PORT METRO VANCOUVER | OCTOBER 29, 2013 PRESIDENT'S REPORT



Appendix A - Briefing Note: George Massey Tunnel Replacement

George Massey Tunnel Replacement Updatea

The announcement by BC Premier Christy Clark in late September that the George Massey Tunnel (GMT) will be replaced by a bridge is seen as positive for Port Metro Vancouver. There are generally two international trade related issues associated with the tunnel – truck traffic limitations and vessel draft limitations.

Although Highway 99 is an important north-south trade corridor for US/Canadian cargo, there are relatively few container trucks using the tunnel (about 400 trips per day based on GPS data). However given the current congestion and the relative difficulty of differentiating between a container truck and a "regular" freight truck, even this small number (<2% of rush hour traffic) creates a focus on port related traffic. The promise of a solution to this traffic bottleneck is helpful.

Future trade related developments along the Fraser are likely to be either dry or liquid bulk focused. For these types of commodities, the predominant fleets are Panamax for dry bulk (<80,000 tonnes) and their various liquid bulk equivalents up to the smallest Aframax vessels (starting at about 75,000 tonnes). The GMT does impose a draft restriction for the larger 20% of these vessels. Removing the tunnel (or demolishing the upper portions) will open the possibility that with additional dredging, all of these fleets could transit the river fully laden. With the draft constraint removed, vessel length would become the limiting factor. At between 280 and 300 metres length (the practical limit for turning vessels in the river) the Panamax fleet would effectively be unconstrained in the river at least as far upriver as Fraser Surrey Docks. Larger vessels in the Aframax fleet and the much larger Suezmax tanker or Cape Size bulker fleets will likely never be able to access the river.

No work has been done to determine the business case for providing the draft that could be made available following the removal of the tunnel in about 2023.