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Port Metro Vancouver

Industry Update

November 20, 2014

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Planning and Operations

About Port Metro Vancouver

- Largest port in Canada; 4th largest in North America
- \$184 billion in goods annually
- \$500 million of cargo/day
- 100,000 jobs across Canada

vision

Where we are today

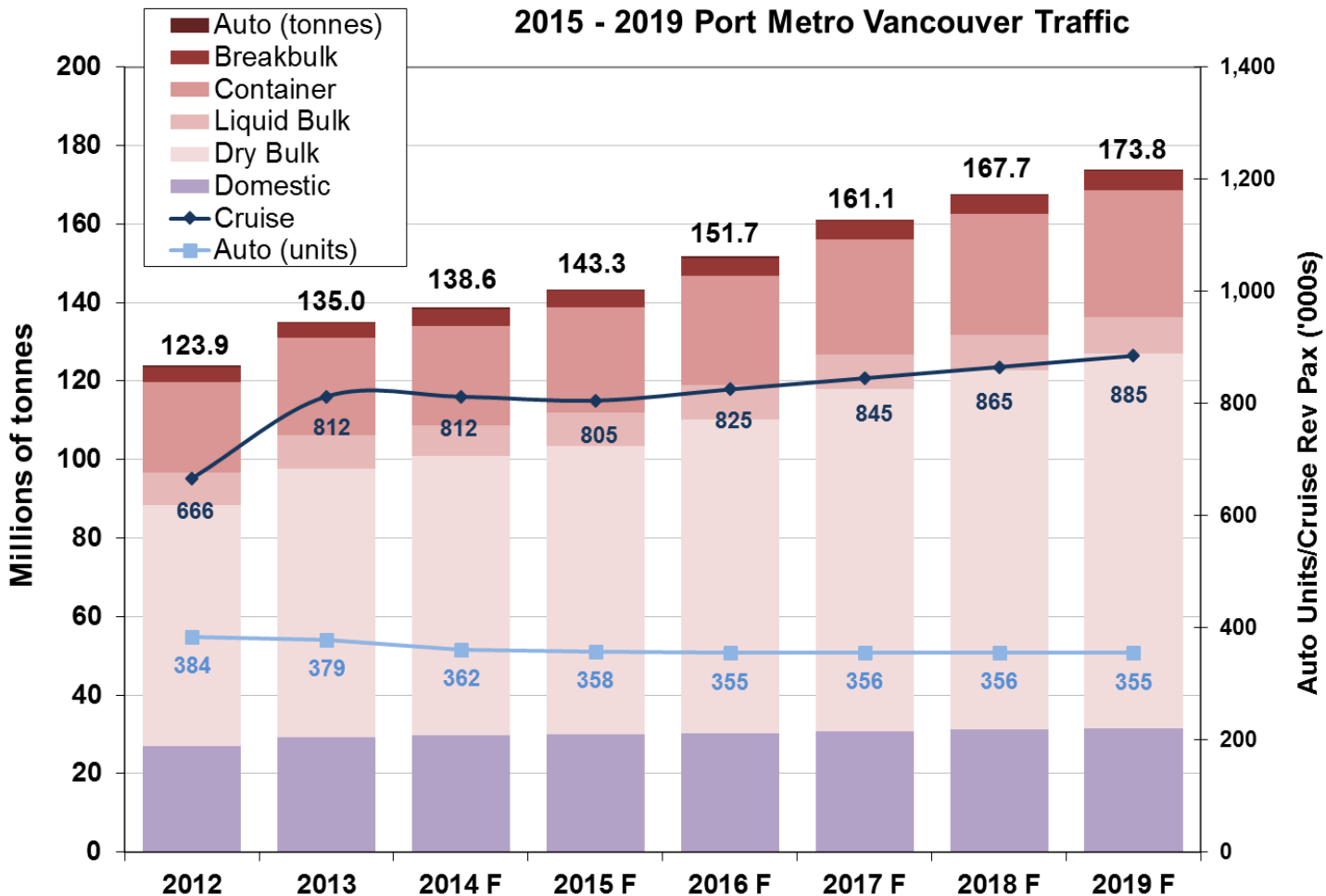
- Canadian economy remains strong
- Generational investment in Gateway infrastructure delivery
- Terminal capacity-building
- Labour stability, new reliability initiatives
- 2014 performance challenges
- Leadership in sustainable growth, advocacy and environmental stewardship

A record year in 2013

Business Sectors	2013	2014 Forecast
Autos	-1%	↑
Lumber - Breakbulk	-34%	↓
Lumber - Containerized	6%	↑
Pulp - Breakbulk	-11%	↑
Pulp - Containerized	5%	↑
Basic Metals - Breakbulk	30%	↑
Coal - Bulk	17%	↑
Grain, Specialty Crops - Bulk	2%	↑
Potash - Bulk	20%	↑
Sulphur - Bulk	-5%	↓
Containers - TEU	4%	↑
Cruise - Passengers	22%	↑



Total port tonnage – forecast



Creating gateway capacity: regional transportation infrastructure

Regional road network investments

(Provincial and Federal)

- **Current:**
Port Mann Bridge and South Fraser Perimeter Road (SFPR) (\$5B)
- **Future:**
George Massey Tunnel (GMT) Replacement (~\$1B)



Port Mann Bridge



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South Fraser Perimeter Road



Creating gateway capacity: major port industry capital projects

Regional road network investments

(Provincial and Federal)

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Gateway corridor investments

- **Current:**
Three Trade Areas (\$700M)
- **Future:**
Fraser River Rail capacity



Low Level Road



Creating gateway capacity: private sector investments

- 1 Centerm (\$2.3M)
- 2 Alliance Grain Terminal (\$22M)
- 3 Viterra (\$45M)
- 4 Columbia Containers (\$12M)
- 5 Neptune Terminal (\$300M)
- 6 Richardson International (\$120M)
- 7 Seaspan (\$62M)

Regional road network investments

- (Provincial and Federal)
- **Current:**
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Gateway corridor investments

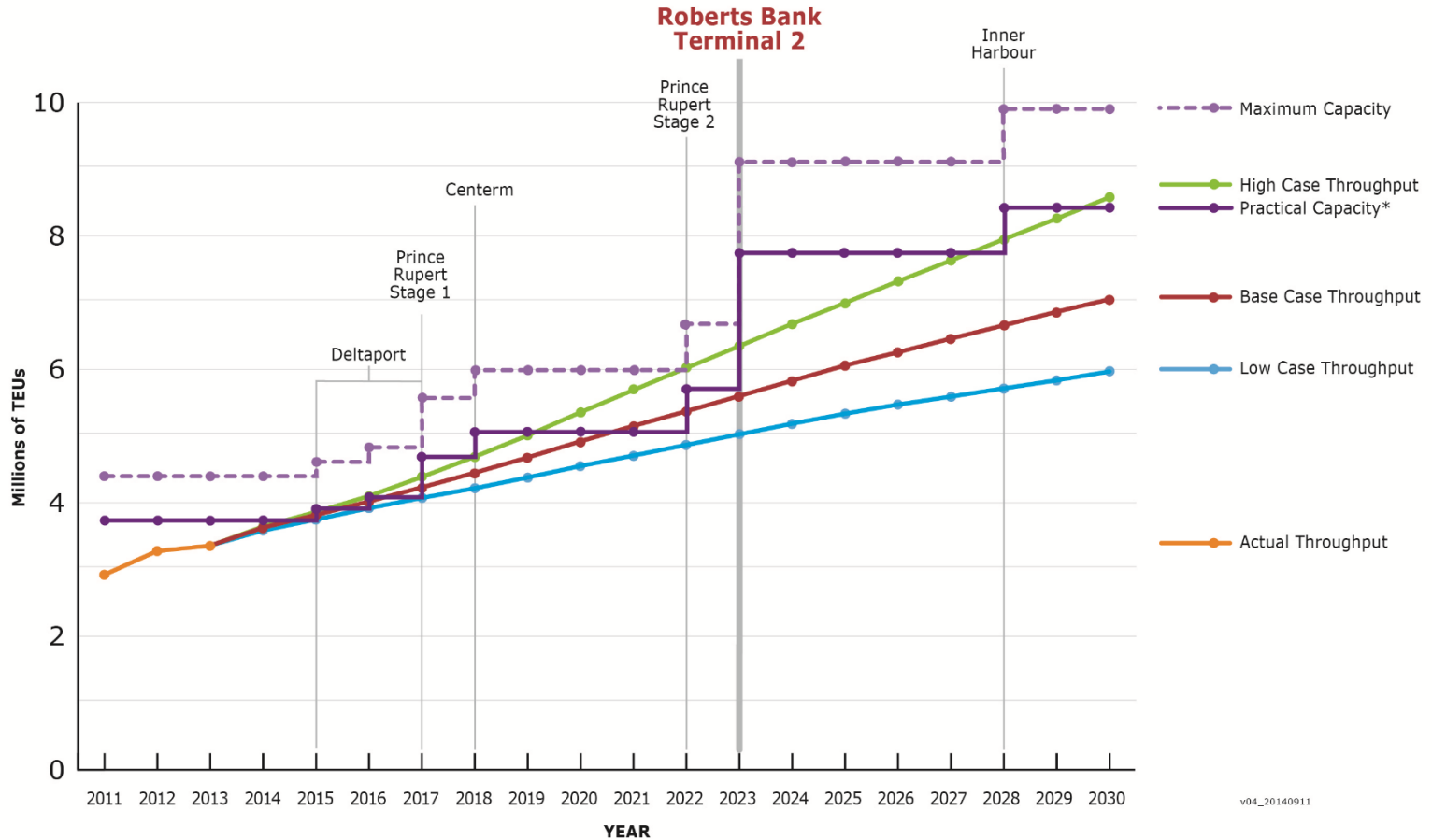
- **Current:**
Three Trade Areas (\$700M)
- **Future:**
Fraser River Rail capacity

Private sector Investments

- **Burrard Inlet:**
\$650M + ~\$500M
- **Fraser River:**
\$20M + ~\$500M
- **Roberts Bank:**
\$1B + ~\$2-3B (T2)



B.C. container growth: Balancing trade objectives with infrastructure capacity planning



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Source: Ocean Shipping Consultants, 2014

*Practical Capacity is calculated as 85% of Maximum Capacity, above which terminals begin to lose efficiency.

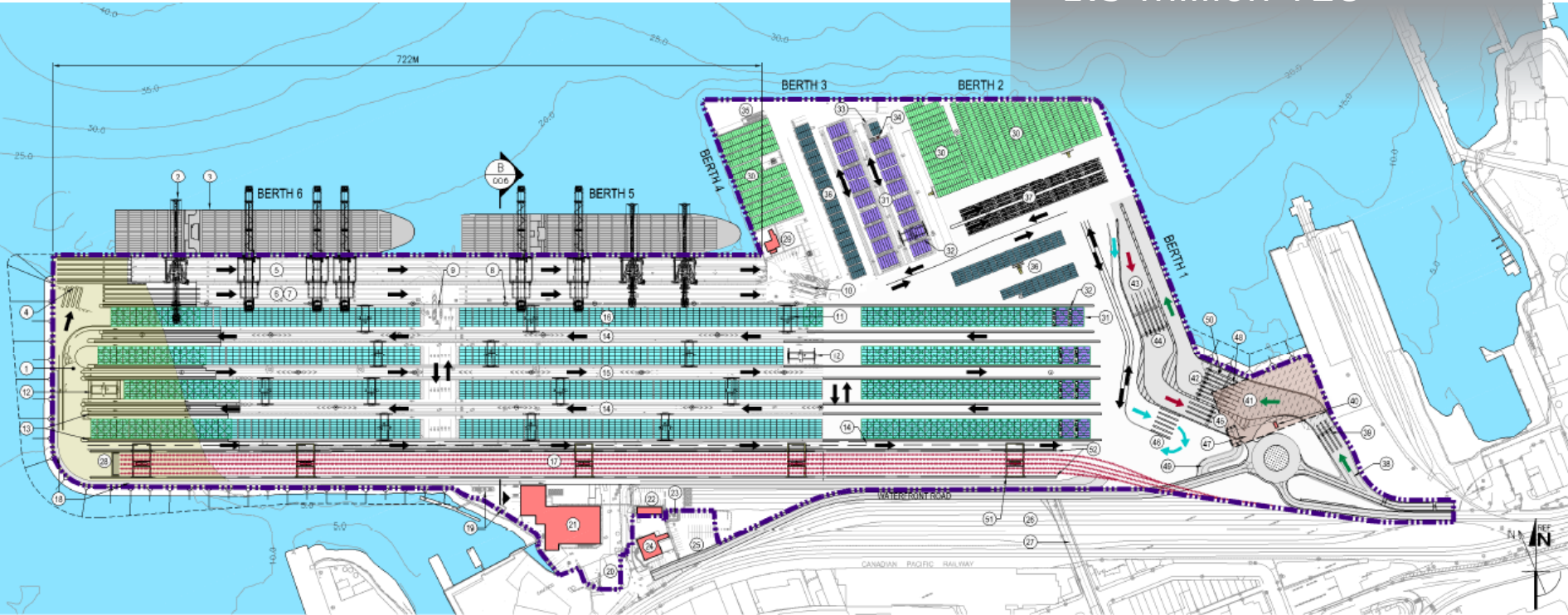


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Centerm Expansion Plan

- Increase capacity to 1.5 million TEU



Proposed Roberts Bank Terminal 2

- 2.4 million TEU
- Construction 2017
- Estimated completion 2024

Existing Roberts
Bank Terminals



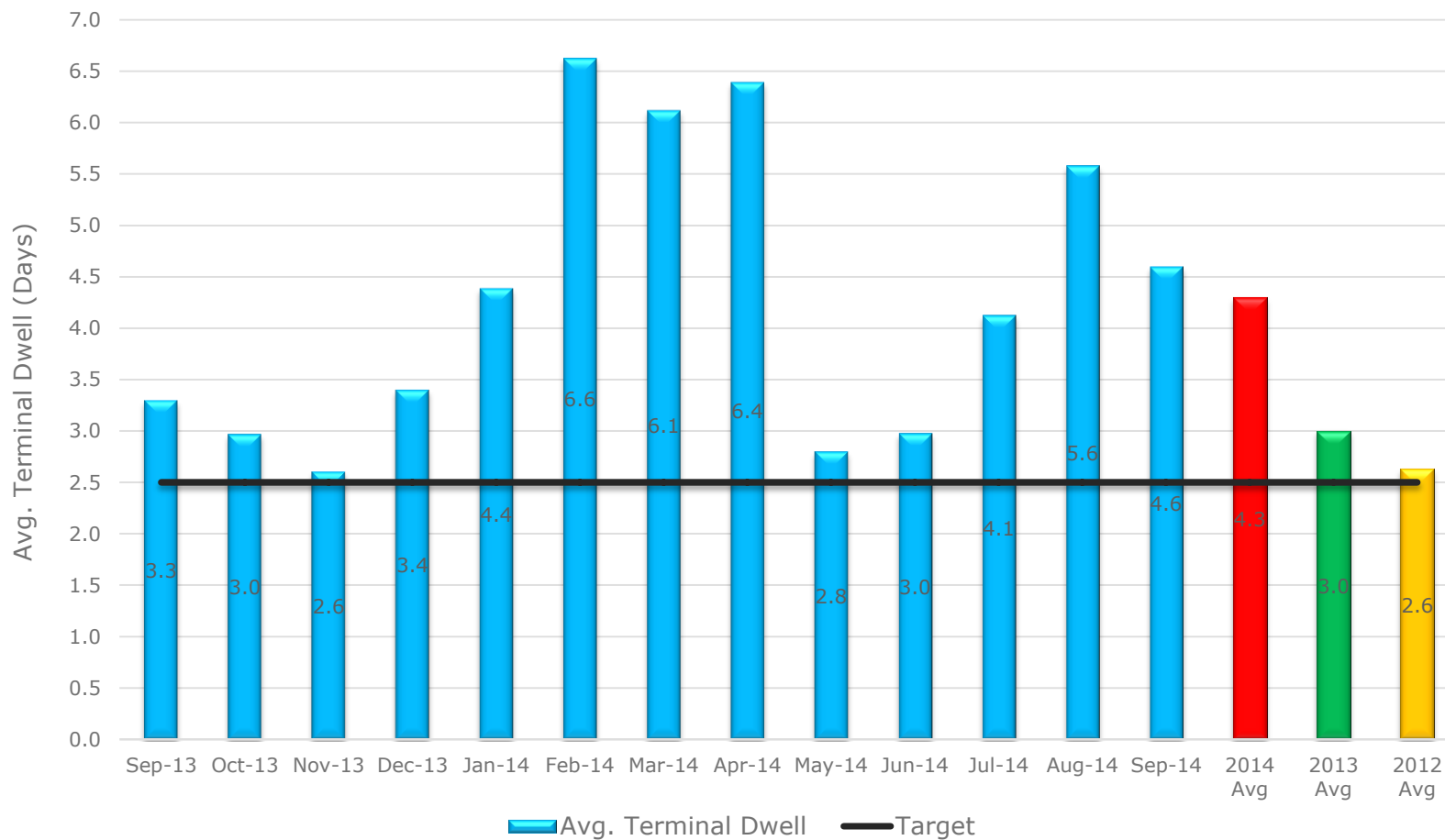
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Reliability Initiatives

- **Labour:** Longshore labour stability to March 2018
- **Rail:** Collaboration agreements
- **Trucking:** SMART FLEET trucking strategy
- **Vessels:** Container Vessel On Time Performance incentive and reporting
- **Terminals:** Target turn times and reporting, extended gate operations

Gateway terminal dwell performance: Average days on dock



Gateway total transit time performance



Vessel discharge to destination de-ramp		
	September 2013	September 2014
Toronto	9.5 days	10 days
Montreal	10 days	10.5 days
Chicago	8 days	13.5 days
Memphis	8.5 days	13 days

SMART FLEET Trucking Strategy

Recent Actions:

- GPS Program: 100% installed
- New Truck Licensing System: more accountability for companies, fewer trucks
- Legislation: closes rate regulation loopholes
- Appointment of Container Trucking Commissioner
- Common Reservation System: concept of operations

GPS System

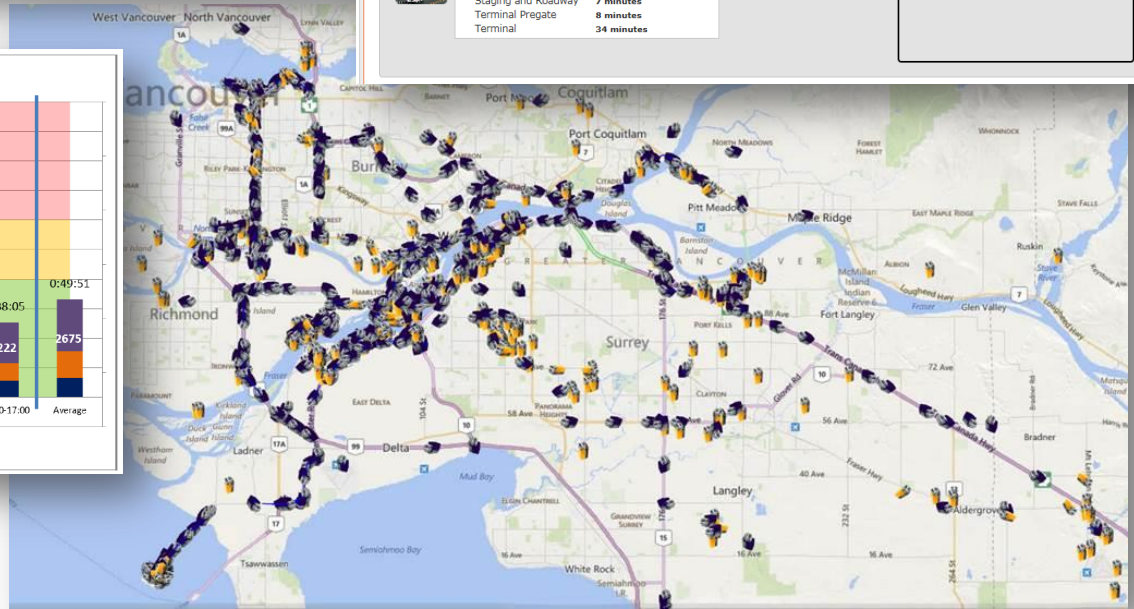
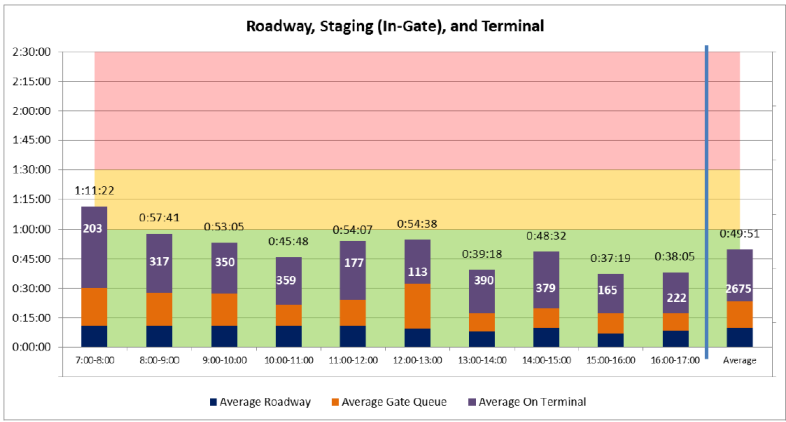


Current Hourly

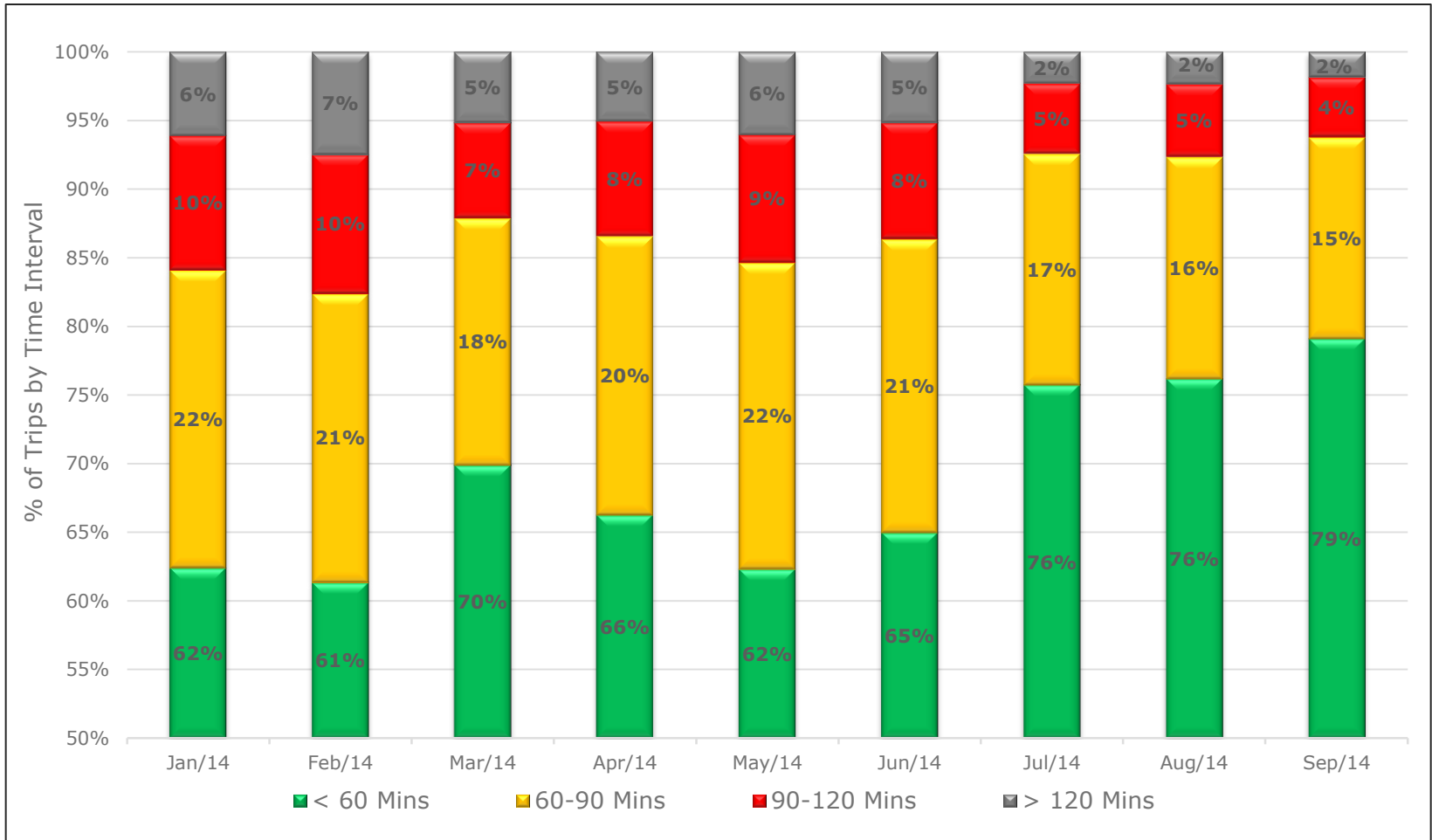
Estimated truck waiting and flow times at Port Metro Vancouver terminals

Current date/time: Oct 17, 2014 09:06 AM. Refresh in 18 seconds.

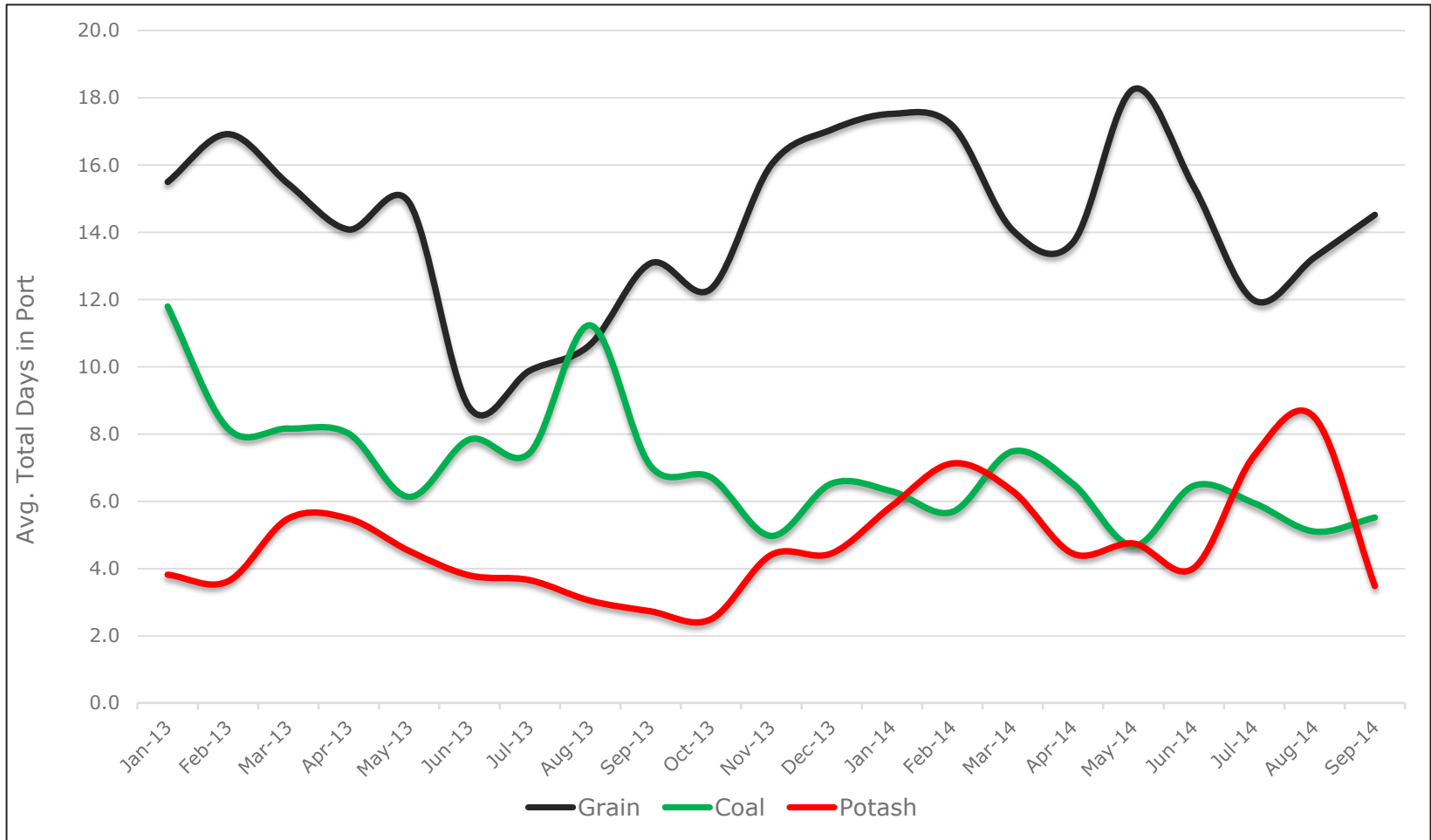
Terminal	Today's total average wait time	Current total average wait time	Staging and Roadway	Terminal Pregate	Terminal	Operating Status
Centerm	31m	30 minutes	7 minutes	5.5 minutes	20 minutes	Operating Normally
Deltaport	52m	46 minutes	6 minutes	11 minutes	29 minutes	Operating Normally
FSD	22m	20 minutes	7 minutes	7 minutes	13 minutes	Operating Normally
Vanterm	49m	49 minutes	7 minutes	8 minutes	34 minutes	Operating Normally



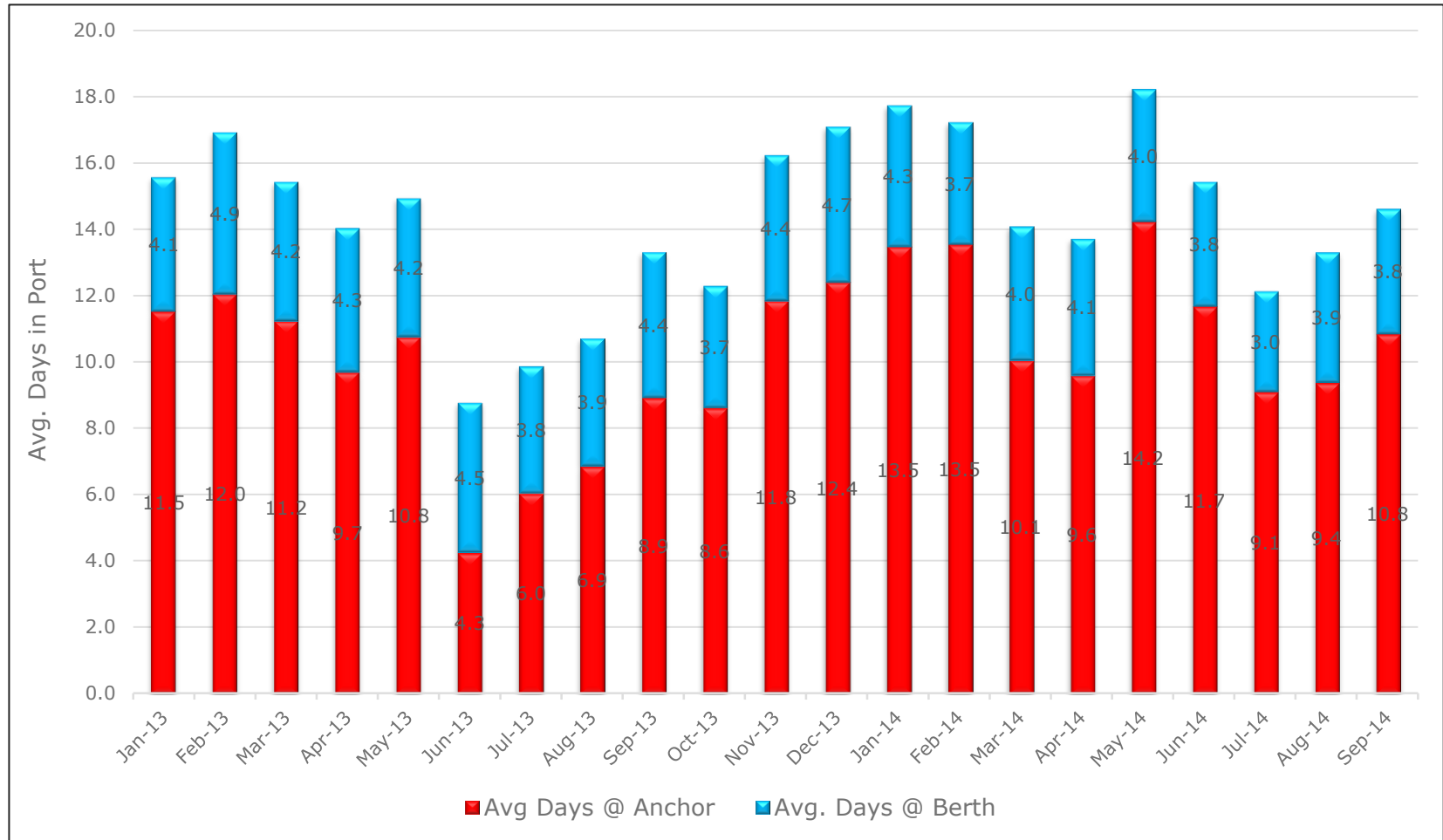
Gateway container truck turn time performance By month - 2014



Bulk vessels average days in port By month - 2013/2014



Grain vessels average days in port by month – 2013/2014



* Does not include time spent at Island Anchorage

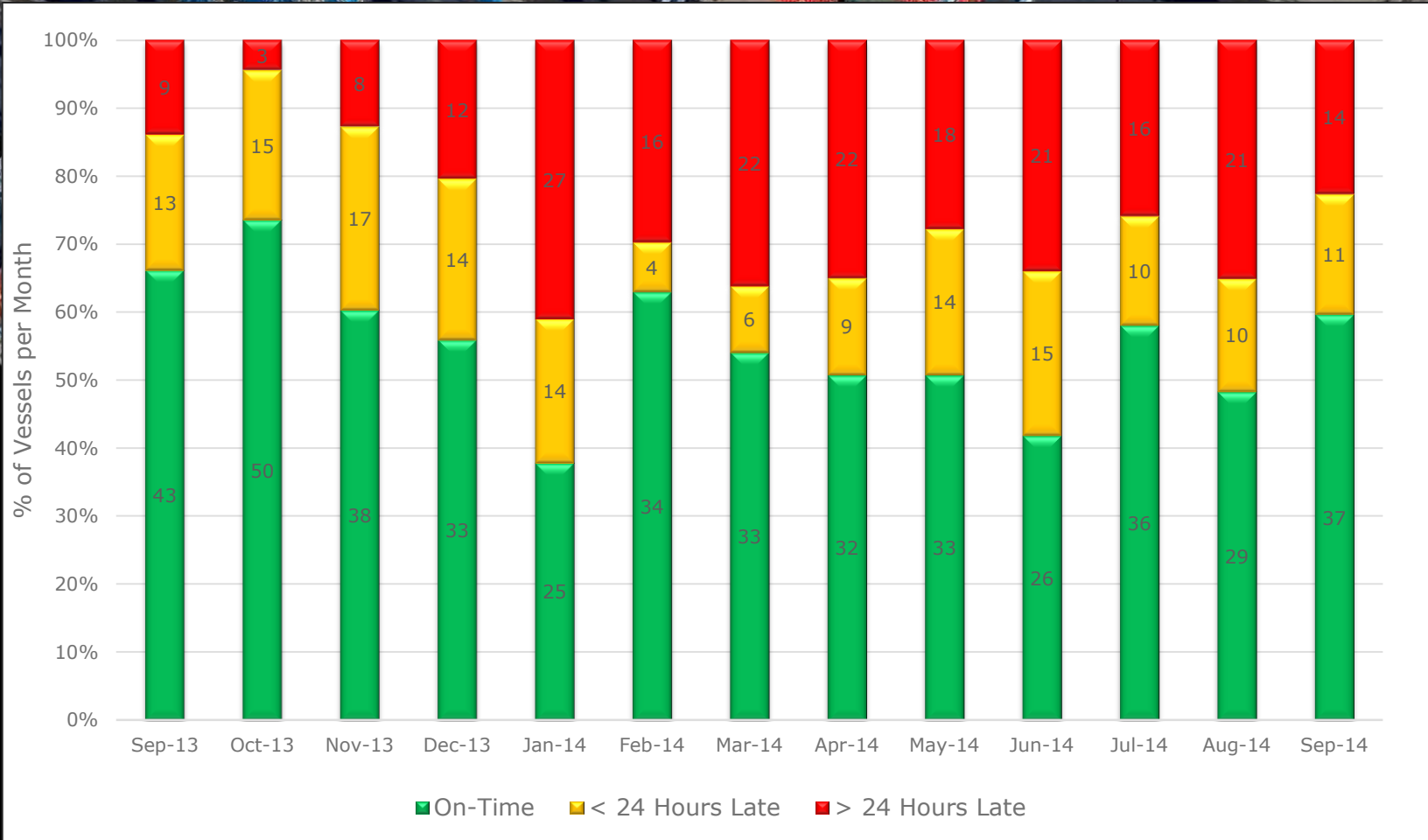
Container vessel on time performance incentive: Program details

Container Vessel On Time Performance Incentive Thresholds and Wharfage Incentive for 2014

	Percentage On Time (for the year)	Incentive Rates (% wharfage discount)
A	≥90%	10%
B	75-89%	5%
C	0-74%	0%

*Vessel must arrive within +8 hours of
scheduled berth window start time*

Container vessel on time performance: By month



Container vessel on time performance: Terminal averages

Terminal	Services	2014 September	2014 YTD Average	2013 Average
Deltaport	TP9/Columbus Loop, ANW, CFNX, NP3, NP1	85.7%	59.4%	72.2%
Centerm	PA1, WW, NP2, CPNW	36.8%	53.2%	82.6%
Vanterm	KPNW, YPNW, UAM, HPNW	50.0%	45.6%	53.4%
Fraser Surrey	MPS, WAN	66.7%	45.6%	53.4%
Gateway	Total	59.7%	51.3%	66.2%

Gateway Transportation Collaboration Forum (GTCF)

Background

- Build on the success of past projects and initiatives

Purpose

- To collaboratively pursue solutions and funding opportunities under the New Building Canada Plan

Goal

- To develop and gain funding approval of transportation and related infrastructure necessary for supporting continued gateway growth and provide overall net benefits to host communities



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Discussion

