



Beyond the Borders - Perimeter Clearance Prince Rupert In-Transit Pilot

CN Perspective
Halifax NS
September 11th 2012

Overview



- Rail Border Operations
- CN Submission to the BTBWG
- Prince Rupert – Chicago Corridor
- Pilot plan
- Stakeholders
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- Pilot Milestones
- Conclusion

Rail Border Operations



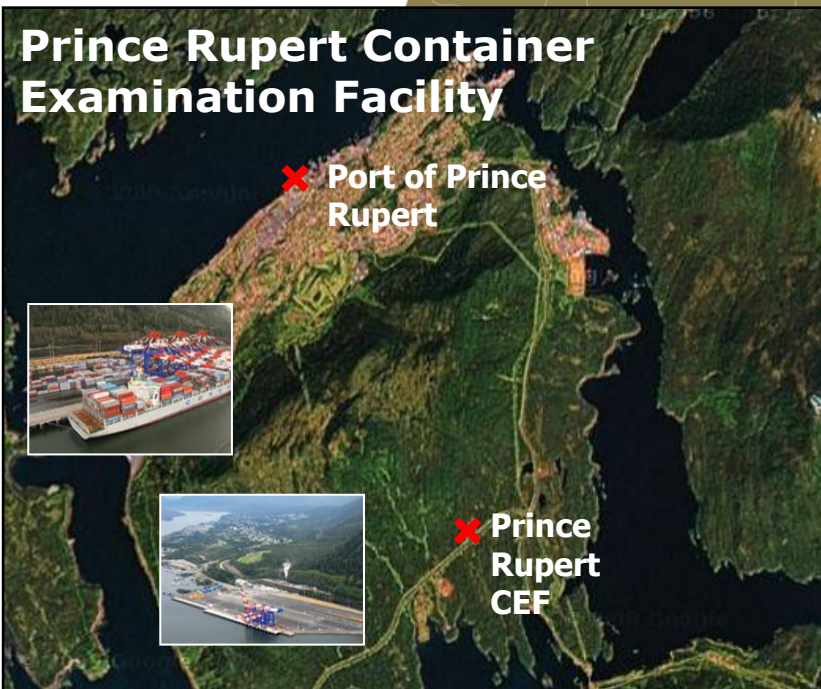
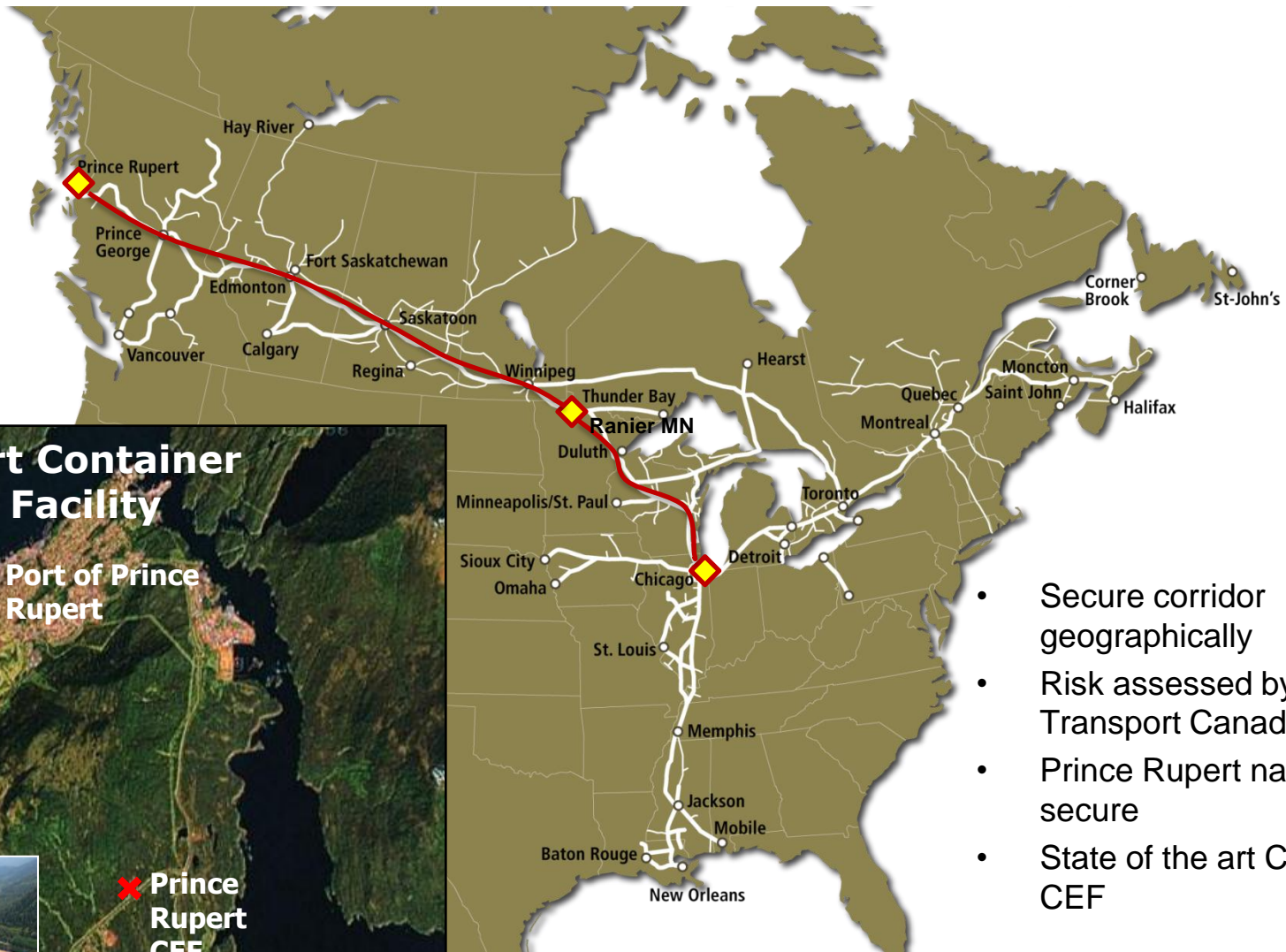
- Almost one train/hour in key transborder corridors.
- 10,000 foot trains.
- One intermodal flat car can carry up to 15 containers.
- Cars with inspection containers switched from Intermodal trains.
- Multiple containers affected for single inspection.
- High cost of equipment, resources and infrastructure to mitigate border delays borne by rail carriers.

BTBWG Submission for Prince Rupert Pilot



- CN submission to the BTBWG on June 6th 2011 for Prince Rupert perimeter clearance pilot
- Inherent rail controls and security are woven into supply chain and operations
- Propose Prince Rupert to Ranier MN/Chicago as logical low risk in-transit corridor
- Leverage existing security programs
- Common set of rules, risk criteria, and inspection protocols

Prince Rupert – Chicago Corridor



- Secure corridor geographically
- Risk assessed by Transport Canada
- Prince Rupert naturally secure
- State of the art CBSA CEF

Prince Rupert Pilot Plan



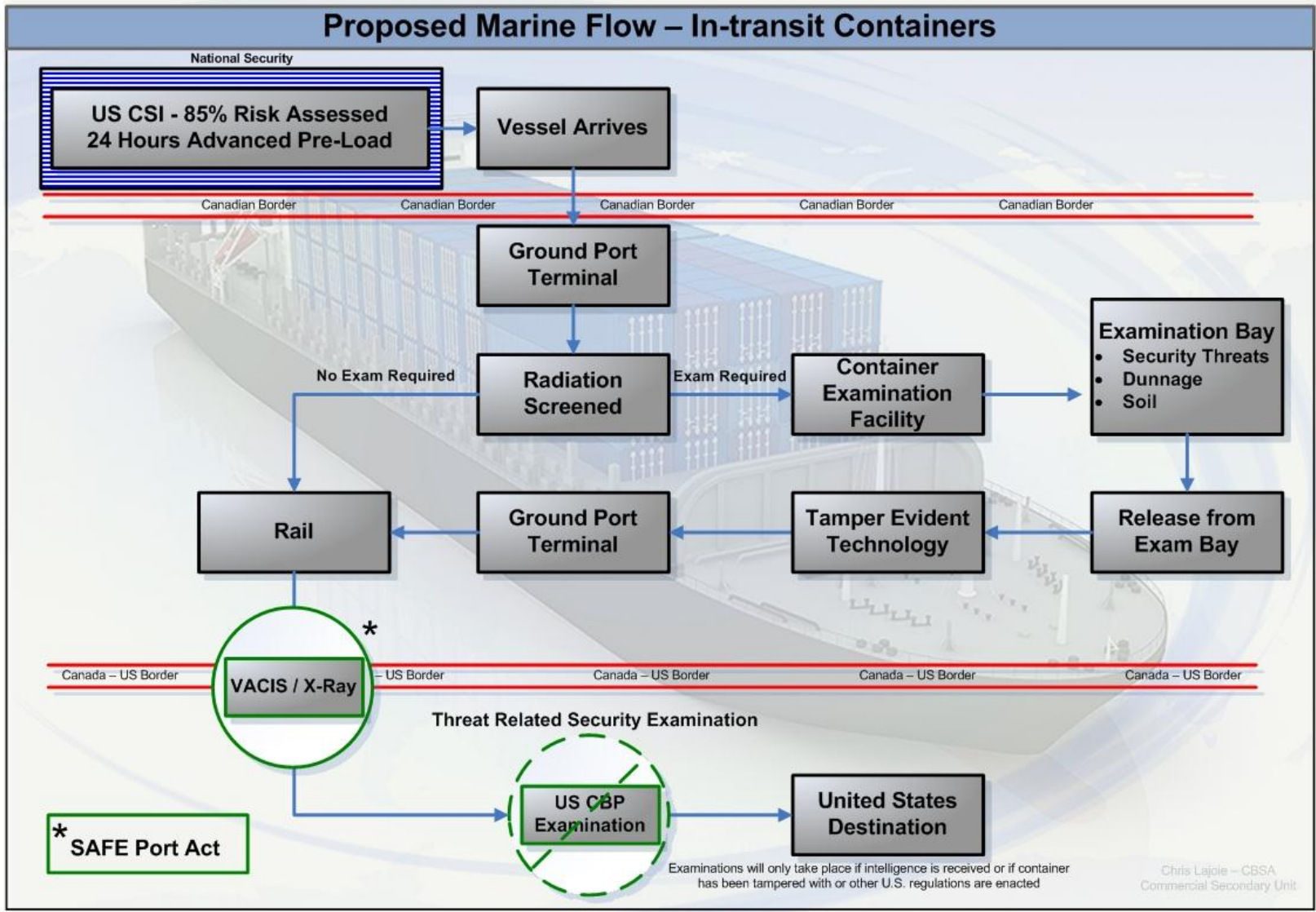
- Goal is to substantially lessen US border inspections at Ranier MN thereby accelerating train and shipment velocity and taking cost out of the supply chain.
- Process will leverage CBP CSI and JTI operations.
- Through advanced CBSA/CBP data sharing CBP will select US destined containers for inspection at Prince Rupert.
- CBSA will inspect containers at Prince Rupert on behalf of CBP.
- Pilot will begin Oct 1st 2012 and continue for 1 year.
- Successful pilot will result in national program.

Pilot Stakeholders



- Canadian Border Services Agency
- US Customs and Border Protection
- CN
- BC Chamber of Shipper
- Maher Terminals
- Prince Rupert Port Authority

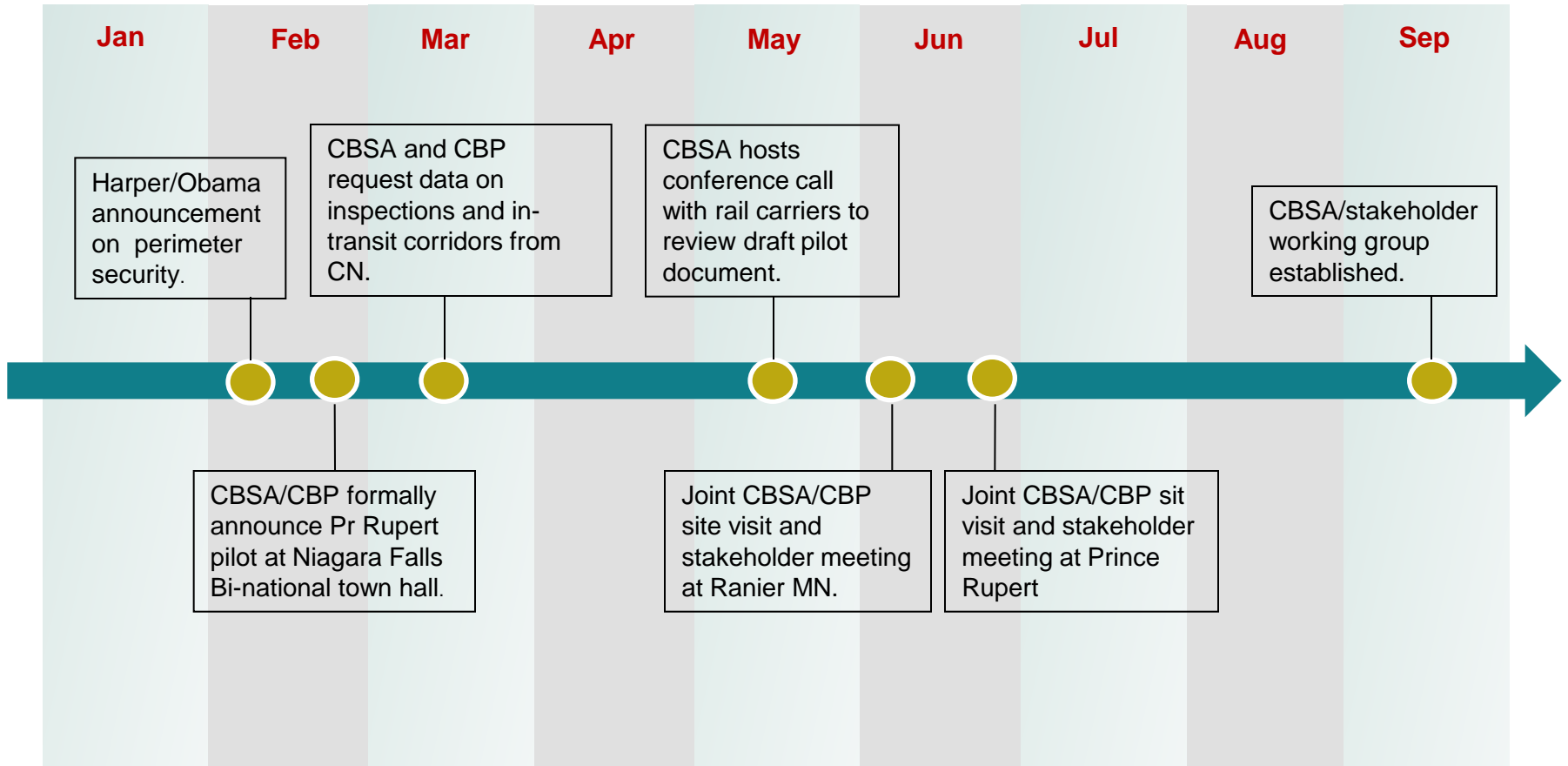
CBSA Proposed In-Transit Process



Pilot Milestones



(2012)



Conclusion



- Existing US risk assessment and border examination process for rail intermodal is difficult and costly to trade.
- Border security programs and technology coupled with rail security and controls make perimeter clearance viable today.
- The Prince Rupert to Ranier rail corridor is very well suited for the in-transit pilot.
- A successful pilot will lead to nationalized perimeter clearance for ocean/rail in-transit flows supporting rail customers through at least 5 major rail corridors to the US.