Transportation and Utility Corridors

Issue

Prioritize the creation of transportation and utility corridor (TUC) allowing for an area where projects (such as pipelines, rail, powerlines, etc.) are “pre-approved” allowing project proponents to avoid the red-tape, cost, and time delay associated with permitting of major projects.

Background

Lack of market access along with the time, cost, and difficulty required to take a project from the stage of inception to “shovels-in-ground” is resulting in Alberta and Canada being left behind.

In the mid 1970s, the Government of Alberta established Restricted Development Areas (RDAs) around the cities of Calgary and Edmonton. Designated uses include the ring roads, major power lines, pipelines, and linear municipal utilities. The foresight of the RDAs proved successful in its purpose of developing major linear projects such as Anthony Henday Drive and Stoney Trail.

The ongoing struggle for Canada to see the completion of major projects proves the need to replicate the success of the RDAs throughout the provinces and across the country. This will help ensure new projects can be done in a timely and economical sense and that there be unthrottled access for the flow of people, goods, and services.

Kinder Morgan’s attempt to expand the Trans Mountain pipeline is a good example If no TUC is properly designated, project proponents face numerous and often insurmountable obstacles. Had the corridor for the pipeline been designated as a TUC, construction of the expansion would be underway and possibly completed.

With Canada being a nation dependent on the export of our goods, it is imperative we have the capacity to do so.

In discussion with business, market access is often cited as a top obstacle for growth and unfortunately attempts to increase market access capacity are faced with incredibly long timelines and substantial costs. Two of the most significant examples affecting Western Canada are rail access for the export of agriculture crops and pipeline capacity for oil and gas.

Severe backlogs caused by railcar constraints and competition for them regularly results in Western Canadian farmers receiving less for their product due to missed and lost sales, demurrage fees, and lower prices. Similarly, pipeline constraints are estimated to have cost the Canadian energy industry $20.7 billion in foregone revenues between 2013 and 2017.[74]

As our Country continues to grow with more people and more development, we must ask ourselves what might this Country look like in 50 or 100 years? If major interprovincial projects are already this difficult to complete, how difficult will it be when they must deal with even more competing interests.

[74] https://www.fraserinstitute.org/sites/default/files/cost-of-pipeline-constraints-in-canada.pdf
Designating TUCs will allow the Canadian government to more easily fulfill its constitutional responsibility of interprovincial transportation which includes pipelines and avoid many of the issues plaguing the approval and construction of major projects.

The Alberta Chambers of Commerce recommends the governments of Alberta and Canada:

1. Work with other provinces, territories, affected Indigenous groups and First Nations, partners and key stakeholders to:
    a. Establish Transportation and Utility corridors throughout the country that are designated for the construction and expansion of major linear projects; and,
    b. Establish a North-South Transportation Utility corridor across the province be designated for the construction and/or expansion of major linear projects.