



FACT SHEET

LINE DISCONTINUANCE PROCESS

OKANAGAN SUBDIVISION

June 2014

Many questions have been asked about Canadian Pacific's (CP) former Okanagan subdivision. Following are more details regarding the discontinuance process that CP is required to follow as prescribed in the Canada Transportation Act.

Overview Sicamous to Armstrong

- CP's Okanagan Subdivision was leased to a shortline in November 1998.
- The shortline ceased operations and returned the lease on August 31, 2009, after their major customer ceased production.
- Under Section 146.01 of the Canada Transportation Act (CTA), CP had 60 days to either resume operations or follow the prescribed lines discontinuance process as mandated under the CTA.
- As the line was not economically viable for the shortline operator, CP chose to follow the prescribed line discontinuance process and advertise the line.

North Railway Line - Sicamous to Grindrod – Mile 0.3 – 16.4

- North railway line was advertised for continued railway operations on September 30, 2009.
- Interested parties to submit an Expression of Interest (EOI) by December 7, 2009, to purchase the line for continued operations.
- EOI's received in response to the advertisement for Continued Railway Operations – No agreement was reached with any EOI party.
- On June 18, 2010, the railway line was offered to the Provincial and Municipal Governments through which the line passes.
- On July 29, 2010, the District of Sicamous requested a determination of Net Salvage Value (NSV) from the Canadian Transportation Agency.
- On August 8, 2012, the Agency issued Decision No. 314-R-2012 that provided the line NSV.
- The District of Sicamous did not accept the offer to purchase the line.
- On November 15, 2012, CP formally discontinued the line from mile 0.3 to 16.4

South Railway Line - Grindrod to Armstrong – 16.4 – 31.63

- South railway line was advertised for continued railway operations on September 30, 2009.
- Interested parties to submit an Expression of Interest (EOI) by December 7, 2009, to purchase the line for continued operations.
- EOI's received in response to the advertisement for Continued Railway Operations – No agreement was reached with any EOI party.
- On June 18, 2010, the railway line was offered to the Federal, Provincial and Municipal Governments through which the line passes.
- On September 15, 2010, the Regional District of North Okanagan (RDNO) requested a determination of Net Salvage Value (NSV) from the Canadian Transportation Agency.
- On January 22, 2013, the Agency issued Decision No. 21-R-2013 that provided the line NSV.
- The RDNO did not accept the offer to purchase the line.
- On April 10, 2014, CP formally discontinued the line from mile 16.4 to 31.63

Sicamous to Armstrong - Spring 2014

- CP contracted Cando to salvage the track materials from Sicamous to Armstrong and work is underway.
- The land corridor is under review and CP will advise our plans over the next number of months.

Questions can be directed to our Community Connect line at 1-800-766-7912 or community_connect@cpr.ca