

South Shore Community Liaison Committee | March 2, 2023

# **Business Update**

# December 2022 year-to-date

	Total Cargo	Auto	Coal	Grain	Potash	Foreign breakbulk	Container TEUs	Cruise*
YTD	1	1	1	1	1	1	<b>←</b>	1
Compared to 2021	-3%	-6%	6%	-23%	11%	8%	-3%	-24%*

- \*Cruise volumes are compared to 2019 actuals.
- Increases over 2021 seen in coal (6%), potash (11%), sulphur (22%), petroleum products (6%), chemicals (9%) and foreign breakbulk (8%).
- Declines in autos (-6%), grain (-23%), and container TEUs (-3%).

# **General Updates**

# **Centerm Expansion Project and South Shore Access Project**

- Construction on the Centerm Expansion Project was completed at the end of December 2022.
- While construction of the terminal improvements is complete, work is ongoing to optimize operations to
  deliver the full capacity increase at Centerm. The full capacity gains are expected to be realized later this
  year, increasing the terminal's container handling capacity by two-thirds from 900,000 20-foot equivalent
  unit containers (TEUs) to 1.5 million TEUs.
- The South Shore Access Project is on track to be completed in April 2023.
- The Centerm Expansion Project and South Shore Access Project have been awarded the Institute for Sustainable Infrastructure (ISI) Envision Platinum award, the highest rated award by ISI. Read more about this exciting update here.

# **Provincial Emergency Exercise Program**

• The port authority was involved in the B.C. Government's 2023 Exercise Coastal Response Exercise, held in our operations centre, from February 7-9, 2023. This large-scale training exercise brought together more than 78 agencies to test coordinated emergency response to a major earthquake off the southern coast of B.C., focusing on the Lower Mainland. The goal of a provincial training exercise is for the B.C. Government and its partners to practice their response to an emergency. This includes First Nations, local, provincial, and federal agencies. The next exercise will be Coastal Response in 2023 which is co-led with Public Safety Canada. Read more about this update here.

# Port Authority Testing Low- and Zero-Emission Fuels

- The Vancouver Fraser Port Authority, together with partners from across the port community, are testing
  various low- and zero-emission fuels and technologies at the Port of Vancouver, as part of the port
  authority's efforts to phase out all port-related emissions by 2050 in support of the Government of
  Canada's goal to achieve net-zero emissions by 2050. Read more about this exciting update here.
  - Note: An invitation for members of this Committee to participate in a virtual session regarding our Climate and Air Quality Action Plan (CAQAP) will be forthcoming

2023-03-02 Page 1 of 8

#### 2022 Year-End Statistics Release

• The Vancouver Fraser Port Authority will be releasing its 2022 Year-End Statistics Report on March 9, 2023. Additional information, including the full 2022 Year-End Statistics Report, will be shared with the South Shore Community Liaison Committee upon publication.

## **Sufficiency Declared for Roberts Bank Terminal 2**

 On January 23, 2023, the port authority received news that the federal minister of environment and climate change has deemed that the information request response for Roberts Bank Terminal 2 is sufficient. The letter from the minister to Robin Silvester is here. The port authority's response to the decision is here.

# Bill C-33: Strengthening the Port System and Railways Safety Act

- On November 17, 2022, the Minister of Transport introduced the <u>Strengthening the Port System and Railway Safety Act</u> in the House of Commons. The Act is an outcome of two concurrent reviews the Railway Safety Act Review and Ports Modernization Review that were initiated in 2017 and 2018, respectively.
- This legislation is just one part of the Ports Modernization Review; other changes (amalgamation, jurisdictional changes, etc.) may occur through regulation and updates to the letters patent.
- The Act contains proposed amendments to existing legislation to modernize the way Canada's marine and rail transportation systems operate. This includes:
  - Customs Act
  - Railway Safety Act
  - Transportation of Dangerous Goods Act
  - Marine Transportation Security Act
  - Canada Transportation Act
  - Canada Marine Act

# Port authority-led/funded projects

# **Active Vessel Traffic Management (AVTM) Program update**

• The Vancouver Fraser Port Authority is leading the strategic and operational planning of ship traffic (commercial ships with limited maneuverability) through the Port of Vancouver with the development of an active vessel traffic management system. We are working with supply chain partners and industry stakeholders to increase port efficiency and better manage the effects of commercial ship traffic bound for the Port of Vancouver on local communities and the environment. We are also seeking input from Indigenous groups, various levels of government, community stakeholders, and the public as part of this process.

### A Five-Pillar Program:

The AVTM Program includes five integrated elements that the port authority will deliver in stages to support the evolution of ship traffic management:

- 1. **Centralized scheduling system:** We are developing a centralized, standardized tool for digitalized port call management to prioritize and sequence ships accessing the port. The centralized scheduling system will improve transparency, efficiency, and reliability for all port users.
- 2. **Anchorage management:** We are developing an anchorage management framework to reduce anchorage usage and transits, as well as an anchorage code of conduct to help reduce the overall impact of ships at anchor on coastal communities and the environment.
- 3. **Supply chain collaboration and incentives:** We are encouraging collaboration to support efficiency within the Port of Vancouver by incentivizing sustainability performance in the supply chain.
- 4. **Port call optimization:** We are improving the predictability of ship arrival times through the development of the centralized scheduling system, which will support better planning and scheduling of port resources (e.g., tugboats, marine pilots, labour, service suppliers), minimizing potential disruptions and supporting the resilience of the supply chain.

2023-03-02 Page 2 of 8

5. **Port community system:** We are establishing a neutral and open digital platform enabling secure information exchange between supply chain stakeholders to enhance port efficiency, productivity, and competitiveness.

#### **Status Update:**

- In fall 2022, the Vancouver Fraser Port Authority hosted the third phase of engagement for the AVTM
  Program, during which we shared program updates with Indigenous groups and the public and collected
  feedback on the draft anchorage code of conduct, as well as our approach to information sharing and
  complaint resolution. The feedback we received that fell outside our scope of authority was shared with
  Transport Canada. Engagement activities included:
  - Three in-person open houses held on November 15, 16, and 17, 2022, on Pender Island,
     Cowichan Bay and Ladysmith, and attended by representatives from Transport Canada,
     Canadian Coast Guard, and Pacific Pilotage Authority
  - An online information session held on November 22, 2022,
  - An online survey
- From November 22, 2022, to February 10, 2023, the port authority conducted a call for proposals for qualified contractors to provide on-water services to monitor ships anchored in the Southern Gulf Islands
- On February 15, 2023, the port authority released the engagement report summarizing the feedback received during the third phase of engagement for the AVTM Program. The full engagement summary report is available <a href="here">here</a>.
- On February 15, 2023, the anchorage code of conduct, which sets expectations and best practices for ships at anchor, took effect and was published in our Port Information Guide. The anchorage code applies to all ships anchoring at the Port of Vancouver and is strongly recommended for ships calling at anchorages managed under the interim protocol, including around the Southern Gulf Islands. Learn more about the practices and procedures included in the anchorage code of conduct, here.
- Based upon the feedback we received during phase three engagement, we are:
  - Requesting ships anchored around the Southern Gulf Islands follow the same best practices as the ships anchored at the Port of Vancouver, as outlined in the <u>Port Information Guide</u>
  - Developing, in collaboration with industry, additional measures to further reduce the impacts of ships at anchor, including enhanced anchorage management protocols
  - Exploring on-water service to monitor ships anchored around the Southern Gulf Islands
  - Exploring, in collaboration with Transport Canada, incentive measures to better manage anchorage use, as well as disincentives for long anchorage stays in the Southern Gulf Islands
  - Reviewing the frequency and content of project updates and improving our process to keep the community informed
  - Continuing to consider feedback throughout the implementation of the anchorage code of conduct and making changes as needed
- As part of phase four engagement, we will continue to share program updates, seek feedback on
  measures to further minimize community impacts from commercial ship traffic, and invite suggestions for
  continual improvement as we begin rolling out the new active vessel traffic management system.
  - Sign up for the program newsletter to receive updates
  - Contact the project team at avtm@portvancouver.com
  - Find more information about this program at portvancouver.com/avtm

2023-03-02 Page 3 of 8

## **Centerm Expansion Project and South Shore Access Project**

portvancouver.com/centermexpansion

The Centerm Expansion Project and South Shore Access Project were built to help meet Canada's growing trade demand for goods shipped in containers. The projects were began in June 2019, and project completion was announced in February 2023.

#### **Project Includes:**

- A reconfiguration and expansion of the Centerm container terminal operated by DP World
- A new overpass on Centennial Road to bypass rail tracks
- Changes to Waterfront Road so that it is continuous between Highway 1 and Canada Place
- The removal of the Heatley Avenue overpass
- Coordination with upgrades to the Clark Drive overpass
- Coordination with upgrades to Commissioner St. and addition of new rail track along Commissioner St.

#### **Anticipated Timeline:**

- July 2019 Project construction begins
- July 2021 Centennial Road overpass construction complete
- August 2021 Permanent closure of the Heatley Avenue overpass to vehicles in preparation for removal
- April 2022 Permanent closure to pedestrians and cyclists of the Heatley Avenue overpass in preparation for removal
- April 2022 Removal of the Heatley Avenue overpass
- Summer 2022 Initial terminal capacity increase complete
- May 2023 Waterfront Road extension complete
- Summer 2022 Heatley Avenue overpass removal complete
- Winter 2022 Intermodal yard works complete
- December 2022 On-terminal construction complete
- April 2023 Project construction complete

#### Status Update:

- <u>December 2022</u> project update newsletter
- Construction on the terminal completed December 2022 and has been handed over to DPW
  - 100% of western expansion rubber-tire gantry (RTG) runway extensions handed over to DPW
  - Work in the eastern terminal is complete, including the Intermodal Yard (IY) eastward expansion
- Heatley Avenue overpass superstructure demolition complete with subgrade foundation demolition remaining within rail yard and City of Vancouver jurisdictions
- Heatley-Powell intersection restoration is anticipated to take place in March 2023
- Waterfront Road construction is ongoing
- Main Street VACS gate work is ongoing, with commissioning expected this month (March 2023)
  - Gates will be manually flagged by a guard until commissioning is completed. Anyone entering the area must show their port pass or photo ID to the guard at the Primary VACS gate.
  - Utility works, curb/gutter/sidewalk construction, and general roadworks are ongoing along Waterfront Road from Main Street to the Centennial Road Overpass western approach. This work is expected to be complete in April 2023.

Current project permit amended to expire April 30, 2023

2023-03-02 Page 4 of 8

# Commissioner Street Road and Rail Realignment Project portvancouver.com/commissioner

#### **Project Includes:**

- Removal of the old Columbia Containers grain elevator (complete)
- Construction of a retaining wall (complete)
- Realignment of Commissioner Street near Columbia Containers (complete)

#### **Anticipated Timeline:**

- March 2021 to January 2022 Road realignment period
- March 2022 to Early 2024 Rail improvement works led by CP Rail

#### **Status Update:**

- Construction of the roadworks began in March 2021 and achieved completion in August 2022
- <u>Commissioner Street Rail Expansion Project</u>, led by CP, is not directly related to the Commissioner Street Road and Rail Realignment Project, which is led by the Port Authority
- The CP project received a project permit from the port authority in May 2022
  - More information about the Commissioner Street Rail Expansion Project can be found:
    - Canadian Pacific | Commissioner Street Rail Expansion | Port of Vancouver (portvancouver.com)
    - Online at cpr.ca/commissionerstreet
    - Email to community connect@cpr.ca
- Project completion event took place on September 23, 2022, with two components:
  - Public component (including cheque presentation to community organization that received funding as part of community amenity for the project)
  - Trucking community component (drive-through event at truck staging area on Commissioner Street)

# Short sea shipping concept development project

The short sea shipping concept development project will evaluate the viability of short sea shipping in and around Greater Vancouver to a stage where investment decisions could be made by interested parties. As part of this, the port authority will develop a business model, operational concept—including terminal and off-dock facilities—and financial analysis.

Short sea shipping would involve moving containers via barge from existing, deep-sea container terminals to a common-user container terminal along the Fraser River with direct access for trucks and rail, and an on-site warehouse/logistics facility. The terminal could also serve as a staging area for other terminals and as storage for empty containers. This would allow other terminals to increase their throughput because they would be able to effectively increase their capacity and possibly improve the fluidity of their operations. It could also reduce truck traffic on Lower Mainland roads by moving containers by barge instead.

The port authority received \$1.6 million in funding from the National Trade Corridor Fund for this project.

#### **Project Includes:**

- Defining an operational concept for short sea shipping operations
- Defining an operational concept for how existing terminals would use the new, common-user terminal
- Identifying port users who would be interested in participating in short sea shipping
- Shortlisting potential sites for the common-user container terminal
- Estimating the cost of establishing a short sea shipping service, including terminal construction and any required infrastructure improvements at existing terminals
- Determining the financial viability of short sea shipping for existing container terminals

2023-03-02 Page 5 of 8

Vancouver Fraser Port Authority Port Update – March 2, 2023

### **Opportunity:**

- Support efficient use of industrial land and existing container terminals
- Reduce drayage traffic on congested roads within Metro Vancouver and increase resilience of the transportation system
- Reduce impacts on local communities from growing container trade

#### Status Update:

 In 2020, the port authority set up a steering committee to establish the criteria and Terms of Reference for concept development of the project

# West Coast Supply Chain Visibility System Project

Also known as the Supply Chain Visibility Program

In 2018, the port authority began a pilot project to measure supply chain performance in the western Canadian bulk sector (coal, grain, potash). We led an industry working group that agreed to share operating data, with which we created a dashboard that provided near-real-time information on the supply chain handoffs from origin all the way to the port. The dashboard was available to participants, the port authority and Transport Canada, and allowed all stakeholders a level of transparency they had never had beyond their own role in the supply chain.

Also working with industry, we developed a set of key performance indicators (KPIs) that allowed us to measure and report out on the efficiency of various stages in the cargo's journey. The work is helping to identify opportunities for improvements that will lead to greater capacity.

The West Coast Supply Chain Visibility System Project will build on that work with the ongoing goals to support transparency and better use of the entire western Canadian supply chain network, beyond bulk cargo.

The port authority will work with industry stakeholders from railways, major shipping companies, marine terminals and the Prince Rupert Port Authority to develop a series of digital tools that can be used to better understand and use the supply chain network, leading to and from the ports.

Development is expected to take three to five years. Once complete, the supply chain visibility system will allow users from railways, major shippers, and terminals to see a full picture of their operations, and use the data to help them improve fluidity, compare themselves to others in the industry, and address resiliency.

This system will also allow the port authorities to better understand where bottlenecks in the supply chain are, which will support better planning for infrastructure development in the future. The port authority received \$6 million in funding through the National Trade Corridors Fund for this project.

## **Project Includes:**

- Developing a near-real-time dashboard to measure end-to-end supply chain performance for all cargo moving across western Canada to the Port of Vancouver and the Port of Prince Rupert
- Developing a governance model to support future supply chain visibility program development

#### **Objectives:**

- Maximize available network capacity
- Improve operating efficiencies across the western Canadian supply chain system
- Optimize use of marine and inland terminals and transload facilities
- Improve operations information sharing and planning between participants
- Improve or eliminate operation bottlenecks
- Increase supply chain resiliency
- Enhance transportation planning and modeling to support future supply chain infrastructure improvements

2023-03-02 Page 6 of 8

#### Status Update:

- The port authority is currently laying the foundation to move the project forward. This includes:
  - Forming the governance structure
  - Building the program's data management platform:
    - Program team is in the process of procuring the data management platform
  - Interviewing industry stakeholders to explore future program priorities
  - Assessing existing data streams:
    - Program team is currently undertaking work to assess existing data streams with the goal of optimizing data quality

## **Rolling Truck Age Program**

• In September 2022, we advised implementation of the Rolling Truck Age Program would be deferred until April 3, 2023, to allow for truck owner-operators to source program-compliant trucks. However, in light of the current economic landscape and continued pandemic-related issues, we will again defer implementation of the program for no less than nine months. You can read more about this decision, and our work on the Rolling Truck Age Program, here.

# **Tenant-led/funded projects**

# Western Canada Marine Response Corporation - Oil Spill Emergency Response Base – PER No. 16-290

#### Construction substantially complete - Category C

- In September 2022, a permit amendment was issued to Western Canada Marine Response Corporation. The amendment approved a request to extend the expiry date of the approved project permit. The project is located at 2800 Commissioner Street.
- The permit holder requested an additional extension to the expiry date of the approved project permit to
  complete the installation of their modular office building. The amendment is limited to upland works and is
  intended to align the project schedule with other construction projects in the area. The original permit
  approved the construction of an oil spill emergency response base at 2800 Commissioner Street,
  Vancouver.
- The approved works are comprised of marine piles and floats, riparian shore protection, two upland buildings and site services, and a paved parking area. This extension would allow the works to occur up to July 31, 2023.

# Sterling Shipyard Remediation and Infill Project – PER No. 20-191

## Permit under review - Category C

- Background: Should the proposed project be approved, construction is expected to take approximately 10 months to complete.
- The project includes remediation and redevelopment activities in subtidal, intertidal and upland areas of a former shipyard at 2089 to 2095 Commissioner Street in Vancouver. Contaminated sediment in the project area will be removed and replaced with clean fill. The remediated area will be infilled to raise the grade and reclaim 4,500 square meters of additional land for future industrial use.
- Public engagement: As part of the PER process, the public engagement period ran October 25 to November 29, 2021. The public engagement summary and consideration report is available on our website and on the applicant's website. The port authority will consider all feedback received from the public, stakeholders and Indigenous groups as part of the Project and Environmental Review of the proposed project.

# Viterra Inc. | Pacific Terminals New Revetment Slope – PER No. 20-215

2023-03-02 Page 7 of 8

Vancouver Fraser Port Authority Port Update – March 2, 2023

### **Project Complete - Category B**

• The project is now complete.

#### Crab Park fieldhouse demolition and new washrooms – PER No. 21-091

#### **Project Complete - Category B**

• The project is now complete.

# Metro Vancouver | Second Narrows Water Supply Tunnel - Cathodic Protection

## **Under construction – Category B**

- On December 2, 2022, a project permit was issued to Metro Vancouver to develop Second Narrows Water Supply Tunnel – Cathodic Protection located approximately 450 metres east of Second Narrows Bridge on the North Shore of Burrard Inlet.
- The project was approved subject to 28 permit conditions the applicant must meet to ensure the project does not result in significant adverse environmental effects. This is PER No. 22-143.
- Metro Vancouver is planning to install a cathodic protection system for the protection of Second Narrows Water Supply Pipelines. The project includes the installation of the cathodic system, which requires:
  - Trenching a teck cable upland (outside port authority jurisdiction) and laying approximately ten metres of teck cable on the sea floor (within port authority jurisdiction)
  - o Installing an anode bed array, consisting of four tubular mixed metal oxide anode assemblies.
  - Connecting the teck cable to the anode array bed
  - Installing anchor chains to secure the anode array bed

# Kiewit Ledcor TMEP Partnership | 2115 Commissioner Street – Temporary Construction Staging, Parking and Barge Loading

#### Permit amendment issued - Category C

- In December 2022, amendment PER No. 17-122-02 was issued to Kiewit Ledcor TMEP Partnership. The amendment approved a request to extend the end date of PER permit #17-122 for the construction of a temporary staging parking and barge loading facility (to support the Westridge Marine Terminal Expansion) to March 15, 2024. The project is located at 2115 Commissioner Street, Vancouver.
- In 2018, the port authority issued a project permit to Kiewit Ledcor TMEP Partnership for the construction of a temporary staging parking and barge loading facility at 2115 Commissioner Street Vancouver, which was valid until December 31, 2020. This site is being used to support the Westridge Marine Terminal Expansion.
- The permit scope includes the construction of the facility, as well as the eventual decommissioning including removal of all improvements. This permit was extended in 2020 for an additional year. For several reasons, the expansion at Westridge was delayed, and a second extension amendment for the extension of PER 17-122 has now been issued, to March 15, 2024.

#### For more information about these and other projects happening in the Port of Vancouver:

- Port authority-led infrastructure projects
- Other projects in the port Status of permit applications

#### For information on our current community awareness campaigns:

- Building a zero emissions port by 2050 (30-second commercial)
- Eco-Action program for ships (15-second commercial)
- Climate Smart (15-second commercial)
- Healthy ecosystems are part of the world we're building YouTube (30-sec video)

2023-03-02 Page 8 of 8