2026–2027

CN Grain Plan

About This Report

CN's 2026–2027 Grain Plan has been prepared in accordance with Canada's *Transportation Modernization Act*.

The plan has two main objectives:

1 **Assess** how much grain and processed grain products we expect to move during the 2026–2027 crop year (August 1, 2026 to July 31, 2027) based on the expected size of the crop and other supply and demand related estimates.

2 **Identify** the steps we will take to move this anticipated volume of grain over the course of the crop year based on demand forecasts and the resources we expect to be available.

CN consulted with our grain customers and other stakeholders concerning the draft 2026–2027 Grain Plan during the spring and early summer of 2026. CN also engaged with our Agricultural Advisory Council, which is comprised of a cross section of industry leaders, to provide ongoing advice and feedback on grain transportation and CN's interaction with producers. We would like to thank all stakeholders who provided their input and engagement for this year's Grain Plan.

Comprehensive monthly updates to the current and prior years' Grain Plans are available on CN's website here.

PHOTO ABOVE:
Melville, SK

COVER PHOTO:
Winnipeg, MB

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St-Adolphe, MB

Message from Tracy Robinson

It is my privilege to provide you with CN's 2026–27 Grain Plan.

As a critical link in Canada's agricultural supply chain, CN plays an essential role in connecting grain producers and customers to markets across North America and around the world. We are proud of that role and remain deeply committed to helping Canadian agriculture compete and thrive on the global stage.

Every crop year brings a new set of variables for farmers, customers, supply chain partners, investors and policy makers. Weather, market conditions, trade flows, labour availability, port performance and global uncertainty all influence how grain moves. While those factors change, our focus remains steady: operating safely, delivering reliably for our customers, and maintaining a fluid and resilient supply chain.

This year's Grain Plan reflects the strength of CN's scheduled operating model, the commitment and dedication of our railroaders, and the benefits of CN's long history of investment in its Western Canadian network, hopper car fleet and locomotive fleet. Those investments are paying off by strengthening the resilience of the grain supply chain, improving the productivity of our assets, and positioning CN to support customers as demand and trade flows evolve.

Grain movement is a shared effort across a much larger system that depends on close coordination across farms, country elevators, processors, railways, ports, terminals, vessel operators, customers and governments. When we plan together, we perform better. That means timely and accurate forecasts, strong communication, better alignment between rail operations and terminal capacity, and practical use of all available corridors.

When we plan together, we perform better. That means timely and accurate forecasts, strong communication, better alignment between rail operations and terminal capacity, and practical use of all available corridors.

Remaining close to our customers is central to how we run the railroad. It helps us understand demand, anticipate opportunities, respond to changing market conditions, and position resources where they are needed. It also helps us work with customers to find solutions when trade flows shift or operating conditions evolve. In an uncertain environment, that level of discipline, strong partnerships and communication matters.

Canada's grain supply chain is strengthened by a stable, productive and competitive policy environment. Labour stability, efficient port operations, balanced regulation, and policies that encourage private investment all support capacity, fluidity, productivity, and Canada's ability to compete in global markets.

Our focus remains clear: operate safely and with discipline, stay close to customers, leverage the capacity and resilience built through years of investment, and work with supply chain partners to strengthen planning and execution. We will also continue to engage constructively with governments on the issues that affect the long-term strength of Canada's supply chains.

I want to thank our customers, producers, terminal operators, port partners, government stakeholders, and the members of CN's Agricultural Advisory Council for their continued collaboration and valuable input. I also want to recognize and thank CN railroaders for the work they do every day to keep grain and the broader economy moving. The 2025–26 crop year showed what the grain supply chain can achieve when we plan and execute together, with CN delivering record grain movement alongside our customers and supply chain partners.

Together, we can move this year's crop safely and efficiently, while continuing to build a stronger, more resilient end-to-end grain supply chain that supports the long-term growth and prosperity of the Canadian agricultural sector.

Tracy Robinson
President and Chief Executive Officer

Executive Summary

CN enters the 2026–27 crop year focused on moving grain safely, reliably, and efficiently for customers and the Canadian agricultural supply chain.

This plan is grounded in a simple operating reality: CN can plan and perform best when it stays close to customers and when the broader supply chain works together. Strong grain movement requires infrastructure, equipment, crews, operating discipline, timely forecasts, port and terminal fluidity, vessel loading capacity, and balanced use of available corridors.

Building on the lessons and performance of the prior crop year, this plan assesses the grain volume CN expects to move in 2026–27 and identifies the steps CN is taking, with customers and supply chain partners, to support safe, reliable and efficient grain movement.

Grain Volume Expectations and Readiness

Based on current estimates, CN expects customers to move 30 to 33 million metric tonnes (MMT) of grain and processed grain products by carload from Western Canada during the 2026–27 crop year compared to crop year maximum sustainable end-to-end grain supply chain capacity on CN of 36.7 MMT. CN also expects containerized grain shipments from Western Canada to be consistent with recent years.

These forecasts are based on available information about crop production, carry-in supplies, total available supplies, domestic use, exports, customer demand, and market conditions, and assume no major trade-related disruptions to commodity flows during the crop year.

Based on the information and assumptions outlined in this plan, CN expects to have the resources in place to move the expected 2026–27 grain volume.

Assuming all the conditions are in place for a given week to achieve maximum sustainable supply chain capacity levels, including normal rail operating conditions, no major mainline disruptions, no labour disruptions, sufficient customer demand, end-to-end grain supply chain fluidity, and effective corridor balance, CN can move:

- Up to 7,950 cars per week, or 758,000 metric tonnes, outside winter.
- Up to 6,400 cars per week, or 609,000 metric tonnes, during winter.

Operational Efficiency and Supply Chain Collaboration

CN's ability to move grain depends on more than rail assets. The end-to-end grain supply chain includes country elevators, processors, railways, port terminals, vessel operators, other transportation providers, customers, and governments.

CN's record setting performance in the 2025–2026 crop year showed what can happen when all parts of the supply chain work together.

CN's investments over the years in Western Canadian infrastructure are helping support resilient and reliable grain movement for our customers. These investments include capacity gains on the Edson Subdivision through double tracking projects along with other 2025 projects that supported more efficient movement of grain and other rail traffic.

CN remains focused on:

- Safe operations.
- Reliable service.
- Staying close to customers.
- Collaboration with customers regarding demand forecasting.
- Deliberate resource positioning based on demand.
- Crew planning and operational readiness.
- Port and terminal coordination.
- Grain-specific reporting and visibility.

Close collaboration with customers and supply chain partners remains essential. Timely and accurate forecasts help CN plan crews, locomotives, hopper cars, train starts, corridor use, and infrastructure requirements. Better planning and forecasting also help CN get ahead of demand as much as possible and place resources where they are needed to deliver for customers.

Policy and Regulatory Concerns

CN's ability to support the grain supply chain is affected by policy and regulatory decisions that influence labour availability, network productivity, investment, terminal performance, supply chain visibility, and capacity.

CN anticipates entering bargaining with TCRC Canada, representing conductors and engineers, in the fall of 2026. CN previously negotiated with TCRC Canada in 2024.

At the time of publication, the outcome of the 2026 bargaining process is unknown. This plan does not speculate on the result of bargaining or potential impacts.

CN's objective is to approach bargaining constructively, with a continued focus on safety, service, and supply chain continuity and reliability.

Other policy and regulatory issues that may affect the grain supply chain include:

- **Labour regulations:** Changes to federal labour regulations in May 2023 resulted in CN needing ~10% more people to move the same amount of freight. Besides increasing costs to customers, fluctuating crew availability makes it harder to plan rail traffic movement and reduces supply chain efficiency. Canada needs more effective resolution mechanisms for labour disputes. The federal government must take regulatory steps to reduce the risk of work stoppages and support greater certainty and stability across the rail network.

CN's investments over the years in Western Canadian infrastructure are helping support resilient and reliable grain movement for our customers.

Prince Rupert, BC

- **Extended interswitching:** CN opposes any reinstatement of extended interswitching as it uses resources to move freight between railways instead of moving freight to markets. This extends cycle times and reduces supply chain capacity.
- **Data and Visibility:** CN encourages the Government of Canada to broaden the scope of supply chain reporting beyond the railways for better visibility on end to end grain supply chain performance.
- **Tax measures that encourage private infrastructure investment:** CN advocates for policy changes, such as accelerated depreciation, that would promote investment and unlock private infrastructure funding.

Conclusion

CN's 2026–2027 Grain Plan reflects an integrated, end to end approach to supply chain planning that supports sustainable agricultural growth, efficient transportation, and long term economic development. Based on the information and assumptions outlined in this document, CN is confident the resources are in place to move the 2026–2027 grain crop, which is currently forecasted to be less than the record shipments executed during the 2025–2026 crop year.

New Actions and Initiatives


Trochu, AB

CN's planning process includes a review of the previous crop year, current demand forecasts, customer feedback, operating conditions, resource levels, infrastructure needs, and supply chain performance.

For the 2026–27 crop year, CN's actions and initiatives focus on practical readiness, safe and reliable service, and collaboration across the supply chain.

1 Review and assessment

Planning to move a grain crop is not a once-a-year process. CN plans and prepares on a continuous basis. Our staff review prior crop year performance to identify what worked, what constrained performance, and what should be adjusted for the next crop year.

The review also assesses:
- Customer demand levels and order patterns.
- Hopper car order fulfilment.
- Corridor balance.
- Terminal fluidity.
- Vessel loading and port conditions.
- Winter operating conditions.
- Mainline disruptions and recovery.
- Customer and stakeholder feedback.

2 Strengthening operational readiness

CN will focus on aligning resources with expected demand, including crews, locomotives, hopper cars, yards, sidings, train starts, and corridor plans.

This planning requires accurate customer forecasts and timely information from supply chain partners. Staying close to customers helps CN better understand demand and put resources where and when they are needed.

In the absence of customer forecasts, CN must plan based on historical demand patterns, current market information, and corridor utilization.

3 Hopper cars and locomotives

CN's hopper car fleet is supported by its multi-year modernization program, which has added 4,250 new high-capacity hopper cars since 2018.

CN is managing hopper car availability, locomotive resources, and fleet planning to support expected demand, subject to final forecast, fleet, and operating assumptions.

CN expects its high-horsepower and medium-horsepower locomotive fleet to be approximately 1,950 units.

Approximately 60% of the high-horsepower fleet is expected to use alternating current (AC) traction during the 2026–27 crop year compared to 45% two crop years ago. These upgrades help reduce fuel use and maintenance needs, improving locomotive availability.

CN is committed to working with customers, port operators, terminal operators, other railways, vessel operators, governments, and other partners to improve the efficiency of supply chains.

4 Infrastructure investment

CN's investments in infrastructure are intended to support safety, service, capacity, and resilience. These investments are central to CN's ability to support grain customers and the broader supply chain.

During this crop year, CN will continue to advance two key Western Canadian capacity-enhancing projects, namely:

- The Zanardi Bridge project will replace a single-track bridge with a triple track, 1600-foot bridge over the Zanardi Rapids. This project will increase capacity and improve fluidity to and from the Port of Prince Rupert.
- The Glen Valley–Abrahamson project will double track the last section of single track in CN's route into the Vancouver gateway from the Directional Running Zone, in turn enhancing rail traffic fluidity.

5 Collaboration

CN is committed to working with customers, port operators, terminal operators, other railways, vessel operators, governments, and other partners to improve the efficiency of supply chains.

The 2025–2026 crop year showed what can happen when all parts of the supply chain work together. For the upcoming crop year, CN will support deeper collaboration and stay close to our customers as the industry continues to face trade flow uncertainty.

The focus is practical coordination, including more accurate customer forecasts, earlier and more frequent customer communication, better alignment between train arrivals and terminal unload capacity, and better use of all available corridors. It also includes finding efficiencies that help CN deliver value for customers, improving visibility through reporting and shipment tracking, and engaging with stakeholders on grain loading during inclement weather.

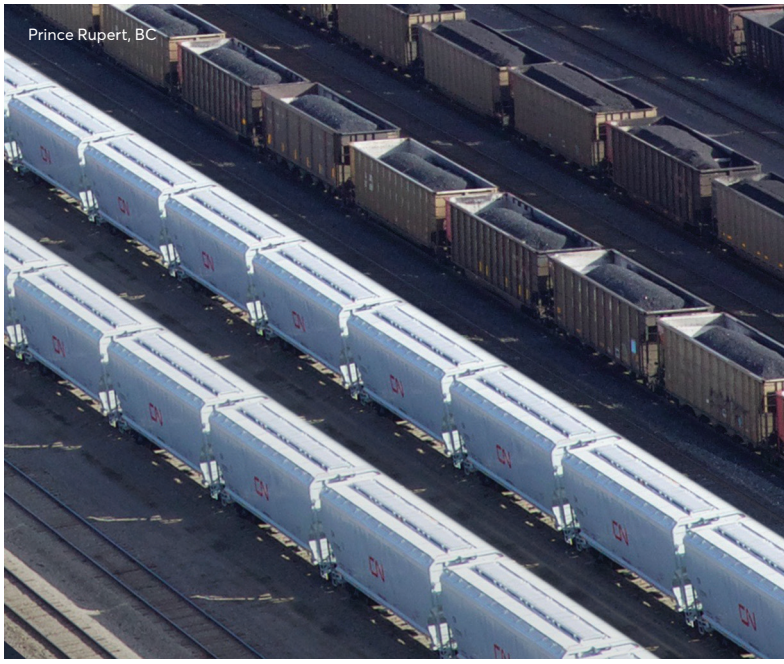
6 Operational planning adjustments

CN assesses and adjusts its operating plan based on customer forecasts, corridor demand, port conditions, terminal performance, winter conditions, and overall network fluidity.

During the 2025–2026 crop year, CN advanced its grain operating plan to improve predictability, customer visibility and network fluidity during a period of exceptionally strong demand. CN strengthened cross-functional planning through weekly demand forecasting between its Sales and Marketing and Operations departments, daily peak-season coordination calls across its Transportation, Network Operations and Motive Power departments, and proactive resource positioning ahead of the fall grain ramp-up. Operational adjustments included:

- More aggressive advanced strategic positioning of loaded hopper cars in forward positions closer to port to maximize grain supply chain fluidity.
- Earlier disposition instructions to customers of empty grain cars from Vancouver and Prince Rupert before they reached Edmonton.
- Enhanced customer notifications and quality of communication, in turn supporting more reliable ETAs.

These actions improved the predictability of empty-car arrivals, helped customers better align country elevator operations and grain export terminal pipeline planning, and support more fluid movement across the grain supply chain.


Prince Rupert, BC

Factors Affecting Overall Grain Supply Chain and Rail Capacity

The grain supply chain operates across a complex network of farms, country elevators, processors, rail lines, rail yards, terminals, ports, vessels, customers, and destination markets. Capturing opportunities for Canadian grain requires those parts of the supply chain to work together.

CN's rail network also moves many other commodities. Grain demand cannot be assessed in isolation because crews, locomotives, yards, mainline capacity, and infrastructure are shared across the network.

Strong forecasts and planning drive reliable supply chains

Timely and reliable demand forecasts are critical to resource and operational planning.

CN converts demand forecasts into train counts, which are then used to plan crews, locomotives, hopper cars, yards, and infrastructure requirements.

Long lead times are required to add rail capacity:

- Recruiting and training crews can take ~9 months.
- Acquiring hopper cars and locomotives can take 12+ months.
- Building track and other infrastructure can take 18+ months.

Trochu, AB

When customer forecasts are late, incomplete, or materially different from actual demand, CN has less ability to plan efficiently. Improved customer forecasts both short-term and long-term support better resource planning and supply chain performance.

CN works with customers to improve the quality, timing, and detail of grain movement forecasts. Better planning and forecasting help CN get ahead of demand as much as possible and position resources where they are needed.

Impacts of weather and other factors

Weather affects all parts of the grain supply chain.

Extreme cold can affect rail infrastructure, rolling stock, locomotive power, crews, country elevators, export terminals, and grain movement into the primary elevator system. Winter also reduces available supply chain capacity when the Port of Thunder Bay is closed and the Great Lakes–St. Lawrence Seaway system is not available for grain shipments.

When cold conditions require it, CN implements winter operating protocols to maintain safe operations. Speed and train length restrictions can become necessary to ensure safe operations during periods of severe cold (-25C and colder); these restrictions can reduce overall network velocity, and they require more resources to move the same volume of freight. To help mitigate these impacts, CN uses distributed power and CN-built distributed air braking cars, or "air cars," to supplement air supply to a train's brake system and help reduce the need to shorten trains where conditions and operating rules allow. For more information about CN's winter operations, please consult CN's Winter Plan.

Persistent rainfall can reduce terminal productivity and vessel loading at West Coast ports. Today, when inclement weather is expected during a loading shift, grain companies and vessel owners/operators make commercial decisions about whether to prepare for loading grain through feeder holes (if a vessel is fitted with them). Feeder holes are purpose-built openings in vessel hatch covers that allow a loading spout to be inserted, enabling grain loading to continue while limiting exposure to weather. Transport Canada's 2022 working group has explored practical solutions, including process changes and new equipment, to recover operational time during Vancouver's 30 to 60 rainfall days each year while improving safety. CN encourages all stakeholders to advance solutions that protect supply chain capacity. The longer and more frequently these conditions occur, the more they reduce the supply chain's ability to recover efficiently. Progress has been reported by Transport Canada concerning more efficient means of loading grain during inclement weather, but at the time of the writing of this document it was unclear to what extent new technologies might be implemented during the 2026–27 crop year at individual grain export terminals.

The key to success is for supply chain partners to avoid working in isolation and to collaborate across sectors to support long-term demand.


St-Adolphe, MB

The interconnected supply chain

Rail is one part of the end-to-end grain supply chain, which includes trucking from farm to country elevators, processing facilities, and port terminals.

If, for example, an export terminal is congested and lacks space to unload railcars, trains directed to that terminal may need to be held back. This can slow the return of empty hopper cars to country elevators and affect other customers who use the shared hopper car fleet. Delays at any point in the supply chain create ripple effects that impact the entire system.

CN's locomotives, crews, and infrastructure support all traffic on the network, not only grain. Because rail capacity is finite, accurate forecasts across all business segments are essential to plan resources, maintain network balance, and respond to demand. Some assets, such as locomotives, can be redeployed when demand shifts, but crews are tied to specific regions and require time to train and adjust to local operating conditions.

To maintain fluidity and maximize efficiency, CN, customers, port operators, terminal operators, vessel operators, other railways, and governments must work collaboratively across the full supply chain.

The key to success is for supply chain partners to avoid working in isolation and to collaborate across sectors to support long-term demand. The 2025–2026 crop year showed what is possible when all parts of the supply chain work together. CN's focus for 2026–27 is to keep leaning into that collaboration while continuing to improve planning, forecasting, and operational execution.

Estimating 2026–27 Western Canadian Grain Supplies


Camrose County, AB

Forecasting the volume of grain and processed grain products to be moved during the crop year requires consideration of three key factors:

1 Grain production, the largest factor affecting overall volumes to be moved.

2 Carry-in from the previous crop year, which, combined with grain production and imports, represents total available supplies.

3 Domestic use and exports, leaving the balance as carry-out.

CN relies on feedback from customers, private market analysts, government agencies, and other grain industry participants to project yearly grain volumes.

At the time of this document's writing, considerable instability also remained in the global commodity trading environment, creating greater uncertainty than normal about the extent to which anticipated grain volumes will move into the grain supply chain. The assumptions presented herein concerning estimated grain movement assume a normalized global trading environment during the crop year.

Crop production forecasts can change significantly during the growing season. Weather, soil moisture, seeded area, harvested area, crop quality, market access, trade flows, customer demand, and export programs can all affect the volume and timing of grain movement. Statistics Canada's crop production estimates are often revised months after harvesting is complete and its November crop production survey is released in early December. The same can be said of estimates of on-farm carry-in stocks as of the start of the crop year — estimates are simply estimates based on imperfect but well-informed information.

CN uses information from Agriculture and Agri-Food Canada (AAFC), Statistics Canada, customer demand forecasts and shipment plans, private market analysts, internal CN market and corridor demand assessments, and port and terminal capacity information to support its assessment of expected grain movement.

Given that crop production forecasts are subject to significant variability prior to, during and after the growing season, there is a significant lag created between when CN needs to make decisions about resources and when crop production estimates are solidified. However, CN can plan with a high degree of confidence for strong demand for the movement of grain and processed products post-harvest through winter. During this period, there will be times when demand for grain movement may exceed end-to-end grain supply chain capacity. Capacity is not infinite.

This past spring saw a late start to planting, with significant delays compared to normal observed across northern and eastern parts of Saskatchewan along with the Parkland region of Manitoba. Millions of acres of farmland were unplanted as of early June, creating uncertainty about final seeded acreage estimates. CN's estimates of expected grain movement account for the supply and disposition of all crops grown in Western Canada. For illustrative purposes in this document, AAFC's All Canada supply and disposition of the six major grains (wheat, barley, oats, rye, canola, flax) plus peas and lentils (herein referred to as "major grains") is used as a proxy for the supply and disposition of Western Canadian grain given that the vast majority of the Canadian production of these crops is concentrated in the Prairies.

All Canada carry-in supplies of the major grains for the 2026–27 crop year are projected to be at the highest level since 2014–15 given the sheer volume of Western Canadian grain production in 2025 in relation to the volume of grain marketed by farmers during the 2025–26 crop year. AAFC estimates all Canada carry-in of the six major grains, peas and lentils for 2026–27 at 14 MMT compared to 8.8 MMT in the 2025–2026 crop year and the three-year average of 10.2 MMT.

Production of the major grains is estimated by AAFC at 75 MMT compared to 83.8 MMT in 2025 and the three-year average of 75.3 MMT. The absence of drought in Western Canada this growing season increases the likelihood that farmers in many areas may achieve above average yields.

Total available supplies are projected by AAFC to remain historically high as well. AAFC projects total available supplies of the major grains for the 2026–27 crop year at 88.9 MMT compared to 92.5 MMT in 2025–2026 and the three-year average of 85.6 MMT.

AAFC projects exports of the major grains during the 2026–27 crop year at 47.5 MMT compared to 49.4 MMT during the 2025–2026 crop year and the three-year average of 46.6 MMT. AAFC projects 2026–27 crop year ending stocks of the major grains at 11.7 MMT compared to 14 MMT during the 2025–2026 crop year and the three-year average of 11.2 MMT.

CN will update its assessment as new crop production, market information, and customer feedback is made available.

FIGURE 1
All Canada Production
Six major grains, peas, lentils
000 metric tonnes

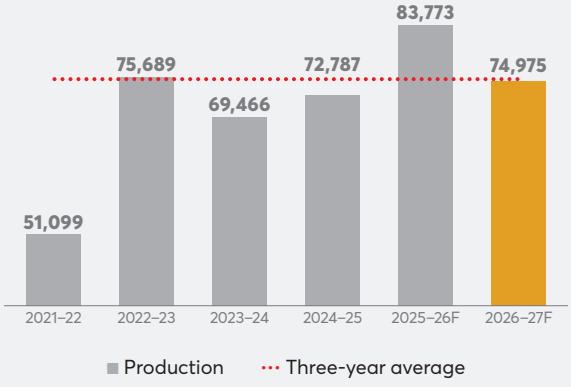


FIGURE 2
All Canada Total Supplies
Six major grains, peas, lentils
000 metric tonnes

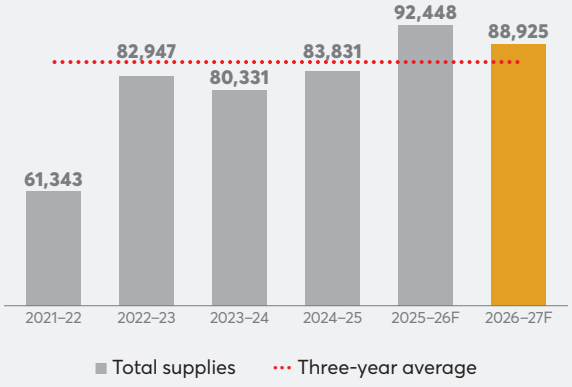


FIGURE 3
All Canada Exports
Six major grains, peas, lentils
000 metric tonnes

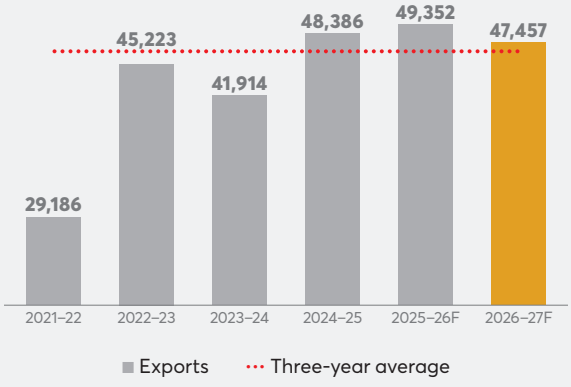
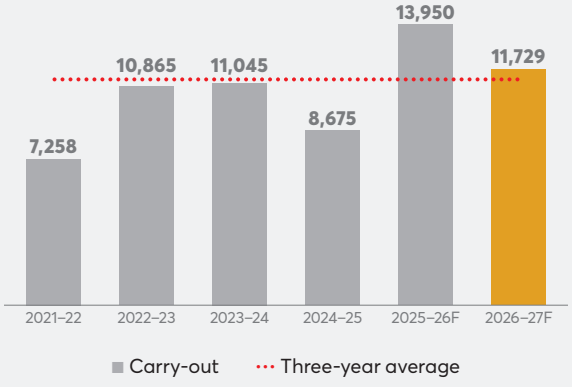


FIGURE 4
All Canada Carry-out
Six major grains, peas, lentils
000 metric tonnes



Farming and railroading are both very capital intensive businesses, and the past decade has seen investment in all aspects of the end to end grain supply chain.

Acheson, AB

Grain Shipment Forecasts

Based on current estimates, projected movement of grain and processed grain products by carload on CN from Western Canada during the 2026–27 crop year is expected to be 30 to 33 MMT.

In addition, CN expects containerized grain shipments direct from Western Canada to be consistent with recent years.

Containerized grain is an important part of moving grain from the Prairies to domestic and overseas markets. Empty export containers returning to port can provide additional transportation options when commercial, operational, and market conditions support their use.

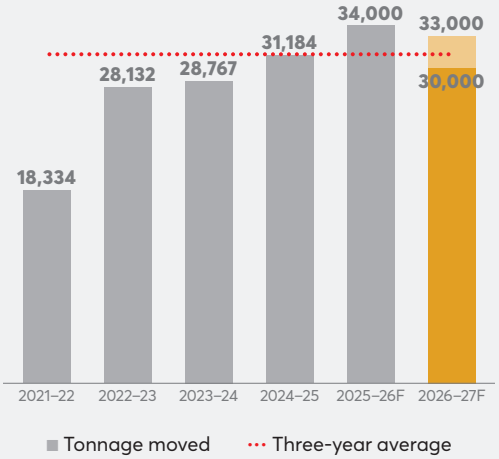
CN will refine its grain shipment forecast as crop conditions, market factors, customer forecasts, and supply chain conditions evolve.

Monthly updates to our Grain Plan are available here.

FIGURE 5

CN Western Canada movement of Schedule II commodities via carload

000 metric tonnes



Establishing Maximum End-to-End Grain Supply Chain Capacity

CN's estimate of projected grain movement is not to be confused with the amount of capacity available for grain movement during the crop year, appreciating that CN's maximum sustainable grain supply chain capacity guidance assumes that all major parts of the end-to-end supply chain are operating efficiently.

Grain supply chain capacity and demand for grain movement change throughout the crop year. The Port of Thunder Bay is closed during winter, taking a big slice of supply chain capacity out of the mix. In addition, adverse winter operating conditions can create a drag on supply chain productivity during that time of year. Harvest creates a rapid increase in available grain, but Canada cannot move all grain into the supply chain at once, especially given limited commercial storage and the need to balance grain demand with total rail network capacity. Aligning customer demand, on-farm delivery, elevator capacity, rail resources, port capacity, and vessel loading is essential to maximizing end-to-end throughput.

Corridor balance

When demand is concentrated in corridors already under pressure, congestion increases and network fluidity declines. Efficient use of all available corridors helps improve fluidity and supports grain movement to market.

Thunder Bay and the Great Lakes–St. Lawrence Seaway system provide significant grain throughput capacity when open, and Montreal, Quebec City and other eastern gateways help relieve pressure on Western Canadian routes and ports.

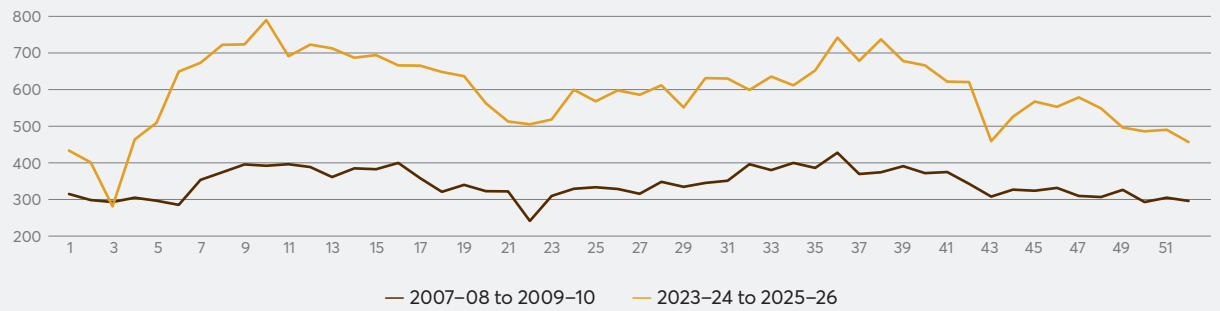
Infrastructure investment

Farming and railroading are both very capital intensive businesses, and the past decade has seen investment in all aspects of the end to end grain supply chain. CN's infrastructure investments have materially strengthened Western Canadian grain movement capacity and resiliency. CN completed all eight capacity projects planned for 2025, including yard, siding, and double-track investments in Western Canada. On the Edson Subdivision between Edmonton and Jasper, CN added significant double-track capacity, improving velocity through a very busy section of the CN Western Region. Since 2022, these investments have helped increase capacity in that specific section of the network by approximately 25% between Edmonton and Jasper.

FIGURE 6

Average weekly Western Canadian CN shipments of grain and processed grain products

000 metric tonnes



CN continues to advance the following major investment projects in Western Canada including:

- **The Zanardi Bridge project** is an example of CN's long-term investment in corridor capacity and supply chain resilience. This multi-year project addresses a natural rail bottleneck near the entrance to the Port of Prince Rupert and is designed to expand capacity through a new three-track bridge and related track extensions.
- **The Glen Valley–Abrahamson project** will add double track on a key Port of Vancouver approach segment, supporting future volume growth and improving the ability to move traffic through the final miles to Vancouver-area terminals.

CN's past infrastructure investments were a factor in the 2025–26 crop year's record grain movements, showing a remarkable increase in the amount of grain moving through the supply chain during the peak demand period. We continue to focus our investments on projects that improve the safety, resilience and fluidity of our network.

Zanardi Bridge construction
Prince Rupert, BC

Engaging with government

CN focuses on policies and regulatory measures that affect safety, service, investment, labour availability, infrastructure development, end-to-end supply chain performance, and capacity.

Areas for engagement may include:

- Support improved Canadian productivity and competitiveness by ensuring labour and regulatory stability across supply chains.
- Ensure a level playing field with the U.S. by implementing a more balanced tax regime with similar depreciation rates for investments.
- Make Canadian gateways more competitive globally by investing in necessary technology and infrastructure.
- Support Canadian economic growth by creating the right conditions for private sector investment, including faster and more predictable permitting processes.
- Promote resilient and efficient supply chains by facilitating seamless collaboration across the end to end supply chain.

CN's grain marketing programs

CN's programs are designed to support efficient grain handling, better asset use, and reliable car supply for customers. CN offers commercial programs that encourage high-efficiency unit train facilities, including hook-and-haul operations that can load trains in 15 hours or less, helping reduce mainline occupancy and improve cycle times.

CN also works with customers on facility investments that allow loaded grain trains to be fully charged with air before CN crews depart origin, reducing departure time in cold weather and improving car velocity. Commercial car supply products, fleet integration programs, and general pool car supply give customers different ways to secure or request equipment based on their shipping needs, while supporting more efficient use of CN's shared hopper car fleet.

Crews work on double tracking sections of the Edson Subdivision west of Edmonton, AB.

Case study: Edson Subdivision capacity gains

Reliable grain movement depends on having capacity where it matters most. A key example is CN's investment in the Edson Subdivision, a critical mainline segment between Edmonton and Jasper that supports Vancouver and Prince Rupert rail traffic.

This corridor connects Western Canadian production to Canada's two largest West Coast export gateways and carries a diverse mix of traffic, including grain, potash, energy products, forest products, intermodal goods and other bulk commodities. For grain shippers, fluidity through the Edson Subdivision helps support tight vessel windows and reduces the risk that congestion affects access to global markets.

In 2025, CN completed two new double-track segments on the Edson Subdivision, removing key single-track pinch points on the route. Alongside other upgrades completed since 2022, the Edson Subdivision is now approximately two-thirds double-tracked. These investments have increased capacity between Edmonton and Jasper by about 25%, creating more room for trains to move when demand is high and improving resiliency for both West Coast gateways.

These projects are guided by strategic forecasting and simulation modelling, which help identify where new track capacity will deliver the greatest benefit. On the Edson Subdivision, that means improving fluidity not only for grain, but for the broader mix of commodities that share the corridor.

By expanding capacity on this critical route, CN creates a more reliable path to West Coast vessels. For producers, shippers, terminals and international customers, these investments support a stronger, more resilient grain supply chain.

CN Capacity

CN's readiness for the 2026–27 crop year is based on the resources and operating practices required to move the forecast grain volume, subject to the assumptions in this plan.

Maximum grain supply chain guidance

CN's maximum grain supply chain guidance for 2026–27 is:

- Up to 7,950 cars per week, or 758,000 metric tonnes, outside winter.
- Up to 6,400 cars per week, or 609,000 metric tonnes, during winter.
- Up to 36.7 MMT of annualized maximum sustainable grain supply chain capacity.

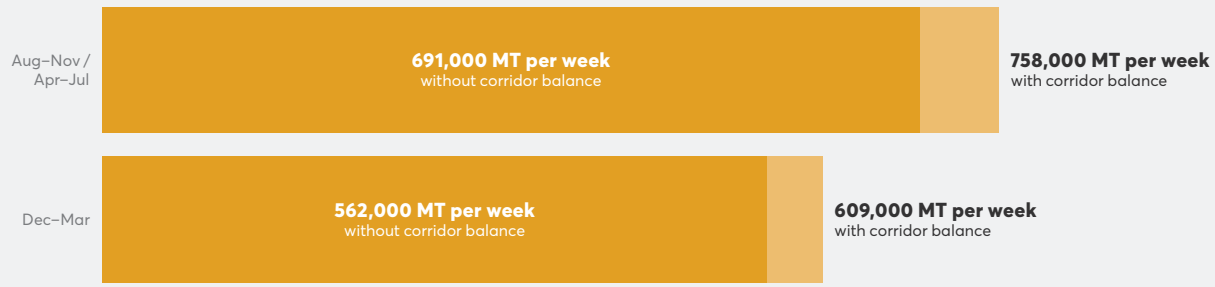
These maximum end to end grain supply chain capacity levels on CN assume that multiple conditions will be in place to help achieve them. These conditions include, but are not limited to:

- Grain supply chain fluidity, capacity utilization and corridor balance.
- Sufficient customer demand to meet these levels.
- Seven day continuous operations at all major grain export facilities.
- Grain facility railcar unloading and vessel loading during inclement weather.
- Normal winter rail operating conditions.
- Extended Interswitching not being in place.
- No significant labour disruptions.
- No mainline or other major supply chain disruptions.

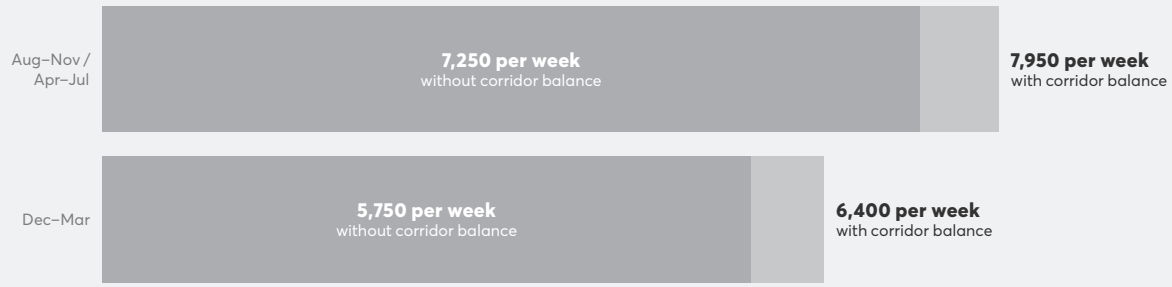
FIGURE 7

Maximum end-to-end sustainable supply chain capacity – bulk and processed grain products

metric tonnes shipped per week



cars shipped per week



CN's network capacity expectations for the 2026–27 crop year

Based on current demand forecasts and the best available economic and market information, CN expects total demand for rail service on key grain corridors to sometimes exceed capacity during the winter. Capacity is finite.

Hopper car fleet size and efficiency

Based on current overall demand forecasts, CN's assessment is that the grain hopper car fleet will be sufficient to move the anticipated volume of grain over the course of the 2026–27 crop year. Through its multi-year grain hopper car modernization program, CN has taken delivery of 4,250 new high-capacity hopper cars since 2018.

This fall, CN expects to have an owned, operated or leased fleet of approximately 11,700 grain hopper cars focused on bulk grain service in Western Canada, compared to approximately 12,000 last crop year.

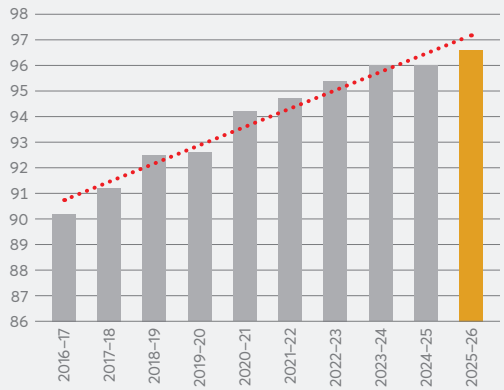
Including customer-supplied private hopper cars, the effective size of the hopper car fleet on CN's network is expected to total approximately 13,400 cars.

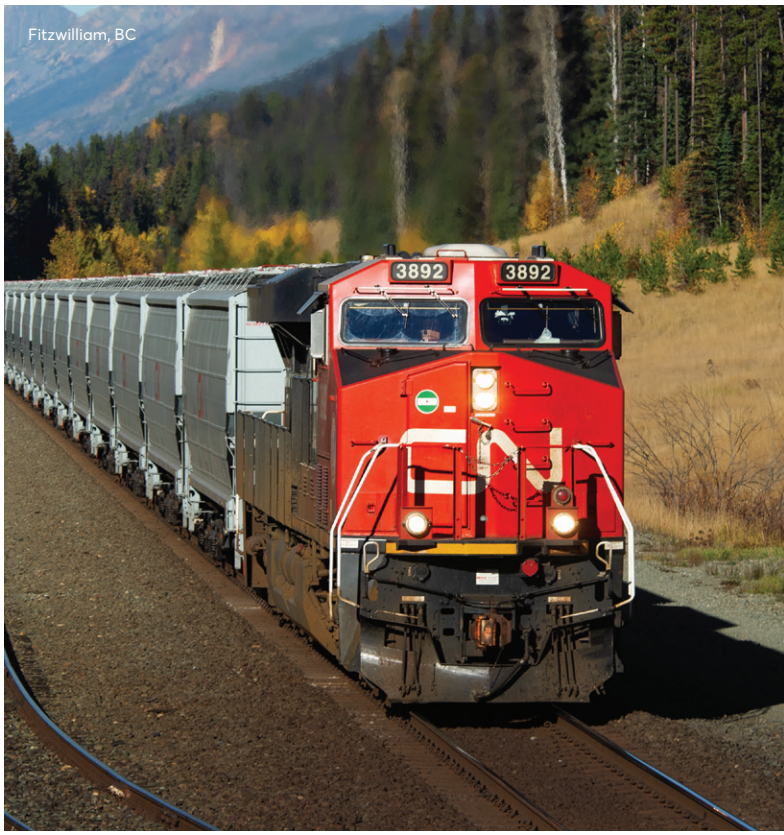
Since 2016, due to enhancements to hopper car design and the range of fleet solutions customers can use, the average tonnage shipped per car on CN out of Western Canada has increased by over six metric tonnes, or over seven per cent. Moving more tonnage per car helps increase throughput during periods of peak hopper car demand.

FIGURE 8

Average payload for CN-originated bulk grain shipments ex Western Canada

metric tonnes per car





Locomotive fleet and modernization program

CN's locomotive fleet supports grain movement as part of an integrated network that also moves intermodal, merchandise, bulk, automotive, forest products, energy, chemicals, and other commodities.

For the 2026–27 crop year, CN expects its high-horsepower and medium-horsepower locomotive fleet to be approximately 1,950 units, in line with the locomotive fleet size during the past couple of crop years.

CN's locomotive modernization program has strengthened fleet efficiency and reliability by transforming 20+ year old assets from direct current (DC) to alternating current (AC) technology along with outfitting locomotives with the latest state-of-the-art technology. Locomotives equipped with AC traction motors have significantly increased pulling power, with roughly 55% greater tractive effort compared to DC traction motor-equipped locomotives. Approximately 60% of the high-horsepower fleet is expected to use AC traction during the 2026–27 crop year compared to approximately 45% two crop years ago. Upgraded locomotives are more fuel efficient (roughly 5% less fuel burn) and experience roughly 30% fewer maintenance shop events, increasing locomotive availability.

Operating crew base

CN's operating crew base is a key factor in service reliability and network fluidity. Crew planning is based on expected demand, train counts, regional needs, attrition, training timelines, and regulatory requirements.

CN assesses operating crew requirements at the individual terminal level. Grain traffic moving from the Prairies to Vancouver or Prince Rupert must move across British Columbia, which means crew availability at each terminal along the route is important to efficient rail movement.

CN expects the 2026–27 operating crew base to be aligned with forecast demand.

Crew planning requires long lead times. Recruitment, training, qualification, and regional familiarization must begin well before demand materializes. Recruiting and retaining employees can be more challenging in remote regions, where local labour markets, cost of living, housing, and access to services can affect workforce availability.

CN uses targeted recruitment measures in hard-to-recruit areas, including local recruitment sessions, partnerships with post-secondary and technical schools, outreach to underrepresented groups, online recruitment tools, and hiring incentives where appropriate.

Transport Canada's weekly rail performance indicators include reporting on the number of available railway operating employees at the provincial and territorial level. CN's number of available operating employees fluctuates over time based on market conditions and the regulatory framework.

CN anticipates entering bargaining with TCRC Canada, representing conductors and engineers, in the fall of 2026. The outcome of that process is unknown at the time of publication of this Grain Plan. CN will approach bargaining constructively, with a continued focus on safety, service, and supply chain reliability.

Efficient operational planning enhances capacity

CN's operating plan is designed to support consistent service across all commodities while meeting grain demand during peak periods.

CN's Scheduled Grain Service supports more predictable grain movement through a hub-and-spoke model built around major terminals in Winnipeg, Melville, Saskatoon, Edmonton and Jasper. This model helps CN consolidate loaded and empty grain cars, maximize train size, and align service with customer loading plans.

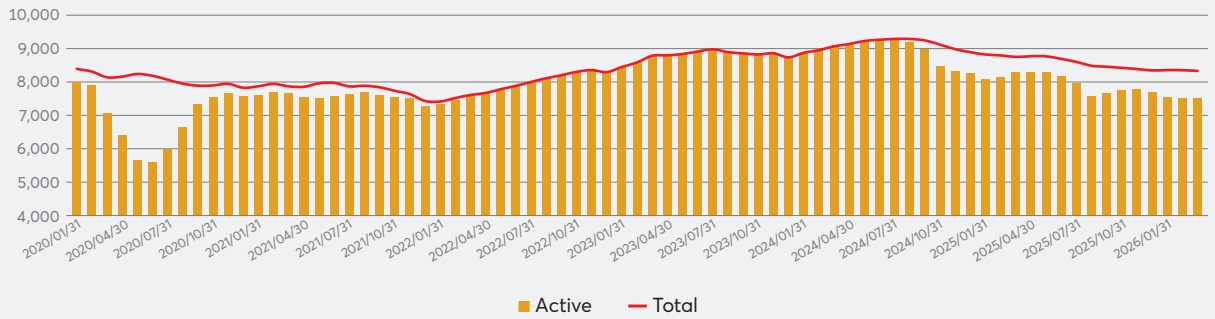
CN also uses scheduled slots for bulk unit trains and strategic staging locations between Edmonton and Jasper to improve corridor fluidity and make better use of available capacity. Capacity improvements on the Edson Subdivision, including double-tracking projects have supported CN's ability to slot bulk trains through this high-demand corridor.

Operational planning for grain includes staying close to customers to understand demand and timing, coordinating with customers on pipeline plans and order timing, and working with ports and terminals to align train arrivals with unloading capacity and vessel loading. CN also monitors corridor fluidity and adjusts operations when disruptions occur.

CN will continue to use performance reporting, customer communication and operational planning tools to support service and transparency. The focus is to improve planning, identify efficiencies and position resources where they are needed to deliver for customers.

FIGURE 9

CN network-wide operating crew base statistics



Grain-Specific Supply Chain Reporting

CN provides regular reporting to help customers, producers, governments, and other stakeholders understand grain movement performance.

CN reports the total amount of grain and processed grain products shipped from Western Canada over a specific period. We also measure and report on grain supply chain performance in other ways, including the quality of the service provided. This information is available in significant detail on a weekly basis through CN's Western Canadian Grain Report. This voluntary reporting captures 100% of grain shipments moving in CN supplied hoppers and private hoppers along with 100% of the orders received for CN supplied equipment.

Additional detail specific to grain movement is reported to Transport Canada as part of federal reporting requirements. Grain car order placement and fulfilment data, for example, is reported on a province by province basis. There is also information on the number of grain cars loaded and billed moving in the system by province.

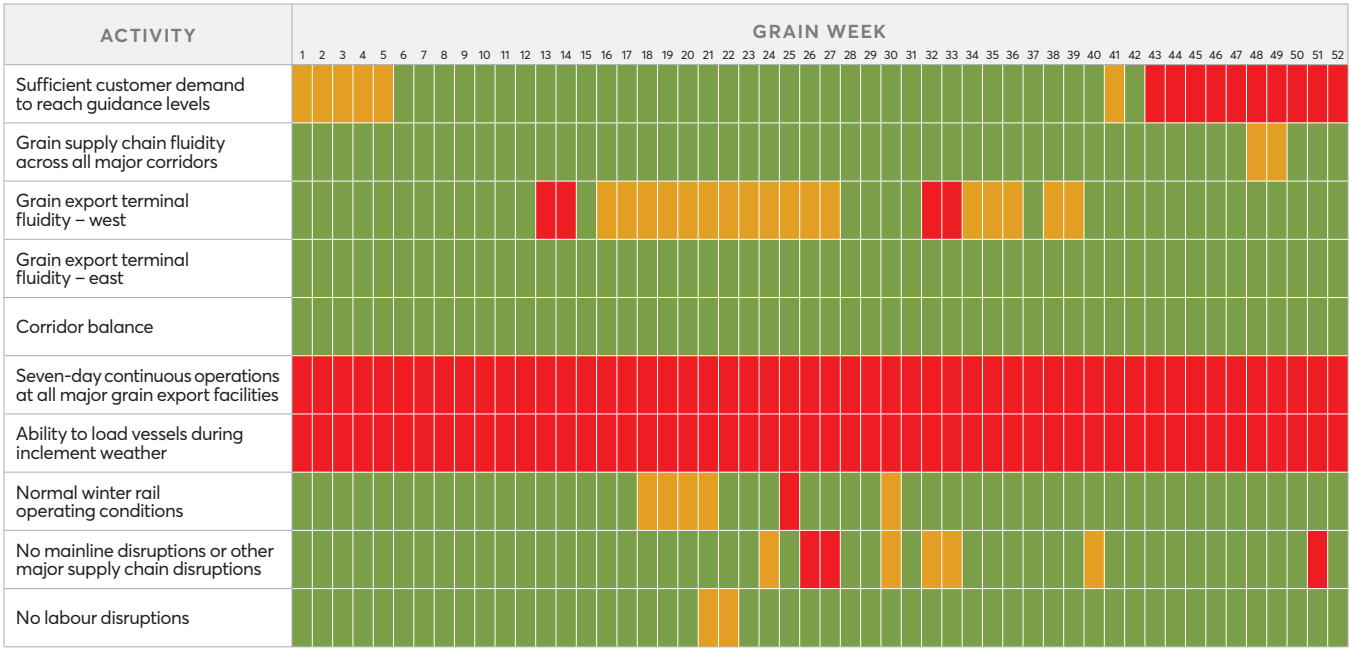
Evaluating the entire grain supply chain

CN's reporting is intended to provide practical visibility into what is happening across the grain supply chain.

When analyzing the performance of the grain supply chain, many supply chain participants and stakeholder focus almost exclusively on just one link in that chain, namely rail transportation. Performance must be assessed across what has always been an inter-connected supply chain including country elevators and processing facilities (and the flow of grain deliveries to these facilities by truck), grain export terminals, water-borne transportation (in the Great Lakes–St. Lawrence Seaway system and beyond), and rail transportation. Capacity constraints can arise from terminal productivity issues, inclement weather, labour, port fluidity, mainline disruptions, and other factors.

CN continues to support broader visibility into end-to-end supply chain performance, including data beyond rail operations, where appropriate and practical.

CN weekly grain supply chain dashboard 2025–2026 crop year summary



Canoe River, BC

Conclusion

CN's focus for 2026–27 is to move grain safely, reliably, and efficiently through sustained investment, disciplined planning, close customer communication, and collaboration with supply chain partners.

The 2026–27 Grain Plan assesses the volume of grain and processed grain products CN expects to move during the crop year and identifies the steps CN is taking to support that movement.

Based on the information and assumptions available at the time of publication, CN expects customers to move 30 to 33 MMT of grain and processed grain products by carload from Western Canada during the crop year. The maximum sustainable end-to-end grain supply chain capacity on CN is 36.7 MMT.

CN has the resources in place to move the expected volume, subject to the assumptions outlined in this report.

CN's focus for 2026–27 is clear: operate safely, stay close to customers, use the capacity created by sustained investment, and work with supply chain partners to move Canadian grain to market. The 2025–2026 crop year showed what can happen when the supply chain works together. The work ahead is to build on that collaboration with better planning, better forecasting, and continued focus on delivering for customers.

07/2026