

## A Pragmatic Call to Action For Members of Parliament





# Private Sector Passenger Rail Redevelopment for the Sustainability of Canada's Greater National Capital Region & for Canada's General Advantage.

#### **Financial**

- No public sector funding is required;
- All infrastructure & operational financing is internal to the commercial business model.

#### Legal

- No legislative or regulatory changes are required; Existing rules need to be enforced;
- The Government of Canada is asked to validate that specific regulations & statutes are acted upon and enforced in alignment with the expressed intent of Parliament, in particular Sections 92.10(a) and (c) of the Constitution, and specific provisions of the Canada Transportation Act, the Railway Safety Act and the National Capital Act;
- It is urgent that the Rail Safety Directorate at Transport Canada, and the Canadian Transportation Agency be more effectively resourced, and be called upon to exercise their public interest roles and technical capabilities more assertively, without delay.

#### **Key Points**

#### **Public Interest**

The Moose Consortium group of companies, on its own initiative will:

- Commercially finance, develop and operate a 400 km interprovincial passenger railway on existing infrastructure. This business group plans to operate three-coach, double-decker trains all-day, every day, through Ottawa and Gatineau extending out to six semi-rural towns in the Greater National Capital Region:
  - Smiths Falls ON Ottawa ON Gatineau QC La Pêche QC;
  - Arnprior ON Ottawa ON Gatineau QC Montebello QC;
  - Alexandria ON Ottawa ON Bristol QC
- Achieve 20,000 tonnes of net CO<sub>2</sub> reduction per year;
- Cause 25,000 fewer car trips per day, and reduce regional car dependence;
- Redirect \$20M annually from household transportation spending to other needs;
- Create and sustain hundreds of new permanent full-time jobs in both urban and semi-rural areas of the region;
- Generate billions in new business and property income and asset value;
- Generate millions in new municipal, provincial and federal tax revenue;
- Provide a very high-profile, sustainable, meaningful, world-class accomplishment contributing to the celebration of Canada's 150th anniversary in 2017.



Mobilité Outaouais-Ottawa: Systèmes et Enterprises Mobility Ottawa-Outaouais: Systems & Enterprises

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#### A LETTER TO MEMBERS OF CANADA'S PARLIAMENT

"The language cannot be clearer, and the object of this

clause ... was to prevent the absurdity and expense

and obstruction to material progress by compelling

every person introducing a great undertaking in each

other Province for the general advantage — to go to

power in one, they might be refused in another; they

might get restricted powers in one and large powers

conditions varying and inconsistent in their nature... It

was for the very purpose of avoiding such obstructions

the several Provincial Legislatures. They might get

in another; they might be compelled to submit to

#### Dear Honourable Members.

Moose Consortium is formed by a dozen companies actively arranging to commercially finance, develop and operate a commercial passenger rail service on 400 km of existing track throughout the Greater National Capital Region (NCR). We are planning a safe, affordable, comfortable and sustainable railway to integrate the urban and rural areas in a manner that is fully complementary with the existing municipal transit systems and other commercial transit services.

Section 92.10(a)

that this law was so framed."

Our plan is based upon a coherent selffinancing strategy for the development and operation of all the required metropolitanscale passenger railway systems and extensions, without dependence upon public debt or taxes. Moose rail will generate 100 square kilometres worth of sustained property value uplift. Each station will be an autonomous enterprise in the Moose "Linked In order to be provided train service, participating owners and investors in

commercial and residential property within an easy walk of each station would agree to split the increase in aftertax net income and realized asset value, which will be independently determined in a standardized and peerreviewed formula.

No legislative or regulatory changes at any level of government whatsoever are necessary for Moose Consortium to bring this passenger rail system to life. However a private sector initiative of this type does depend on the several public sector stakeholders

understanding that the interprovincial nature of the Moose rail project triggers clause 92.10(a) of the Constitution Act of 1867 which provides our plan a clear path through an otherwise very complex multi-

Financing of all infrastructure upgrades, operational equipment, and services is internal to our business model. Our "Property Powered Rail (PPR)" Open Market

> Development Model may be considered new, but in fact this is approximately how private sector railway companies financed development and operations during Canada's first 100 years.

The enclosed brief outlines what it will take for this innovative transit solution to become a reality. It does not require any changes to

We need government to be an enabling partner, not a funder. The Moose Consortium group of companies only requests that the Government of

— Sir John A. Macdonald, House of Commons Debates, 20 Mar 1882, p 434

> Canada promptly assess, ensure and confirm that federal departments and agencies operate in conformance with the declared purposes of existing federal enabling legislation, industry regulations, and any associated case law, which our initiative depends upon.

We also seek your general support for this self-financing, ecologically-sound, whole-region economic development venture that aligns with many facets of the Government's declared vision. You can learn more about our plan at: www.letsgomoose.ca



#### **Our Request**

The Moose Consortium group of companies requests that the Government of Canada promptly assess, ensure and confirm conformance of federal departments and agencies with the declared purposes of the following federal enabling legislation, industry regulations, and any associated case law.

#### Minister Responsible for the National Capital Commission

We ask that the Minister Responsible for the National Capital Commission clarify in a written statement the intent of the Parliament of Canada, as constituted today, in Section 13 of the National Capital Act which is explicit in providing the National Capital Commission (NCC) the "power to construct a railway ... and related facilities," and to "enter into agreements with any railway company for ... the sole, joint or several use ... maintenance ... [or] operation of the railway or facilities, or any portion thereof." In particular, we note that the National Capital Act specifies that all existing or planned works of the National Capital Commission are empowered by Section 92.10(c) of the Constitution of Canada as being "for the general Advantage of Canada or for the Advantage of Two or more of the Provinces."

We ask that the Minister Responsible for the National Capital Commission provide tangible support to the National Capital Commission (NCC) Board Chairman, Russell Mills, in regard to his open letter published on 12 April 2013 (in the Ottawa Citizen and in Le Droit), where he implored that: "The National Capital Region needs a seamless transit system and the NCC is committed to be at the table to help make it happen." We suggest that the Board Chairman's vision for transit would enhance the full development of this region in accordance with its national significance, and provide broad public interest benefits for the seat of government, residents, tourists and businesses.



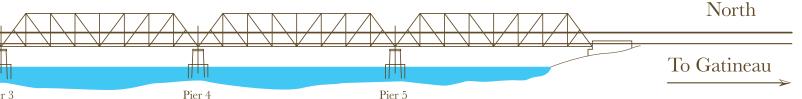


Photo courtesy of Rob Huntley Photography

We therefore ask that the Minister instruct and resource NCC staff to:

- Incorporate into NCC planning, priorities, decisions and communications the core principle of efficient, safe and affordable transportation inter-dependence amongst all municipalities of the Greater National Capital Region;
- Re-launch and commit whole-heartedly to the "Interprovincial Transit Strategy for Canada's Capital Region" (Jan 2013) that was authored by transportation planning specialists of the National Capital Commission, the City of Ottawa, the City of Gatineau, and by experts from the global consulting firms MMM and AECOM.

We request that the Minister Responsible for the National Capital Commission instruct the executive of the NCC, forthwith, to employ Section 13 the National Capital Act for its intended purpose. The NCC should actively collaborate with and, as circumstances require, should take steps to enable any group of companies that has a coherent plan to commercially finance, develop and operate metropolitan-scale passenger railway services for interprovincial transit integration throughout the entire National Capital Region (NCR), to proceed promptly, efficiently and effectively without spurious procedural hindrance or delay from any limited jurisdictional or insular interests. Any such collaboration must be premised upon a high priority towards stakeholder engagement and practicable accommodation, conformance with all applicable laws and regulations, and upon general complementarity with the existing municipal transit systems of the affected municipalities, and the overall goals of their transportation master plans, as well as with VIA Rail's inter-city national system.





#### Minister of Transport

The existing National Transportation Policy in Section 5 of the Canada Transportation Act seeks "a competitive, economic and efficient national transportation system" through "competition and market forces" wherein "governments and the private sector work together." To this end, we ask that the Canadian Transportation Agency respond promptly and effectively to the full extent of its existing authorities towards new private sector initiatives that would enable interprovincial railway redevelopment, including throughout the Greater National Capital Region.

We ask the Minister of Transport to:

- Clarify in a written statement that the existing Sections 90(1) and 92(1) of the Canada Transportation Act provide a way for entirely new railway companies to be created in the Canadian market.
- Clarify in a written statement that Division V of the Canada Transportation Act does not allow for the informal "constructive discontinuance" of any federal railway work. In particular, the owner or management authority of a railway work:
  - Must not neglect to undertake regular technical maintenance essential to the safe operation of any train at any time on the work. It must be clarified that the absence of train movements over an extended period of time on a line does not mean the corridor manager can unilaterally terminate its operational maintenance or safety program. Until a railway corridor is discontinued pursuant to Division V of the Act, the railway corridor manager has obligations in relation to operational maintenance and safety of the work, including the land corridor;
  - Must not construct an obstacle upon or near the work, nor deconstruct an operational part of the work, in any way that would interfere with normal and safe operation of any train at any time on the work, except temporarily and under explicit authorization from the Canadian Transportation Agency.
- Clarify in a written statement that the Canadian
   Transportation Agency will promptly enforce its own
   decisions as provided for in Section 33.4 of the Canada
   Transportation Act upon becoming aware of any

specific and substantive violations of its decisions, in whole or in part. Parties should not have to repeatedly file requests to the Agency for enforcement of decisions already arrived at.

We ask the Minister of Transport to instruct the Canadian Transportation Agency to assemble a structured public record of federal railways that meet the following two criteria. These criteria should then be taken into account when the Agency is considering applications relating to these railways for certificates of fitness under Sections 90 and 92 of the Canada Transportation Act, as well as in applications for discontinuance pursuant to Division V of the Canada Transportation Act:

- Railways that Parliament has declared under Section 92.10(c) of the Constitution to be "for the general advantage of Canada," where that status has not been revoked;
- Railways on land corridors that were originally expropriated for the purpose of developing a federal railway work and undertaking, involving a long term federal land grant or other type of agreement with explicit conditions that survive today;

We further ask the Minister of Transport to instruct the Canadian Transportation Agency to immediately initiate development of the aforementioned public record in relation to railway works within the Greater National Capital Region, in particular:

- All remaining railway works (including land) described in the Act to Amend The St. Lawrence and Ottawa Railway Act" (1872); and,
- All railway works (including land) of "the Beachburg Subdivision" opened by the Canadian Northern Ontario Railway Company on 15 October 1915, and described in The Canadian Northern Ontario Railway Company Applications to Parliament Legislation Ontario Legislation, 1915, as revised and expanded from time to time, such as in The Canadian Northern Ontario Railway Company Titles of Right-of-Way Lease of Certain Government Land, Being Part of Lot 29, Range 1, Township of Bristol, County of Pontiac, to the Railway Company (1922).



### Minister of Transport, with the Minister Responsible for Parks Canada

We ask that the Minister responsible for Parks Canada instruct the agency's executives to use Sections 3(b) and 9 of the Historic Sites and Monuments Act to ensure the care and preservation of the Prince of Wales Bridge between Ottawa, Ontario and Gatineau, Québec, while it also performs as an active railway work under the authority of Transport Canada. We further ask that the historic sites team at Parks Canada cooperate with their colleagues at the Canadian Transportation Agency, the National Capital Commission, and Heritage Canada, to highlight any genuine intiative to redevelop and operate this bridge by 2017 as a way to symbolize, celebrate and re-energize awareness of the historical and future role of commercial railways during Canada's Sesquicentennial. This is a permanent and tangible way to raise the profile of passenger railway service as essential to the country as a whole, and to the integrity of Canada's National Capital Region in particular.

- The Prince of Wales Bridge was the first railway bridge to cross the Ottawa River. It is described in the Act to Amend The St. Lawrence and Ottawa Railway Act" (1872), and it was built in 1877-1880 at the initiative of the Government of Québec. Today it is the only railway bridge connecting the Ontario and Quebec parts of the National Capital Region.
- This bridge is recognized by Parliament "for the general advantage of Canada" under the 1870 "Act respecting certain Works on the Ottawa River" and under the 1872 "Act to amend The St. Lawrence and Ottawa Railway Act," in addition to its federal status as an interprovincial railway under Section 92.10(a) of the Constitution of Canada.
- We believe that the Prince of Wales Bridge is the most visible and symbolic single kilometer of railway in the country. Moreover, we suggest that the state of this bridge, which is in a direct line-of-sight from the executive offices of all three of the federal departments addressed herein, is indicative of Canada's commitment to its national railway infrastructure.
- On 21 March 2005 the City of Ottawa purchased the Prince of Wales Bridge in full working order from the Canadian Pacific Railway Company, under an

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- "Agreement for Purchase and Sale of Railway for Continued Railway Operations" which was co-signed with the St. Lawrence and Ottawa Railway Company. But during the past 10 years it fell into disrepair. In 2009 the City of Ottawa physically disconnected this bridge from the main Ellwood railway line without any discontinuance authorization, and ironically, using funds obtained through the federal "Economic Action Plan."
- On 10 August 2015 the Moose Consortium group of companies submitted an "Initial Basic Risk Assessment of the Prince of Wales Bridge Across the Ottawa River, Between Ottawa ON and Gatineau QC (7 July 2015)" to the Rail Safety Branch, Safety & Security Group, Transport Canada. Documenting several active public safety risks, this report was prepared by a Certified Accredited Auditor (CCA) to ISO 18000 Occupational Health and Safety Management Systems. Despite our repeated follow-up attempts, the report has been completely ignored by Transport Canada. We therefore ask the Minister of Transport to instruct the Rail Safety Directorate at Transport Canada to:
  - Communicate substantively on matters of rail safety with companies that are taking steps to enter the Canadian market with new railway infrastructure or service development;
- Promptly engage federal inspectors when notified of public safety risks on federally regulated railways, as per Sections 28 and 30 of the Railway Safety Act.

Moose Consortium plans to commercially finance, repair and operate passenger rail service across this bridge by 2017, adding cycling and pedestrian trails to its sides. This would be a 100% private-sector financed \$50M upgrade. In August 2015 we provided our specific preliminary plans for rehabilitation of this bridge to the Canadian Transportation Agency, the National Capital Commission, as well as the cities of Ottawa and Gatineau.

The private sector's ability to proceed with independent syndicated financing for this initiative is only feasible if the purposes and requirements of federal laws, regulations and decisions are acted upon and enforced by the federal government.



## ML JU MOOSE

**Moose Consortium Inc.** 

#### **MEMBER COMPANIES**

- The Opman Company, loseph Potvin
- Dr. Bill Pomfret & Assoc., Dr. Bill Pomfret
- REMISZ Consulting Engineers, Woiciech Remisz
- MTBA Associates Inc. Architects, Mark Brandt
- Limelight Advertising & Design, Peter Gabany
- Wilson-Young & Associates, lan Garland,
- Business Model Fulcrum, Michael Lachappelle
- Sandelmen Software Works, Michael Richardson
- FirstWatch Consulting, Doug Drever
- Greenspike, Scott Ivay

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