New NWT Highway Corridors

PNWER Winter Meeting

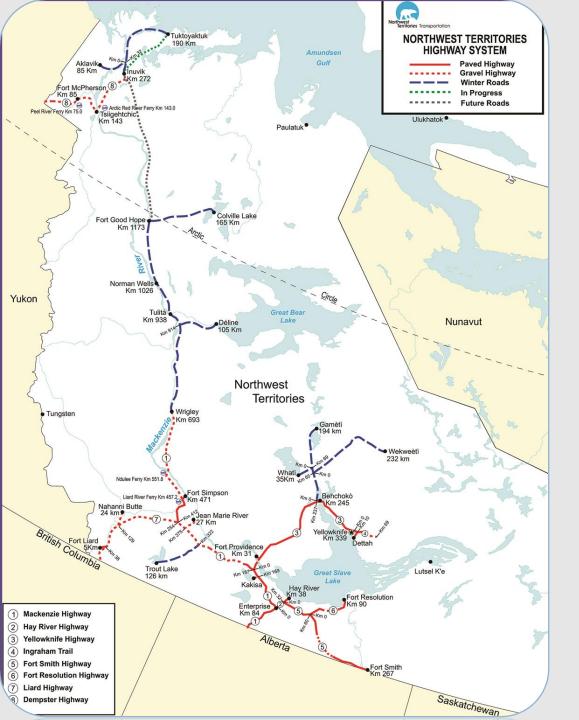
Market Access and Arctic Transportation Systems
November 17, 2015

Russell Neudorf, Deputy Minister
Department of Transportation
Government of the Northwest Territories



Presentation Overview

- NWT Transportation System Overview
- NWT Transportation Strategy 2015-2040
- Corridor Status Updates:
 - Tłįchǫ All-Season Road
 - Slave Geological Province
 - Mackenzie Valley Highway
- Inuvik Tuktoyaktuk Highway



Current System

- 2,200 km of all-weather road
- 1,425 kilometres of publicly constructed winter road
- 103 bridges, 229 large diameter culverts, and well over 3,000 small culverts
- 27 airports
- 4 ferries

Transportation Strategy: Connecting Us 2015-2040

Vision: Northerners Connected to Opportunities

- NWT Transportation Strategy updated in 2015
- The Strategy sets a path forward to improve the territory's integrated air, road, rail, and marine system over the next 25 years
- Defines three strategic priorities for action
 - 1. Strengthening Connections
 - 2. Capturing Opportunities
 - 3. Embracing Innovation



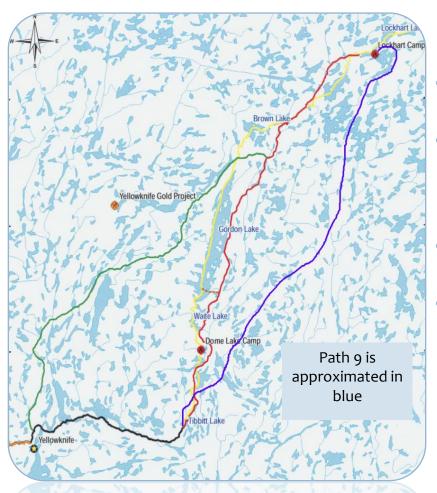


New Road Corridors

- The Strategy identifies three potential future transportation corridors:
 - Mackenzie Valley Highway
 - Tłįch

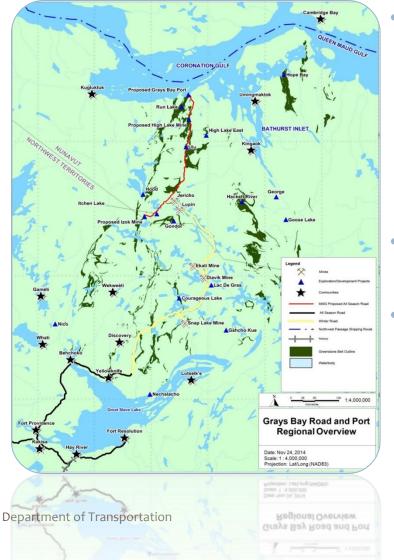
 Corridor
 - Slave Geological Province

Slave Geological Province



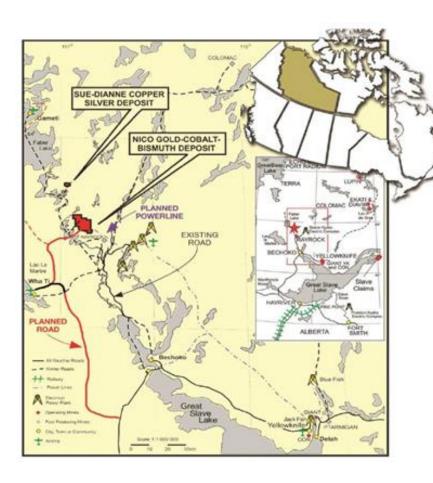
- Net financial cost to GNWT depends on chosen route
- Cost offset by a proposed toll
 - Joint venture partners likely to be primary users of the road indicate willingness to offset winter road construction costs
- Proposed routes based on mineral potential study
- Ernst-Young expected to finalize P3 Business
 Case in Fall 2015 with a route and project
 decision to follow

Slave Geological Province



- Long-term vision includes an all-weather road in the NWT connecting to an all-weather road in western Nunavut, linking to a deep water Arctic port
 - Government of Nunavut recently submitted a funding proposal to Canada for road from Grays Bay to NWT border
- GNWT will consider next steps as part of the transition plan for the new government
- Improve access and open new mineral developments in SGP and reduce operating costs for existing diamond mines

Tłįcho All-Season Road

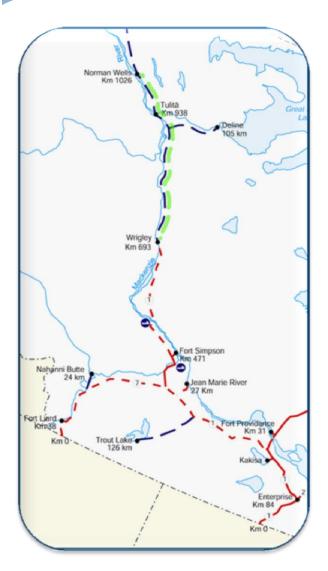


- All-season road from Highway 3 to Whatì
 - GNWT and Tłįchǫ government developing a PDR
 - Tłįcho government gathering socioeconomic and traditional knowledge
 - Environmental baseline and engineering aspects - GNWT
 - Tłįchǫ government has given project full support
- Connect Whati to the public highway system
- Stabilizes winter road access to Gamètì and Wekweètì
- Potential economic benefits from proposed NICO Project
 - Independent economic evaluation of project has been completed
 - GNWT working group assessed economic potential of mine

Tłįchǫ All-Season Road

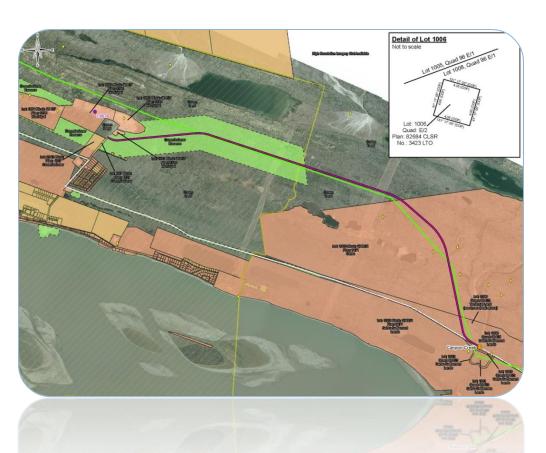
- Estimated Project Cost: Between \$130 and \$150 million
- P3 Canada Fund Application submitted for consideration in June
 2015 would provide 25% federal funding
- Topographic survey work and other baseline collection and design work almost complete
- 18th Legislative Assembly to determine next steps as part of the transition to the next Government of the NWT

Mackenzie Valley Highway



- The envisioned Mackenzie Valley Highway extends from Wrigley to the Arctic coast
- Wrigley to Norman Wells section in planning stages with other sections to follow
- A detailed business case has been submitted under the National Infrastructure Fund of the New BCP for the estimated \$700 million project proposing 75/25 cost share with Canada
- P3 study underway

Canyon Creek Access Road



- GNWT received a proposal from TDIC/ HRN joint venture to construct 14 km access road from Norman Wells to Canyon Creek
- Work is underway on project permitting and land access
- A 'readiness' project training and experience to benefit residents during the eventual construction of the MVH
- Project could begin this winter and continue for 2 years subject to securing funding under the New Building Canada Plan

Inuvik Tuktoyaktuk Highway

Completion of the project in the fall of 2017 will establish an all-weather connection to the public highway system for the coastal community of Tuktoyaktuk



- 3.09 million m3 of material has been moved to construct 65.1km of highway to or near full design grade
- EGT Northwind, an Inuvialuit joint venture is maximizing the involvement of northern and local subcontractors, a condition of the negotiated contract
 - * 604 individuals were employed on the project at the peak of the construction season in 2014/15
 - 443 individuals, or 73%, were from the Inuvik region and other NWT communities
 - 85,753 total person/days of employment were earned in April 2015
- * Approximately 120 people have received training opportunities
- * More than 70 individuals have received simulator training to operate different types of rock trucks and excavator equipment
- * More than 50 people have been trained as Class 1 and 3 drivers and heavy equipment operators
- The third winter of construction will begin in November 2015, pending weather conditions

Capturing Opportunities

- * The three road corridor proposals are all high priority projects
- The GNWT continues to promote all three projects to Canada and stakeholders
- Demonstrates the NWT preparedness to:
 - Seize opportunities to develop a sustainable economy;
 - * Improve community access; and
 - Reduce the cost of living to our residents
- Each project proposal will proceed on its own merits
- Success will require strong Aboriginal partnerships
- * Key transition issues for the 18th Legislative Assembly

Questions?

