



November 25, 2007

Mr. Cam Plaisier  
General Manager  
Clear Rail Consulting  
Winnipeg MB

Dear Cam:

The Canadian Industrial Transportation Association (CITA) has been an advocate for Canadian industry with regard to freight transportation matters since 1916. Among its 120 member companies are many of the largest users of rail freight transportation in Canada.

There is wide spread dissatisfaction with rail freight price and service. Shippers throughout the country have been suffering declining service, increased rates and a growing number of ancillary and penalty charges. In addition the railways have implemented electronic data interchange systems that have downloaded activities and administrative costs on shippers and increased the workload for shippers to audit complex railway invoices.

The *Rail Guard* tool that Clear Rail Consulting has developed shows great promise in helping Canadian shippers, both large and small, take control of their commercial relationship with the Class 1 railways (CN and CPR) and to better manage their railway expenses. In addition, with the changes to the *Canada Transportation Act (the Act)* currently in Parliament, *Rail Guard* is potentially useful to shippers in bringing complaints to the Canadian Transportation Agency (CTA) that the Act will allow regarding ancillary charges such as fuel surcharges and demurrage.

Data collected by CITA members will also be useful in the advocacy work that CITA carries out, on behalf of its members, with government.

In summary, *Rail Guard* shows considerable potential for use by rail freight users across Canada and I am not aware of any comparable product or service on the market. We look forward to discussing this further with Clear Rail Consulting.

Sincerely,

R.H. Ballantyne, P.Eng.  
President