

# Alberta's Oil Sands Summit

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Van Horne Institute



# Introduction

CF Managing Movement:

TransForce Inc:

Oilsands experience:

Challenges:

Solutions:

# CF Managing Movement

- Customer demand created a need for diverse transportation solutions,
- CF Managing Movement developed and executed a strategy that:
  - Builds on the traditional strengths of the CFMM group of companies
- With the support of the parent company TransForce inc:
  - Acquired new and diverse assets to support the initiative
  - Developed in house resources to integrate the resources
  - Successfully completed and is currently executing significant energy operational / project transportation contracts



# CF Managing Movement

- 19 Individual operating divisions
- Annual revenues exceed \$550 million
- 68 service centers/locations
- 3000 units of rolling stock
- Calgary based corporate office



Less than Truckload



Truckload



Logistics



Oilfield Services On Road



Oilfield Services Off Road





## ● CF Managing Movement driven by:

- Customer
- Team members
- Safety
- Service



# Transforce

- Over 75 individually managed companies
- Annual revenues in excess of \$2 B
- Over 4500 power units
- Over 12,000 team members
- Montreal based corporate office

The background features a 3D grid of light blue spheres connected by thin lines, receding into the distance on a dark blue gradient background. The spheres are arranged in a regular, repeating pattern that creates a sense of depth and perspective.

# Oil Sands Experience

# Oilsands Experience

- Historic involvement within the energy/mining community .
- CFMM companies with major operations in the oil sands region :
  - Westfreight
  - McMurray Serv U,
  - UTL Transportation Services
  - Canadian Freightways Ltd
  - Byers Transportation Services
  - Rebel
  - Universal Contract Logistics (UCL)

# Oilsands Experience

- Operations include:

- Multiple scheduled daily runs,
- Van, deck, expedited, specialized ,over dimensional,
- Air to ground coordination and logistics
- Global multi mode coordination and logistics
- Warehouse and preservation,
- Marshalling yards
- Pipe storage and inventory management facilities.

- Preferred integrated corporate carrier status for a number of major oil sands operations.

The background of the slide is a dark blue color with a 3D grid of light blue spheres. The grid is composed of lines that recede into the distance, creating a perspective effect. The spheres are positioned at the intersections of these lines, giving the impression of a crystalline or molecular structure.

# Oil Sands Challenges

- Oilsands much like conventional “Oilpatch” is impacted on the large scale by :
  - Global commodity supply and demand based price fluctuations
    - (\$35.00 /bbl lows – 140.00 /bbl highs)
  - Environmental and safety issues
  - Qualified and capable human resources.

● Due to scope and concentration of oil sands operations, it faces the additional challenges of:

- Increased direct competition for skilled manpower and general labor
- Inflated pressures on local operating space and facilities
- Lack of available/affordable land for development
- Overburdened local infrastructure

The image features a dark blue background with a 3D grid of light blue spheres. The spheres are arranged in a perspective view, receding into the distance. The word "Solutions" is centered in the middle of the grid in a white, sans-serif font.

# Solutions



## ● Successful operations will have:

- Acceptance and understanding of the challenges
- Development of strategies that provide solutions to address the challenges
- Committed execution of those strategies

- Operating in the region requires strategies that address:
  - Local manpower
  - Regional Manpower

# ● Local manpower

## ■ Quality of life balance

- Consistent work schedules
- remove the commute to site
- employee depth to accommodate personal time

## ■ Competitive wage and benefit packages

- Premiums for cost of living,
- Work volumes that provide overtime options
- Opportunity to develop personal goals

## ● Regional Manpower

### ■ Drivers remain loyal to:

- Companies that do not compromise safety
- Provide consistent miles
- Provide competitive wage and benefit packages
- Provide a balance of work and personal time

- Control schedule times/runs for off peak hours
- Support regional employees with local services/ facilities to provide:
  - local support for challenge resolution
  - on site local knowledge
  - Local cartage access to “keep them moving”
  - Depth of employees to accommodate personal time .

# Local Operating Space and Facilities

- Example LTL divisions:
  - consolidation of similar operations into the same facility.
  - Loading strategies that utilize equipment to maintain load factor while allowing for direct to customer loading to relieve local facility door pressure
    - Scheduled linehaul runs coordinated between divisions to match local capabilities.
  - Utilization of origin (Edmonton) for off site freight consolidations and volume control.

- Oil sands regions need to accelerate land release to accommodate :
  - New modern facilities
  - Continued viable growth opportunities
  - Increased attraction for long term investment.

# Infrastructure Pressure



- Reduce truck traffic in the commute windows,
  - Coordination of needs between customer and local operations to maximize unit utilization
  - Scheduled runs before, between and after daily commute.



## ● Customer specific example:

### ■ Oil Sands Operation site schedules:

- reduction of site runs
- removal of trucks from commute windows
- scheduled arrivals for site control
- reduced exposure creates positive safety impact
- cost effective

# Summary

- Partnership planning, coverage and reliability are required to:
  - Optimize asset utilization
  - Control the asset , control the result
  - Provide flexibility to accommodate “demand planning requirements”
  - Eliminate the transactional thought process
  - Support planned Infrastructure investment

- Communication and coordination of efforts between all stakeholders leads the way to safe and effective resolution of Oilsands transportation challenges !

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