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June 21, 2020

Establishing Start-Up Intermodal Locations – 2021-2025 Local Intermodal Network Connections ("LINCs")

The criteria were developed in collaboration with CN in late 2014. CN called it "remote" intermodal; we tried "LINCs". It was described as a "means of minimizing dray miles and providing sustainable rail intermodal access at locations that will not, or are not ready to, sustain a traditional intermodal terminal and, thus, enhance competitiveness of CN/WC Region freight". CN has since, that we know of, established Chippewa Falls (traditional anchor tenant), Indianapolis and Duluth (both somewhat different models. See next the original agreed criteria.

Minimum Criteria – Consistent, Balanced, Domestic or Intermodal Freight Lanes:

- Identified through the CN/WCGroup Actionable Shipper Data process including "intermodal friendly" origin cut-off and transit time requirements and likely requiring a significant anchor shipper (*e.g.*, a significant importer).
- Supporting 40 to 50 loaded lifts (*i.e.*, 25 inbound and 25 outbound) per day, preferably at least 5 days per week.
- Permitting optimized drayage balanced, 4 to 8 loaded trips per tour of duty
- Daily, scheduled manifest train or switching service with capacity to timely, and efficiently connect with CN's intermodal service network.
- Including a strong mix of CN single-line, longer-haul lanes and/or sufficient volumes and/or interchange efficiencies to support aggressive connecting carrier participation.
- A third-party site, and qualified site operator, capable of providing:
 - Class 1 level communications with CN, CN customers and dray operators;
 - Double stack lift capacity and load optimization capability and discipline;
 - Sufficient fully-accessible track on-site to optimize unloading, loading within scheduled cut-offs and release of loaded cars as scheduled; and
 - Suitable, secure yard facilities for all-weather storage and staging containers and complementary transload operations (e.g., logs, boxcar merchandise freight), if any, which contribute to sustainability of the intermodal site.

Intermodal Start-Ups or LINCs for 2021-2025 –

Our new context is a Rail Lines Corridors <u>perspective</u>, consideration of <u>Florida-Style Intermodal</u> (and similar models), the <u>potential for alternative operators</u> on CN/WC Northwoods lines (subject to our <u>2012 minimum criteria</u>) and prospects for new rail and rail-related infrastructure investment supported by federal grant funding programs (*e.g.*, USDOT's <u>ROUTES</u> grant funding) based on compelling "Actionable Shipper Data" – shipper data on a sufficient scale to support Rail Infrastructure Investment and Operations Planning ("<u>RII-OP</u>").