered a range of topics, some of which are highlighted below:

- business rationale by G&W for filing to discontinue the rail service
- changes in traffic volumes over time
- Bill 65 related to the Railways Act and changing scope of NSUARB Hearing

- subsidy agreement purpose and funding between G&W and the Province of Nova Scotia
- G&W's decision to discontinue the subsidy agreement that was offered, and disinterest in negotiating further such as proposing the removal of the clause that disallowed the company to apply for discontinuance while in receipt of the subsidy
- pricing structure of rail service, currency used (Canadian versus American dollars) when 'code share' arrangements are employed across Canadian and US rail lines
- various players involved in the supply chain in moving goods from manufacturers or suppliers to users (such as users/clients, shippers and various rail service providers)
- distinction between users and shippers, and a discussion as to whether shippers should be party to the Hearing
- G&W's announced intention to stop rail service on December 31st and provide other means of shipping goods to customers/clients; concerns of the NSUARB at this suggestion by G&W
- requirements of the Railways Act to continue rail service during a discontinuance application process
- concerns over G&W's decision to significantly increase rates making it more difficult or economically impossible for shippers to use their services
- confirmation by G&W that if it was required to provide rail service after December 31st it would increase the rates to ensure the transfer of full costing to the users, recognizing the tariffs would likely be substantially increased
- an indication that service frequency would likely be reduced if they were required to provide rail service after December 31st
- actions being taken by users to find alternate transportation methods and various impediments that need to be overcome before alternative sources of transportation can be confirmed by users
- impact of intermodal or trucking transportation alternatives being explored and associated risks with each
- desire of users to maintain rail service in their business models
- lack of marketing efforts made to find a new operator or buyer of the rail line
- net salvage value of the rails if sold
- profitability of the Hopewell line (Truro to Point Tupper) and Sydney Subdivision
- concerns over additional tractor-trailers on the highways (rate of accidents/deaths, road maintenance, capacity on roads, and traffic movement)
- lack of information provided to G&W on potential economic development opportunities in Cape Breton that could involve increasing rail traffic
- G&W's request for a short period notice due to financial strain
- users' request for a longer notice period due to time it will take to confirm alternate arrangements
- G&W's intention to respect the Board's decision

The Board did not indicate when a decision would be made; however, it is reasonable to anticipate that a decision will be forthcoming in January 2015.

4.0 MRAC Work Plan and Next Steps

This Interim Report provides an overview of the work underway to complete the tasks outlined in the MRAC mandate from Ministers Samson and MacLellan. The following summary highlights the specific activities and anticipated actions to date, recognizing that this is a dynamic process and the MRAC is committed to remaining nimble and responsive to changing circumstances.

Mandate:

- *Review previous studies prepared on the Sydney Subdivision for the Province*

This work will continue to help define the land mass and property values of the rail right-of-way. Past reports on structures will also assist in assess upgrading requirements on the right-of-way and remediation requirements in the event of rail abandonment.

- *Inform Cape Breton stakeholders on the current situation*

Committee members will continue to engage their constituents, contacts and networks to keep Cape Breton residents apprised of the processes related to rail discontinuance and rail abandonment. The next critical communication point will be the decision of the NSUARB and confirmation of the discontinuance plan of G&W.

- *Review the business case, and considering the likelihood of increasing rail traffic or the client base for the Sydney Subdivision*

Through the study underway the MRAC hopes to have a comprehensive picture of the business potential for expanding the use of rail traffic on the Sydney Subdivision. This information will support informed decision-making and the development of the business opportunity for potential new operators of the rail line.

- *Advising on the likelihood of Sydney Port development opportunities and the potential increase in traffic*

Through the study underway the MRAC hopes that the information will come forward to allow for a shared understanding of the economic opportunities under development for the Sydney Port. This clarity is needed if members and other parties are to effectively support these efforts and to ensure timely actions can be taken to enable appropriate means of transporting goods are available.

- *Advise on the likelihood of a new, experienced rail operator acquiring the Sydney Subdivision, and scoping out the opportunity to find a new operator or buyer for the Sydney Subdivision*

Based on information gained through the study on upcoming economic activity and other information, prepare a short brief to describe the business opportunity to encourage expressions of interest from potential buyers.

Continue the efforts made by staff of the Cape Breton Partnership and other groups to reach out to rail owners across North America to market the business opportunity and encourage potential new rail operators to consider purchasing the line.

Other items in the MRAC action plan include:

- Contributing to the development of Regulations to support recent amendments to the Railways Act in ways that protect the interests of Nova Scotians and ensure a positive climate for rail operators and owners
- Meeting with CN to explore and discuss any outstanding CN obligations emanating from the initial sale agreement in 1993 and to determine the most effective means to effect implementation of those obligations as appropriate and helpful
- Monitoring activities of other groups and organizations that are focused on the value and importance of the Sydney Subdivision and economic development activities on Cape Breton Island related to rail service
- Maintain the Advisory Committee's agility in responding to emerging conditions and circumstances to ensure Minister MacLellan and Minister Samson are well advised of the concerns of Cape Breton citizens and opportunities for action

Through these and other efforts, the MRAC will continue to work together to ensure Cape Breton continues to have the necessary transportation links through whatever means possible to ensure that freight can continue to move on and off the Island cost-effectively. Transportation systems for the movement of goods is critical to the sustainability and vibrancy of economic development and industrial commercial growth on the Island and the MRAC is committed to supporting the efforts of the government and business leaders to ensure strong transportation systems are in place and serving the interests of Nova Scotians.

APPENDIX 1 Members of the Ministers' Rail Advisory Committee

| Organization | Member |
|--|--|
| Economic and Rural Development and Tourism [Committee Co-chair] | Simon D'Entremont Deputy Minister |
| Transportation and Infrastructure Renewal [Committee Co-chair] | Paul LaFleche Deputy Minister |
| Cape Breton Small Business Development Centre | Eileen Lannon Oldford Chief Executive Officer |
| Cape Breton Beverages/Atlantic Canada Performs | John MacLean Vice President, Operations |
| Cape Breton Partnership | Ian McNeil Manager, Prosperity Framework |
| Cape Breton Regional Municipality | Michael Merritt Chief Administrative Officer |
| COPOL International | Denis Lanoë Vice President, Operations |
| Municipality of Inverness County | Joe O'Connor Chief Administrative Officer |
| Municipality of Richmond County | Warren Olsen Chief Administrative Officer |
| Municipality of Victoria County | Sandy Hudson Chief Administrative Officer |
| Polysteel Atlantic/East Coast Rope | Sean Burke Vice President |
| Town of Port Hawkesbury | Maris Freimanis Chief Administrative Officer |
| Atlantic Canada Opportunities Agency [Observer Status] | Peter Hogan Vice President, Nova Scotia |
| Transport Canada [Observer Status] | Peter Fullarton Regional Director |

Federal government officials participate in an advisory and support role in the work of the committee. The MRAC is supported by staff of TIR, ERDT, ACOA and the Cape Breton Partnership.