B.C. on the Move: Engagement Meeting Notes

DECEMBER 9, 2014

9:30AM

CONFERENCE CALL

ATTENDEES/AFFILIATION	Brad Bodner, Director, Network Strategies, Canadian National Railway Company
MOTI REPRESENTATIVES	Norm Parkes, Executive Director of Highways, Ministry of Transportation and Infrastructure (MoTI) Brad Glazer, Director, Infrastructure Development, Northern Corridor, Pacific Gateway Branch, MoTI Nathan Popp, Senior Manager, Infrastructure Development, Northern Corridor, Pacific Gateway Branch, MoTI
NOTE TAKER	Selina Bull, Kirk & Co. Consulting Ltd.

KEY THEMES (3-6)

- 1) Rail: The participant expressed that capacity on rail lines in the Lower Mainland was an issue, and that overpasses are needed to remedy specific constraints.
- 2) Rail: The participant noted that rail access from Vancouver to the North Shore is constrained by a tunnel and bridge that has to lift for marine traffic. The participant stressed that if rail access could be opened, there would be economic development opportunities on the North Shore.
- 3) **Rail:** The participant indicated that it would be important for CN to work with the Province in order to maximize federal funding.

CHALLENGES AND OPPORTUNITIES

- Rail capacity in and around the Lower Mainland was a primary concern for the participant.
- The participant noted that, if rail capacity were opened up a little bit in the Lower Mainland, there would be major economic gains.
- The participant noted that it would be difficult to access federal funding program without a partner in the provincial government.

MOVING FORWARD - STRATEGIES

- 1) Moving People and Goods Safely and Reliably
 - The participant noted that the Ministry should consider what sort of crossing protection is already at the level crossing at Mile 29 of Highway 16 before going to grade separation.
- 2) Growing the Economy
 - The participant noted that CN moves a lot of frack-sand by rail.
 - The participant from CN pointed out that, with project cargo, the road capacity and improvements can often drive what there is on the roads, and vice-versa: what is on the roads can drive highway improvements. For example, the participant noted that companies are building a "Rupert Max" module that will fit on the transportation corridor.
 - CN noted that mixing the transportation of these large modules with regular traffic can be unsafe. The participant noted an example of Alberta's Highway 63 corridor to the oil fields, which has bad accidents. The participant suggested that this was something to keep in mind as the Ministry accommodates large industrial traffic. The participant added that if discrete moves can be done, it is good, but that it is different with a steady flow of large industrial traffic.
 - The participant noted that CN Rail wants to deal with large loads by reducing speeds and special handling. This participant added that there is a dimensional plate that limits the size of loads, and that the tunnel also governs the size of loads. CN noted that the parties involved are very receptive of working within the size of the transportation corridor.
 - The participant noted that if all the sourcing and transportation components align, there will be the optimal combination of labour and transportation costs.
 - CN pointed out that the timing of the replacement of the Fraser River Rail Bridge, which needs to be addressed, is linked to the replacement of the Patullo Bridge because the rail bridge will be built on the existing alignment of the Patullo, and the Patullo will be built upstream. The participant noted that looking 10 years ahead, CN is struggling to find capacity within the existing system with the constraint of the Fraser River Rail Bridge.
 - The participant noted that the Fraser River Rail Bridge is a bottleneck, as it is used by 5 railways and it is open 8 hours a day for marine traffic.
 - The participant stressed that rail access between Vancouver and the North Shore is also constrained by a tunnel and a bridge, which opens for 5 ½ hours per day.
 - CN noted that it is working with the Port to increase ventilation in the tunnel, but that, in order to take advantage of whatever
 capacity can be created around those bottlenecks, overpasses are needed. The participant pointed out that this will provide
 opportunities for trains in the short windows.
 - The participant stressed that overpasses at Douglas, Braid, and the crossing in Sumas are top priorities for CN, but that CN was unsure of where those would fit on the Province's roster.

- The participant from CN suggested that building these overpasses would help keep certain unnecessary rail traffic out of the Lower Mainland. This participant noted that these actions would allow the capacity life of the infrastructure to be extended.
- The participant added that keeping this train traffic out of the Lower Mainland would have the added benefit of taking some trains, which can be disruptive to the Port and to residents, out of the grid.
- The participant from CN noted that there needs to be some certainty that the rail network can deliver on capacity, and that development on the North Shore will be constrained by the corridor capacity unless some of these investments are made. The participant added that CN could foresee the volume of trains to the North Shore increasing by 50%, but that without the capacity, that development will be reined back.
- CN noted that it had added extra sidings at Smithers for the BC North line, where there are intermodal facilities. The
 participant noted that, in Terrace, CN decided not to extend facilities because CN does not need it there. However, the
 participant recognized that the community does want an overpass.
- The participant suggested that the Ministry can control where trucks stop by where it provides facilities.
- CN noted that it would like to see the ventilation of the tunnel addressed. The participant noted that CN was working with a consultant to see if improvements in ventilation would make a difference to capacity, and if so, there would be an investment. The participant added that currently, any railway can access the North Shore facility, and so there is a lot of economic activity that could be liberated from increased access.
- The participant pointed out that without working on capacity, economic activity that is associated with that capacity is going to be constrained. CN added that it has been focused on improvements that are tied to tangible opportunity. There are expansions underway. The participant stressed that there are new entrants that are looking for assurance that the capacity will be there for them.
- 3) Connecting and Strengthening Communities
 - The participant noted that CN is coming through a deal process in Kelowna to develop a bike path around the lake. The participant added that this path would skirt the lake most of the way and would be spectacular. There is a plan to tie this path to the Kettle Valley cycle trail.
- 4) Maximizing Collaboration and Investment with Partners and Stakeholders
 - CN pointed out that Canada is also putting together a transportation plan at this time, and inquired how this plan will fit into the federal one. The participant noted that if CN could land on what's important for both senior governments, CN could get more funding. The participant noted that the Province may prefer to have gateway projects funded in ways other than the Build Canada fund. The participant pointed out that it seems as though the Build Canada fund is focused on projects that are \$100 million plus.
 - The participant inquired whether the Province ever partners with businesses that will benefit from infrastructure improvements. Norm Parkes noted that the Ministry is always looking for partners.
 - The participant stressed that it would be important for CN to have a government partner for the Build Canada application, because organizations cannot even submit an application without some level of government stating that it is a project of value. The participant noted that when talking of projects with wider economic benefits, it can be difficult to get local governments on side because they are concerned about how it would drive costs on their side, in terms of infrastructure they have to provide. The participant indicated, therefore, that CN would be looking for support from the Province if not money, then at least support to qualify for funding with other funding partners. This is important because otherwise CN will be shut out.

TOP THREE PRIORITIES FOR TRANSPORTATION INFRASTRUCTURE IMPROVEMENTS

- Addressing rail capacity issues in the Lower Mainland is a priority for CN Rail, specifically building overpasses to support increased capacity at Douglas, Braid, and the crossing in Sumas.
- There is a need to address the Fraser River Rail Bridge.
- The participant expressed a desire to improve ventilation in the 11 000-foot rail tunnel, if that will increase capacity.

ADDITIONAL COMMENTS/DISCUSSION

- The participant inquired if the plan would address Gateway capacity. Norm Parkes indicated that it would involve all modes of transportation that MoTI touches.
- The participant from CN inquired if the engagement process was focused in the Lower Mainland. Norm Parks noted that there is a good balance, and that the Ministry has met with nearly every municipality, including northern ones.
- CN inquired what the requests have been so far from rural BC, as there is less of a congestion issue, and more issues around different modes of transportation.
- The participant inquired where the Patullo Bridge fits into the Province's vision. Norm Parkes noted that the Patullo falls under TransLink.
- CN noted that, outside of the Lower Mainland, it is line operation, which is basically moving trains, re-crewing them etc.
 Unlike the Lower Mainland, where trains are interacting with other railways and other road traffic, it is less of an issue in the rest of the province.
- The participant noted that there were many workers who travel from Vancouver to Edmonton or other places in Alberta for work.
- The participant noted that there was a fair amount of work being done on the Malahat Highway on Vancouver Island.

CN noted that the Fraser River Bridge is owned by Public Works Canada.