

Partners turn attention to Phase Two of port upgrade

By Leanne Ritchie
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The Port of Prince Rupert is hoping it can finalize financing arrangements for Phase Two of the Fairview Container Development by the end of 2007.

Speaking at the port's annual general meeting last week, Don Krusel, president and CEO said the port authority is currently finishing up the design plans for Phase II, a \$600- to \$700-million project.

"We have various partners, the same way we designed Phase 1 — with CN, Maher Terminals and the port around the table — making sure the design meets everyone's expectations," said Krusel.

"Once we have everybody's buy-in we will be able to finalize the actual price tag." Then, the partners will determine what each of them will contribute.

"Then, we will be able to look at the different financing vehicles. It's going to be happening before this year is out," said Krusel.

Phase I of the terminal cost \$175-million and is expected to open October of this year. It will be able to handle 500,000 containers annually, while Phase II will see that expand by 1.5 million containers, with a combined total of two million per year.

The engineering design for Phase II is completed and the environmental review is underway.

The port corporation has filed its environmental description, initiated First Nation and public consultation and is looking at the financing alternatives.

The port authority hopes construction will start in late 2008 and it wants the second phase up and running by first quarter 2011.

Krusel stressed Prince Rupert needs to come on-line if British Columbia is going to meet the needs of importers and exporters.

"The objective of the federal and provincial governments is to grow the market share of the West Coast of British Columbia ports from 9.3 per cent to 17 per cent.

"This means that on the West Coast we have to go from 2.1 million containers to an estimated nine million containers by 2020," said Krusel.

“For us to meet the Asia Pacific Gateway demands, we have to be in a constant state of development and construction to get where we need to be by 2014,” said Krusel.

Beyond 2014, the port is in the exploration stage of looking at a two-phase container terminal development on Ridley Island. If these plans go ahead, Prince Rupert would be able to match Vancouver’s container handling capacity by 2020.

British Columbia’s importers and exporters are not the only ones championing the new facility as a way to stop congestion on the West Coast of North America.

In BC Business Magazine this month, writer Don Whiteley noted that Memphis, Tennessee, which bills itself as the logistics capital of the world, is wild about Prince Rupert; “so much so that its port authority and CN recently produced a DVD about the new container port. This summer thousands of copies will go to Wal-Mart Stores Inc. and other U.S. import-export corporations”.

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