

MEETING EDE 7-20-24

STANDING COMMITTEE ON ECONOMIC DEVELOPMENT AND ENVIRONMENT

THURSDAY, MARCH 14, 2024 EAGLE ROOM / ZOOM 9:00 AM

AGENDA

- 1. Prayer
- 2. Review and Adoption of Agenda
- 3. Declarations of Conflict of Interest
- 4. Public Matters
 - a) Ministerial Briefing on Marine Transportation Services
- 5. In Camera Matters
 - a) Wrap Up Discussion
 - b) Confidential Correspondence:
 - i. 2024-02-29 Hon. Minister of Infrastructure
 - ii. 2024-03-07 Hon. Minister of Industry, Tourism and Investment
 - iii. 2024-03-07 Hon. Minister of Infrastructure
 - iv. 2024-03-11 Hon. Minister of Environment and Climate Change
 - v. 2024-03-12 Hon. Government House Leaders
 - c) Committee Week Planning
- 6. New Business
 - a)
- 7. Date and Time of Next Meetings: Thursday, April 18, 2024 9:00AM
- 8. Adjournment



Marine Transportation Services

Standing Committee on Economic Development and Environment
March 14, 2024



Contents

- Operational Update
 - History of Marine Services
 - MTS Program
 - 2023 Season Results
 - 2024 Season Preparation
- Spill Response
- Governance Review



History of Marine Services

- Northern Transportation Company Limited (NTCL) founded 90 years ago, 41 years as federal crown corp.
- Canada sold to Inuvialuit Development Corp and Nunasi Corp in 1985, operated for 31 years.
- NTCL filed for creditor protection in spring 2016 and ceased operations in fall of 2016.
- GNWT purchased NTCL assets for \$7.5 M in Dec 2016 and has been providing marine services since.



MTS Program

- Four main sections:
 - Administration
 - Terminals
 - Shipyard
 - Vessels and Barges



Essential Resupply

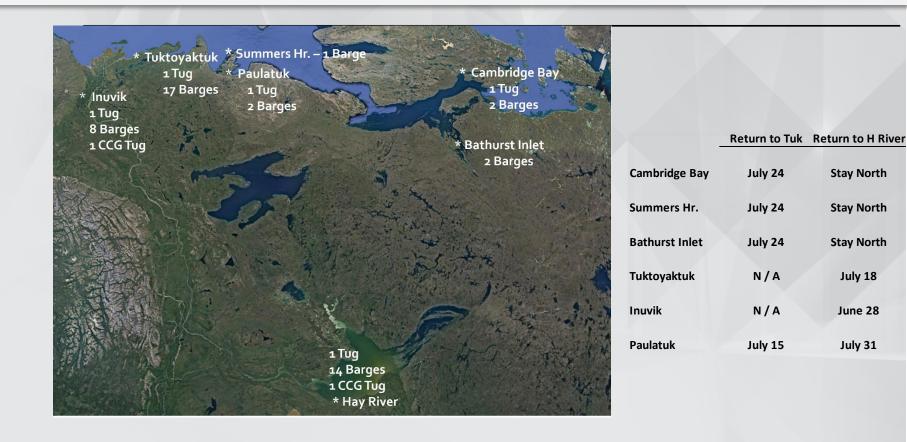
Communities:

- Fuel resupply
- Cargo for community projects (GNWT tenders)
- ISR communities Sachs Harbour, Ulukhaktok, Paulatuk and Tuktoyaktuk
- Mackenzie River (Norman Wells, Tulita, Kasho, Inuvik, Aklavik)
- Great Slave Lake
- Lutsel K'e
- East Arm Tourism and Fed Gov't
- North Warning System (charter)





Overwintered Vessels' Locations as of Spring 2023





2023 Season

- Barge draft out of Hay River reduced from 5' to 4' to 3'
 8"
- Fuel delivered "Over the Top"
- Cargo destined for ISR communities trucked to Inuvik
- Hay River Evacuation impacted last tow to Sahtu
- Cargo and fuel successfully delivered to NT and ISR communities
- North Warning Site deliveries completed



2024 Season

- Canadian Coast Guard partnership
- Community essential resupply planning
- MTS Asset Refits
- Mobilize fleet by mid-June
- Imperial Oil Norman Wells
- Fuel Lightering Over the Top
- Commercial clients
- Harbour Restoration



Spill Response

- Fuel Spill Prevention and Contingency Plan
 - Federal and Territorial Regulations
 - Roles and Responsibilities
 - Reporting
 - Pollution Response, Containment and Recovery Equipment
- Shipboard Oil Pollution Emergency Plan (SOPEP)
 - Specific to each vessel
 - Each vessel has its own pollution response kit



Governance Review: Background

- Direction to conduct review of governance model options.
- Request for Proposals released in May 2023, included the review of:
 - Gov't program with revolving fund (current model)
 - Crown corporation (with and without a board of directors)
 - Private operator model
 - Full privatization
- KPMG successful proponent, contract signed Sept 2023



MTS Governance Review

Three phases:

- 1. Current State Analysis
 - Analysis of financial and operational data
- 2. Alternative Model Assessment
 - Model descriptions, criteria, assessment of models
- 3. Risks, Operational Considerations and Reporting
 - Financial modeling of top-rated models against current model

Next Steps



Discussion / Questions

