

Transportation Services and Infrastructure Market Analysis

Part A: Introduction, Instructions and Contact Information

Your participation in a survey of Cape Breton Island shippers and receivers is requested, as part of a transportation market analysis to provide detailed information on the Island's transportation needs and alternatives.

Your cooperation is greatly appreciated!

Instructions

On the following pages, you are asked to provide information on your current transportation patterns, and your estimate of future transportation patterns in 2 years and in 5 years: first assuming the continued presence of a railway across Cape Breton, and then assuming no railway service in future.

You are then asked for input regarding the impacts to your company (if any) of a loss of rail service across Cape Breton Island.

All feedback, including volumes, financial information, and comments, will be **CONFIDENTIAL** to KPMG. Results will be presented by KPMG in aggregated form only.

Please return completed surveys by fax, by Friday, December 20th, to:
KPMG LLP
c/o Ms. Andrea Coish
Fax number (902) 429-1307

Please direct any questions by telephone to Andrea Coish of KPMG, tel. (902) 492-6088.

Company Information

Company Name: _____

Address: _____

Contact Name: _____

Title: _____

Telephone No.: _____

Facsimile No.: _____

E-mail address: _____

Part B: Current Traffic Flows

INBOUND SHIPMENTS

Company	Commodity	Origin	Destination	Intermediate Transfer Point (if applicable) *	Mode of Transport **	2002 Volume *** (metric tonnes)	# of Rail Carloads/ Truckloads/ Containers	Transportation Cost (\$/tonne)	Transport Cost per Rail Carload/ Truckload/ Container

OUTBOUND SHIPMENTS

Company	Commodity	Origin	Destination	Intermediate Transfer Point (if applicable) *	Mode of Transport **	2002 Volume *** (metric tonnes)	# of Rail Carloads/ Truckloads/ Containers	Transportation Cost (\$/tonne)	Transport Cost per Rail Carload/ Truckload/ Container

Part C: Future traffic flows (2004) with Continued rail service between Point Tupper and Sydney

INBOUND SHIPMENTS

Commodity	Origin	Destination	Intermediate Transfer Point (if applicable) *	Mode of Transport **	2004 Volume *** (metric tonnes)	# Rail Carloads/ Truckloads/ Containers	Transportation Cost (\$/tonne) ****	Transport Cost per Rail Carload/ Truckload/ Container

OUTBOUND SHIPMENTS

Commodity	Origin	Destination	Intermediate Transfer Point (if applicable) *	Mode of Transport **	2004 Volume *** (metric tonnes)	# Rail Carloads/ Truckloads/ Containers	Transportation Cost (\$/tonne) ****	Transport Cost per Rail Carload/ Truckload/ Container

* Intermediate Transfer Point refers to the location of an intermodal transfer between transportation modes (e.g., from Tractor--Semi-Trailer to Trailer-On-Flatcar (TOFC); from rail to marine; etc.)
 ** Indicate one of the following: Rail, Truck, TOFC (Trailer on Flatcar), COFC (Container on Flatcar), Marine, Air
 *** Estimate volumes for full year 2004, assuming continued rail service on Cape Breton Island
 **** Use constant 2002 dollars when estimating future costs

Part D: Future traffic flows (2007) with Continued rail service between Point Tupper and Sydney

INBOUND SHIPMENTS

Commodity	Origin	Destination	Intermediate Transfer Point (if applicable) *	Mode of Transport **	2007 Volume *** (metric tonnes)	# Rail Carloads/ Truckloads/ Containers	Transportation Cost (\$/tonne) ****	Transport Cost per Rail Carload/ Truckload/ Container

OUTBOUND SHIPMENTS

Commodity	Origin	Destination	Intermediate Transfer Point (if applicable) *	Mode of Transport **	2007 Volume *** (metric tonnes)	# Rail Carloads/ Truckloads/ Containers	Transportation Cost (\$/tonne) ****	Transport Cost per Rail Carload/ Truckload/ Container

* Intermediate Transfer Point refers to the location of an intermodal transfer between transportation modes (e.g., from Tractor--Semi-Trailer to Trailer-On-Flatcar (TOFC); from rail to marine; etc.)
 ** Indicate one of the following: Rail, Truck, TOFC (Trailer on Flatcar), COFC (Container on Flatcar), Marine, Air
 *** Estimate volumes for full year 2007, assuming continued rail service on Cape Breton Island
 **** Use constant 2002 dollars when estimating future costs

Part E: Future traffic flows (2004) with NO rail service between Point Tupper and Sydney

INBOUND SHIPMENTS

Commodity	Origin	Destination	Intermediate Transfer Point (if applicable) *	Mode of Transport **	2004 Volume *** (metric tonnes)	# Rail Carloads/ Truckloads/ Containers	Transportation Cost (\$/tonne) ****	Transport Cost per Rail Carload/ Truckload/ Container

OUTBOUND SHIPMENTS

Commodity	Origin	Destination	Intermediate Transfer Point (if applicable) *	Mode of Transport **	2004 Volume *** (metric tonnes)	# Rail Carloads/ Truckloads/ Containers	Transportation Cost (\$/tonne) ****	Transport Cost per Rail Carload/ Truckload/ Container

* Intermediate Transfer Point refers to the location of an intermodal transfer between transportation modes (e.g., from Tractor--Semi-Trailer to Trailer-On-Flatcar (TOFC); from rail to marine; etc.)
 ** Indicate one of the following: Rail, Truck, TOFC (Trailer on Flatcar), COFC (Container on Flatcar), Marine, Air
 *** Estimate volumes for full year 2004, assuming NO rail service on Cape Breton Island (beyond Point Tupper)
 **** Use constant 2002 dollars when estimating future costs

Part F: Future traffic flows (2007) with NO rail service between Point Tupper and Sydney

INBOUND SHIPMENTS

Commodity	Origin	Destination	Intermediate Transfer Point (if applicable) *	Mode of Transport **	2007 Volume *** (metric tonnes)	# Rail Carloads/ Truckloads/ Containers	Transportation Cost (\$/tonne) ****	Transport Cost per Rail Carload/ Truckload/ Container

OUTBOUND SHIPMENTS

Commodity	Origin	Destination	Intermediate Transfer Point (if applicable) *	Mode of Transport **	2007 Volume *** (metric tonnes)	# Rail Carloads/ Truckloads/ Containers	Transportation Cost (\$/tonne) ****	Transport Cost per Rail Carload/ Truckload/ Container

* Intermediate Transfer Point refers to the location of an intermodal transfer between transportation modes (e.g., from Tractor--Semi-Trailer to Trailer-On-Flatcar (TOFC); from rail to marine; etc.)
 ** Indicate one of the following: Rail, Truck, TOFC (Trailer on Flatcar), COFC (Container on Flatcar), Marine, Air
 *** Estimate volumes for full year 2007, assuming NO rail service on Cape Breton Island (beyond Point Tupper)
 **** Use constant 2002 dollars when estimating future costs

Part G: Impacts of a Loss of rail service between Point Tupper and Sydney

Please identify which of the following impacts would affect your business as a result of the loss of rail service between Point Tupper and Sydney.

Shift in transportation mode required (should be reflected in your response to Parts E and F)
Comments: _____

Change in transportation rates (should be reflected in your response to Parts E and F)
Comments: _____

Loss of temporary storage capacity from rail cars
Comments: _____

Investment required for changes to transportation and handling infrastructure:
 One-time investment: \$ _____
 Recurring costs (other than changes to freight rate): \$ _____ per year
Comments: _____

Loss of sales or market opportunities:
 Commodities that can only move by rail due to safety, dimension, etc.
 Commodities that can only move economically by rail
 Other (explain): _____
 Quantify the annual amount of lost sales/opportunities: \$ _____ per year

Economic impacts of a loss of rail service:
 Impact on spending on locally-sourced goods and services: \$ _____ per year
 Impact on local wages: \$ _____ per year
 Impact on local employment: _____ FTEs (full-time equivalent jobs)
Comments: _____

- Impact on level of service:
 - Delivery time (explain): _____
 - Frequency (explain): _____
 - Flexibility (explain): _____
 - Other (explain): _____

- In the event of a loss of rail service east of Point Tupper/St. Peter's Jct., what effect would this have on your use of intermodal transportation? (Please describe) _____

If applicable, which location would you prefer for an intermodal transfer point, and why?

- Point Tupper/St. Peter's Jct.
- Truro
- Moncton
- Other (specify): _____

Comments: _____

Part H: Comments on other transportation services and infrastructure

Please provide any other comments regarding present or future transportation services and infrastructure on Cape Breton Island, related to your business operations.

Truck transportation / road infrastructure

Comments: _____

Marine freight transportation / port infrastructure

Comments: _____

Air freight transportation / airport infrastructure

Comments: _____

Opportunities to collaborate to fill empty backhauls into or out of Cape Breton

Comments: _____

Opportunities to collaborate to consolidate shipments into or out of Cape Breton

Comments: _____

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Thank you for your cooperation!