

Mike Sullivan

From: Tonks, Alan - Assistant 2 [TonksA9@parl.gc.ca]
Sent: April 11, 2005 12:29
To: msullivan@cep.ca
Subject: Toronto Air Rail Link

Dear Mr. Sullivan:

Allison Weiss forwarded your e-mail to me with regards to your inquiry on details in relation to the Toronto Air Rail Link. I passed your inquiry on to Transport Canada and their response is below, which I received this morning. Should you have any more questions, please feel free to contact myself or Allison.

Regards,

Kyle Harrietha
Legislative Advisor
Office of Alan Tonks, M.P.
613-995-0777 (W)

In response to the inquiry by Mr. Sullivan regarding the Toronto Air Rail Link (ARL) project, it is important to note that there is no contract between Transport Canada and the ARL proponent, Union Pearson AirLink Group (UPAG) - which is owned by SNC Lavalin). Transport Canada assumed the role of facilitator in the project. It brought together all the key public and private sector stakeholders and conducted several feasibility and technical studies necessary to advance the project.

The Request for Business Cases contained the requirements for each respondent to prepare a business case; outlined the scope of work that will need to be undertaken by the successful respondent to finance, design, construct, operate and maintain the air-rail link; and set out the terms and conditions stipulated by the eleven stakeholders for their involvement in the project (these included GO Transit, the Canadian National Railway Company, the Greater Toronto Airports Authority, the Ontario Ministry of Transportation, the Region of Peel, the cities of Toronto and Mississauga, the Toronto and Region Conservation Authority, Orlando Corporation, Woodbine Entertainment Group and VIA Rail Canada.)

As a result, there will be negotiated contractual relationships between UPAG and GO Transit, Canadian National, the Greater Toronto Airports Authority, and the City of Toronto regarding access to their infrastructure and facilities. The obligations or restrictions that may be imposed on the ARL service will be outlined in agreements with these stakeholders (e.g. hours of service at the airport or Union Station, duration of contracts, specific service schedules, etc). Transport Canada has not imposed any obligations with respect to the price of the service (i.e. ticket price). This is consistent with federal transportation policy that is based on market principles and competition rather than government regulating fares. As indicated, there is no contractual relationship between Transport Canada and UPAG.

With respect to the routing and various options considered, one of the key objectives outlined by Transport Canada in initially advancing this project was a direct, seamless and rapid service between the downtown core and the airport. These and other objectives for the project are available in the backgrounder documents noted below:

November 13, 2003, News Release and Backgrounder:

<http://www.tc.gc.ca/mediaroom/releases/nat/2003/03-h132e.htm>

May 23, 2003, News Release and Backgrounder:

<http://www.tc.gc.ca/mediaroom/releases/nat/2003/03-h047e.htm>

Mr. Sullivan also asks why other proponents were rejected, specifically those using the Lakeshore rail lines and the 427 corridor? Transport Canada is not aware of the proposals to which Mr. Sullivan refers. However, the selection of the successful business case was conducted through a competitive process. Four pre-qualified private groups (PEARL Consortium, Union Pearson Group Inc., GTA LRT Consortium, and Macquarie North America and ARUP) submitted business cases for the project. This followed a request for expressions of interest which was public issued in April 2001. The selection of Union Pearson AirLink Group was the result of a thorough and fair evaluation process, which included public and private sector evaluators such as representatives of Transport Canada, the Canadian Transportation Agency, the Railway Association of Canada, the City of Toronto, the Greater Toronto Airports Authority, Canadian National Railway, GO Transit, and Deloitte & Touche, who acted as advisors to Transport Canada on this project.

It is understood that some of the concerns raised by Mr. Sullivan pertain to the existing rail-road grade crossings in the community of Weston, specifically the streets Church, King and John. It is important to highlight the fact that closing all three of these streets has never been considered by Transport Canada, GO Transit or UPAG. Unfortunately, it appears that inaccurate information may have been circulated within the local community regarding this issue, along with the nature of the recently launched environmental assessment process. This was evidenced by the extremely large turn out for the public information session originally scheduled for March 9, 2005 (since rescheduled by GO Transit for April 28).

-----Original Message-----

From: Mike Sullivan [<mailto:msullivan@cep.ca>]

Sent: April 5, 2005 12:22 PM

To: 'Allison'

Cc: albert.pietersma@sympatico.ca; Cherri Hurst; dougking@sympatico.ca; laura@westonbia.com; mashbour@idirect.com; pelphick@rogers.com; squibbs@on.aibn.com; wrra_weston@hotmail.com

Subject: RE: GO Transit Letter

I understand your preliminary advice is that due to confidentiality, we will not be able to see the contract between the government and SNC Lavalin for the operation of the ARL, due to confidentiality, and we would probably need to launch a freedom of information request to see

it.

That said, can anyone tell us non-confidential details, such as, how long does SNC have exclusive right to operate this private for profit railroad. What obligations are there on SNC regarding price of service, frequency of service, etc?

In addition, perhaps someone can tell us why other proponents were rejected, specifically those using the Lakeshore rail lines and the 427 corridor?

Thanks

Mike Sullivan