

February 5, 2025

Leonard Hiebert
Peace River Regional District Chair
Box 810
1981 Alaska Avenue
Dawson Creek, BC
V1G 4H8

Dear Leonard,

#### Re: Review of Hythe to Dawson Creek Rail Line Report

As per our last interprovincial engagement session, the County of Grande Prairie team has complied a report of all information collected to date regarding the rail line that previously connected Hythe to Dawson Creek. Our team has also engaged multiple departments at the Province of Alberta to gather feedback and additional information support the report.

We request that your ream review the report and provide your comments and supply any missing information you may have access to so we can explore our joint go-forward options, including the possibility of completing a reactivation viability study.

We await your feedback, any additional information you may have to share, and look forward to potentially collaborating on this project with your team.

Sincerely,

Officerery,

Bob Marshall Reeve County of Grande Prairie No. 1

# Alberta BC Rail Connectivity

**Background Document** 



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#### Alberta to BC Economic Corridor

The County of Grande Prairie has been investigating the opportunity to reactivate the Hythe-Dawson Creek rail line, an isolated 80 km CN subdivision that connects the two provinces.

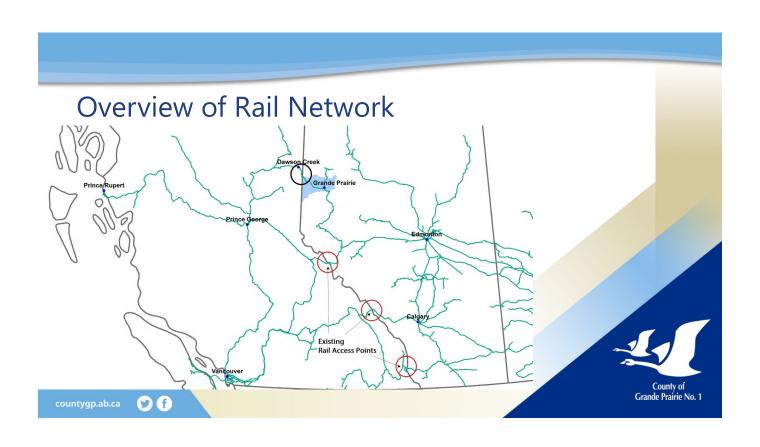
Taken out of service in June 1999. Prior to that it was part of the former Northern Alberta Railway network, initially operated jointly by CN and CPR and subsequently operated exclusively by CN.

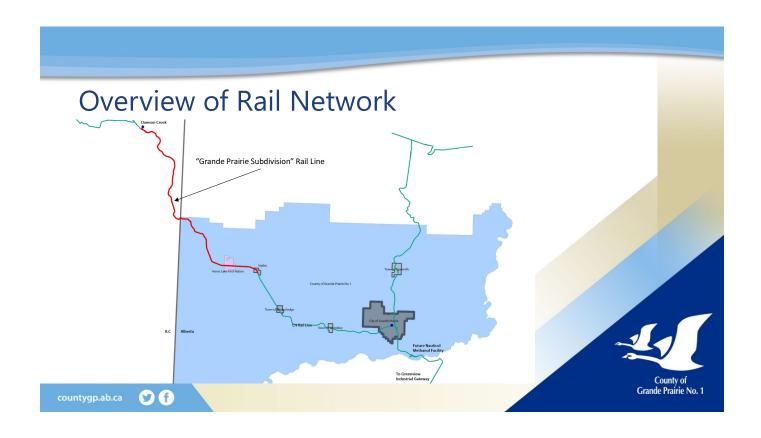
The line would require significant investment to reactivate but would be eligible for significant infrastructure funding from the Federal and Provincial Governments.

The County of Grande Prairie is a member of the Community Rail Advocacy Alliance (CRAA) a coalition of 23 counties, municipalities, and associations impacted by our region's inequitable, undeployed, undersupplied rail services









#### What has been done so far

A scoping study was done for the County of Grande Prairie in March 2003 by Prolog Canada to plan for the development of agriculture forestry and energy projects.

Summary: The Hythe-Dawson Creek Rail Line can become a strategic link in a Peace Region Railway Network, if new traffic is bridged between Northern BC and Swan Landing supports economic and environmental case.

- -Segmentation to reduce high-cost light density rail operations
- -Interchange realities at the gateway have been frustrating for shippers
- -Re-opening can marginally attract enough on-line and reload traffic revenue to justify cost of track rehabilitation until CN connecting traffic is bridged between BC and Swan Landing
- -Recapture truck reload traffic and eliminate circuitous rail routings, reducing GHG
- -Business case appears positive from lower costs and higher traffic potential.



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## **Opportunities**

- Traditional and diversification opportunities in oil/gas, agriculture, forestry, mining, retail and clean tech production of ammonia, hydrogen and methanol.
- The Hythe-Dawson Creek rail link could effectively become an internal short-cut, reducing costs and increasing profitability on existing CN traffic between northern B.C. and Swan Landing.
- Compared to a Prince George routing, a Hythe-Dawson Creek routing would reduce the route by 168 km or 336 km for each car cycle. This route reduction is also significant for rail recapture of the substantial eastbound forest products truck haul from Northern B.C. to lumber reloads in Alberta.
- The potential short-cut is even more impressive between the Alberta Peace and Prince Rupert - a distance saving of 284 km or 568 km on car cycles. However, the important distinction here is not merely a routing change that might cut costs, but a destination change from Vancouver and an additional access route to tide water reducing supply chain disruption possibilities.
- · Essential redundancy in the rail network.







#### **Benefits**

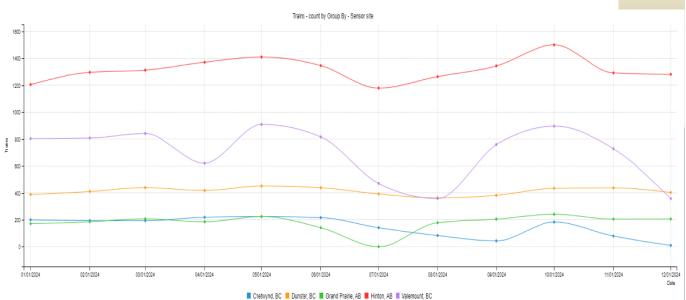
- Increasing and promoting economic activity. Companies routinely indicate that considerations of the transportation network regularly impact investment and production decisions.
- Improved highway safety. High volumes of traffic, specifically heavy trucks, increases
  the probability of accidents and serious incidents. This route reduction will be
  significant for rail recapture of the substantial eastbound forest products truck haul
  from Northern B.C. to lumber reloads in Alberta.
- Job creation. A project of this magnitude will create immediate direct jobs, as well as
  ongoing indirect jobs associated with the increased economic activity that this project
  will support.
- Time saving. Reduction of delays due to impassable roads and a shorter route than other coast connection options.
- Increased supply stability. Supply chain network increasing product movement from the Peace Region to the Coast.



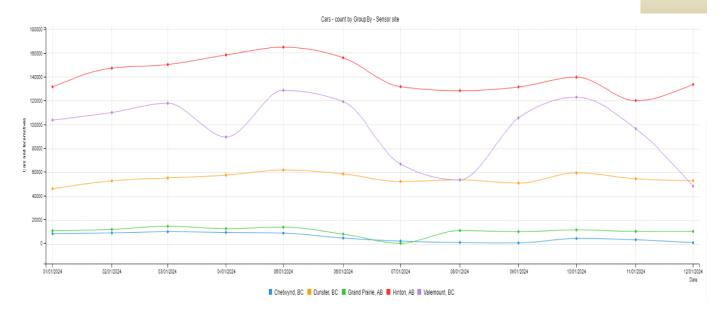
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#### **Current Traffic**



## **Current Traffic**



# **Appendix**



### Studies Completed to Date

- 1) Soil Investigation J.R. Paine & Associates Ltd 1998
- 2) Benefits Study RAC 1993
- 3) Peace Region access to container transportation, Prolog Canada March 31, 2003
- 4) Briefing Document, development of rail-based container services for BC Alberta Peace Region, Quorum Group March 2004
- 5) Proposed business plan model for container facility in the Peace Region, Smith and Lobstick April 2005
- 6) Study use of containers in Canada, Mari Nova Consulting LTD & Partners November 2006
- Container use in Western Canada for the Government of Canada, Quorum Group November 2007



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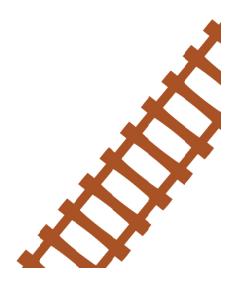


The Community Rail Advocacy Alliance (CRAA) is a coalition of 23 counties, municipalities, and associations impacted by our region's inequitable, undeployed, undersupplied rail services.

Our work is supported by Canadian Strategy Group, who are coordinating our government relations and strategic communication tools.

We launched on January 26, 2023, with our Rail Forward campaign.





## **Our Membership**

#### **Municipalities and Counties**





Municipal District of Greenview



Town of High Level



City of Grande Prairie



Town of Peace River



Municipal District of



Town of Edson



Town of Whitecourt





Mackenzie County















Athabasca County



Saddle Hills County





Town of Sexsmith



Westlock County





Producers, Organizations and Other Regional Associations

Peace Region Economic Cevelopment Alliance

Central Alberta







Alberta Forest Products Association

Alberta Wheat and Barley Commissions





## Representing





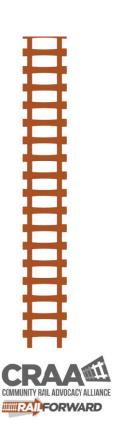






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## Why CRAA?

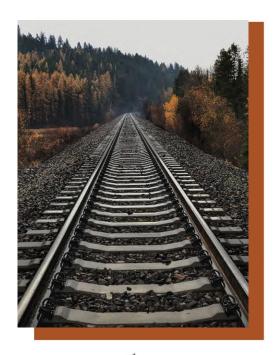
Our members have experienced:

- · Significant delays in receiving rail cars
- · Insufficient rail car capacity
- Limited serving of rail lines in winter months
- · Unfair competition in rail car auctions

Our ability to participate in local, national, and international markets is being negatively impacted.

We created the Community Rail Advocacy Alliance to bring a **unified voice** to decision-makers in Edmonton and Ottawa and within CP, CN, and its regulators.

We believe that together we are stronger, and we will generate enough noise and conversation that decision-makers will be forced to act.







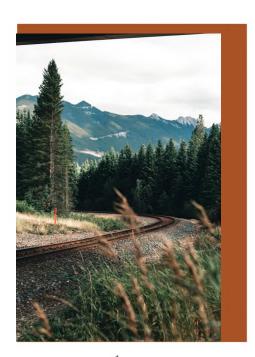
## By The Numbers

The weekly report from Ag Transport Coalition regularly shows that CN rarely hits its target of 90% fulfilment.

From January 22 to January 28, CP only hit a 56% car order fulfilment rate, with subsequent weeks barely reaching 75%.

From January 29 to February 5, CN supplied 3,007 of 3,918 cars ordered, failing to supply 911 cars ordered.

To deal with rail providers' unreliable service, some companies have put upwards of 60 trucks a day on the road to export their goods.







### **Possible Solutions**

CRAA has three preliminary ideas to solve our issues:

- Mandating rail companies to release data on car fulfilment statistics to better understand demand, efficiencies, and opportunities to increase shipments.
- 2. A strategy to manage service levels during the winter to ensure consistent and reliable transportation.
- 3. The elimination of rail car auctioning to ensure equitable economic access.





