

## **JOINT INDUSTRY RAIL INITIATIVE**

**Project Description:** National Trade Corridors Fund Application ([link](#)) for a Joint Industry Rail Initiative.

### **Background:**

The federal government's \$2 billion National Trade Corridors Fund (NTCF) helps fund infrastructure projects in Canada that improve the flow of goods and people in Canada, increase the flow of trade in and out of Canada, and help transportation system better adapt to new technologies, and climate change.

### **Trade Diversity Projects:**

On January 15, 2019 the NTCF issued a call for Trade Diversity Projects. These projects would be intended to help expand Canada's export markets and will focus on:

- Improving the fluidity and/or performance of the transportation system to contribute to and increase in the value and/or volume of goods exported from Canada to overseas markets
- Increasing existing or generating new overseas trade flows because of the investment.
- Adding capacity or addressing bottlenecks near major ports, airports, or along road and rail corridors in Canada that contribute to generating or increasing overseas trade.

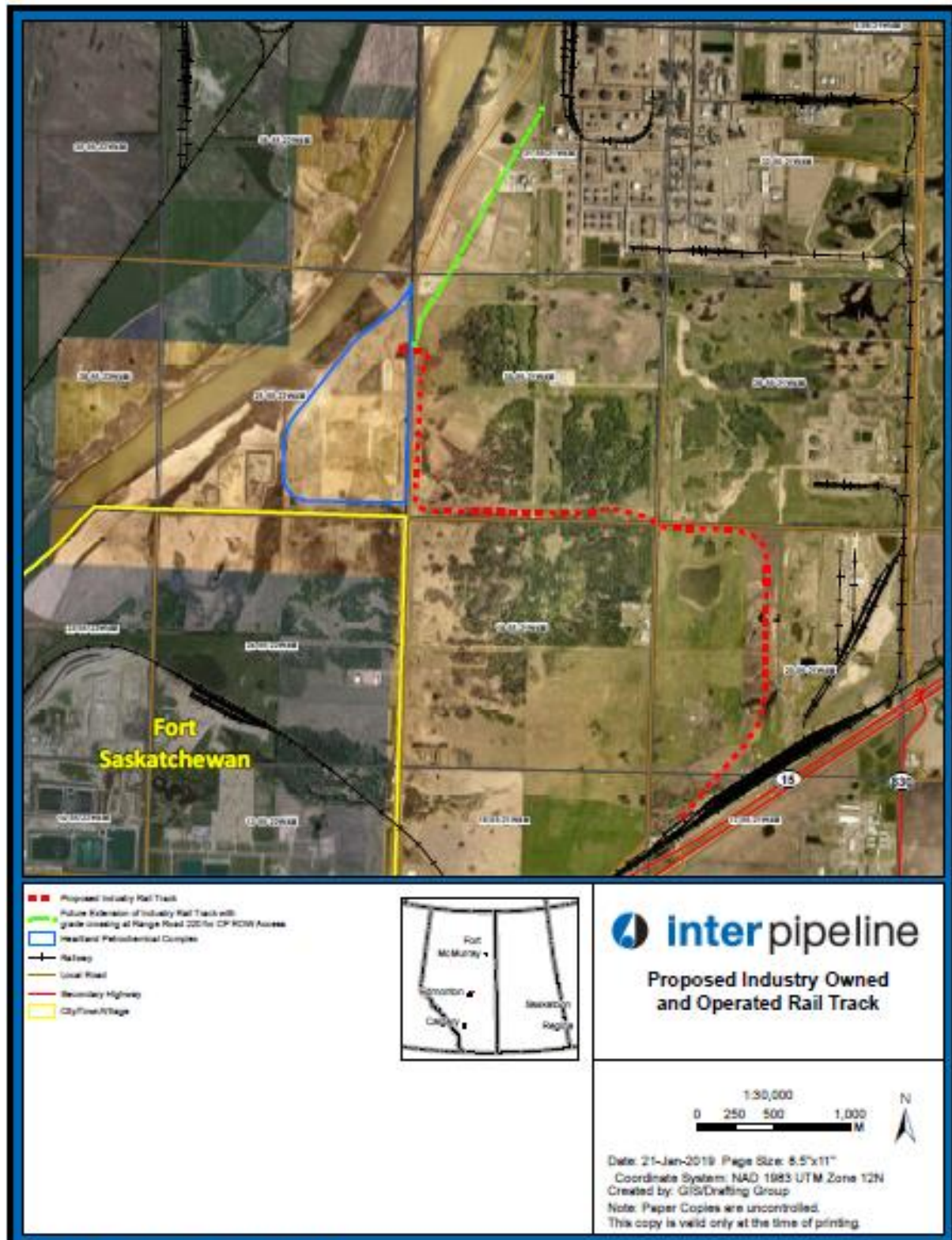
### **Joint Industry Rail Initiative (JIRI):**

Inter Pipeline Propylene Ltd. (Inter Pipeline), Keyera Energy Ltd. (Keyera) and Shell Products Limited. (Shell) are proposing to construct and operate an industry owned rail connection between a CN rail yard in SW 20-55-21W4M and Inter Pipeline's Heartland Petrochemical Complex in the NE 25-55-22 W4M and a future extension to a tie-in point in W 31-55-21W4M. The rail connection will serve the needs of all three proponents and is expected to be in-service in the second quarter of 2021. The attached map illustrates the project location and surrounding area for reference.

We believe the JIRI plans will improve rail performance and competitive access for the region and assist the three proponent businesses to access North America and overseas markets in a competitive way.

### **Next Steps:**

Inter Pipeline will lead the assembly of the application; however, we need the local municipal authority – Strathcona County to submit and support the application. See eligibility Annex – Municipality must put forward the application.



## **Annex: Eligibility for NTCF – Trade Diversity Project call**

### **Eligible recipients:**

- Provinces and territories, municipalities and local, regional, provincial and territorial entities.
- Indigenous governments, tribal councils and other forms of regional government, national or regional Indigenous organizations or development corporations
- Public Sector organizations
- Federal Crown Corps
- Not for Profit and for profit private sector organizations
- Port authorities
- Universities and Colleges

### **Eligible Activities:**

- Prepare (for example, plan, demolish, prepare site), construct, rehabilitate, and improve infrastructure assets related to transportation, such as:
  - infrastructure along corridors that involve more than one mode of transportation (for example, highways, bridges, interchanges, airports, ports, rail yards, facilities, access roads), including those that provide access to border crossing facilities, and that make the best use of the overall transportation system to support international trade
  - Grade separations that provide more efficient and safer road and rail interaction
- studies (feasibility, environmental, planning and integration), including computer and simulation modelling, to guide the development of infrastructure projects and technology applications
- acquire and install technologies and equipment that advance and support the efficient movement of goods to international markets and help integrate transportation modes in Canada's trade corridors (for example, Intelligent Transportation Systems (ITS) and radio frequency or optical identification readers)

**Table 1: Continuous call essential criteria**

Continuous Call Selection Criteria	Evaluation Details
<p>1) Improves the fluidity and/or performance of the transportation system to contribute to an increase in the value and/or volume of goods exported from Canada to overseas markets</p>	<p>The project will:</p> <ul style="list-style-type: none"> <li>• contribute to supply chain improvements and increases in fluidity for exports of goods to overseas markets</li> <li>• result in additional volumes or values of overseas trade (e.g., xx% increase in international trade, and information on potential associated trade values)</li> </ul> <p><b>Strong proposals will:</b></p> <ul style="list-style-type: none"> <li>• describe supply chain investments that would improve the efficiency and reliability of the transportation network and contribute to trade with overseas markets</li> <li>• define a problem for existing trade patterns that would be overcome by the project</li> </ul>
<p>2) Increases existing, or generates new overseas trade flows as a result of the investment</p>	<p>The project will:</p> <ul style="list-style-type: none"> <li>• be a catalyst to new / incremental overseas trade</li> </ul> <p><b>Strong proposals will:</b></p> <ul style="list-style-type: none"> <li>• quantify the benefit to new trade flows, backed by data, including with respect to specific sectors, commodities, regions, and markets served</li> <li>• include evidence of the proven or forecast demand for goods to be moved through the supply chain</li> <li>• propose a cost-effective project</li> </ul>

In addition to alignment with the criteria above, assessment of expressions of interest will also consider the extent to which a project will add capacity or address bottlenecks near major ports, airports, or along road and rail corridors in Canada that contribute to generating or increasing overseas trade.

Examples might include:

- improvements to transportation infrastructure along existing major corridors (e.g., by expanding capacity or improving reliability) that is currently a constraint on overseas trade
- demonstrating a clear connection to existing road, rail, marine and associated corridors that serve overseas trade

Preference may also be given to projects that:

- align with regional priorities
- already have approvals in place
- have a possible 2019/2020 start date, and completion date in 2025/2026
- are requesting less than \$50 million from the NTCF Program