

DATE OF MEETING January 18, 2021

AUTHORED BY ROB LAWRENCE, ENVIRONMENTAL PLANNER

SUBJECT BC FERRIES ELECTRIFICATION PROJECT LETTER OF SUPPORT

OVERVIEW

Purpose of Report

To present to Council background information on the request by BC Ferries for a Letter of Support toward its effort to secure Federal funding for the BC Ferries Electrification Project.

Recommendation

That Council endorse the Letter of Support being forward to BC Ferries for the BC Ferries Electrification Project.

BACKGROUND

Late in December 2020, City Staff were contacted by the Energy Manager from BC Ferries and asked if the City could provide a Letter of Support toward the Island Class Electrification Project (the Project).

BC Ferries is preparing a response to a direct call for proposals from the Federal Government to the industry for innovative projects that can be part of Canada's economic recovery from COVID-19.

The project goal is the full electrification of BC Ferries Island Class vessels. This project is part of BC Ferries' long-term emissions reduction strategy that aims to transition the fleet away from fossil fuels and reduce greenhouse gas (GHG) emissions. The Island Class ferry is a new standardized minor class of ferry being built with battery-hybrid technology (see Attachment A).

There are 13 Island Class Vessels that will operate on eight routes.

- Route 18: Blubber Bay (Texada) and Westview (Powell River);
- Route 25: Alert Bay (Cormorant Island), Sointula (Malcolm Island), and Port McNeill;
- Route 19: Nanaimo Harbour and Descanso Bay (Gabriola Island);
- Route 23: Campbell River and Quathiaski Cove (Quadra Island);
- Route 6: Vesuvius Bay (Salt Spring Island) and Crofton;
- Route 20: Preedy Harbour (Thetis Island), Telegraph Harbour (Penelakut Island), Chemainus;
- Route 22: Gravelly Bay (Denman Island East) and Shingle Spit (Hornby Island); and
- Route 24: Whaletown (Cortes Island) and Heriot Bay (Quadra Island).

With hydroelectricity powering British Columbia, electrification of the Island Class fleet is expected to play an integral step in triggering market transformation for wide-scale adoption of electricity as a transportation energy source. The scope of the Project includes three primary components:

1. BC Hydro distribution and interconnection to supply terminals with necessary electricity to power the electrified vessels.
2. Terminal electrical upgrades to accommodate a rapidly charging system.
3. Vessel upgrades required to operate on electricity, including installation of additional batteries and upgrades to the vessel's electrical system.

DISCUSSION

Electrifying the Island Class ferry and its associated terminals, such as the Gabriola Island terminal in downtown Nanaimo, will help improve air quality and reduce GHG emissions in several island communities, including the City of Nanaimo.

Through Council's Strategic Plan and the City's Official Community Plan, GHG emissions reduction is a significant priority to promote the long-term health and wellbeing of Nanaimo. In April 2019, the City of Nanaimo also declared a Climate Emergency and is currently updating the City's climate mitigation plan as part of the REIMAGINE Nanaimo process. This Project will contribute toward the City meeting the more aggressive GHG reduction targets now being set through these plans.

In addition to emissions reduction, Staff see the electrification of the Island Class ferry as a valuable opportunity to potentially coordinate with BC Ferries on other community decarbonisation projects that could involve other businesses in the city. Since the Island Class ferries serve a number of inter-island communities, we see this project as an opportunity to strengthen community resilience and adaptability on Vancouver Island and the Nanaimo region.

This project would be a first on the West Coast and represents an essential step in the right direction to transition critical transportation infrastructure towards low-carbon energy. It would help Canada, the Province, and the City take meaningful action against climate change while positioning coastal BC as a leader in marine environmental protection.

A copy of the proposed Letter of Support is attached (Attachment B) for your review and endorsement. Should Council endorse the letter, the letter will be sent to BC Ferries for submission with the project proposal, which is to take place before 2021-JAN-31.

OPTIONS

1. That Council endorse the Letter of Support being forwarded to BC Ferries for the BC Ferries Electrification Project.
 - Advantages: Council endorsement sends a stronger message of the City's support for decarbonization of the BC Ferry fleet. Once completed, the Island Class Electrification Project offers cleaner air for downtown Nanaimo residents and visitors.

- Disadvantages: There is no certainty BC Ferries will receive Federal funding for the Project.
 - Financial Implications: The City is not being asked to financially contribute to this project.
2. That Council deny endorsement of the Letter of Support being forwarded to BC Ferries for the BC Ferries Electrification Project.
- Advantages: There are no requirements to support the Project proposal.
 - Disadvantages: Not supporting this project proposal could send a mixed signal to the public about Council's willingness meet its community GHG reduction goals and support to industry efforts to decarbonize its operations and help lower community GHG emissions.
 - Financial Implications: None identified.

SUMMARY POINTS

- Late in December 2020, City Staff were contacted by the Energy Manager for BC Ferries and asked if the City could provide a Letter of Support toward the Island Class Electrification Project (the Project).
- The project goal is the full electrification of BC Ferries Island Class vessels. This project is seen as part of BC Ferries' long-term emissions reduction strategy that aims to transition the fleet away from fossil fuels and reduce GHG emissions.
- Electrifying the Island Class ferry and its associated terminals, such as the Gabriola Island terminal in downtown Nanaimo, will help improve air quality and reduce greenhouse gas emissions in several island communities, including the City of Nanaimo.

ATTACHMENTS

ATTACHMENT A: Project Overview (BC Ferries)
ATTACHMENT B: Letter of Support from Mayor

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Concurrence by:

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