

# High Frequency Rail (HFR)

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Government  
of Canada

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# Presentation Speakers and Question Panel



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# Agenda

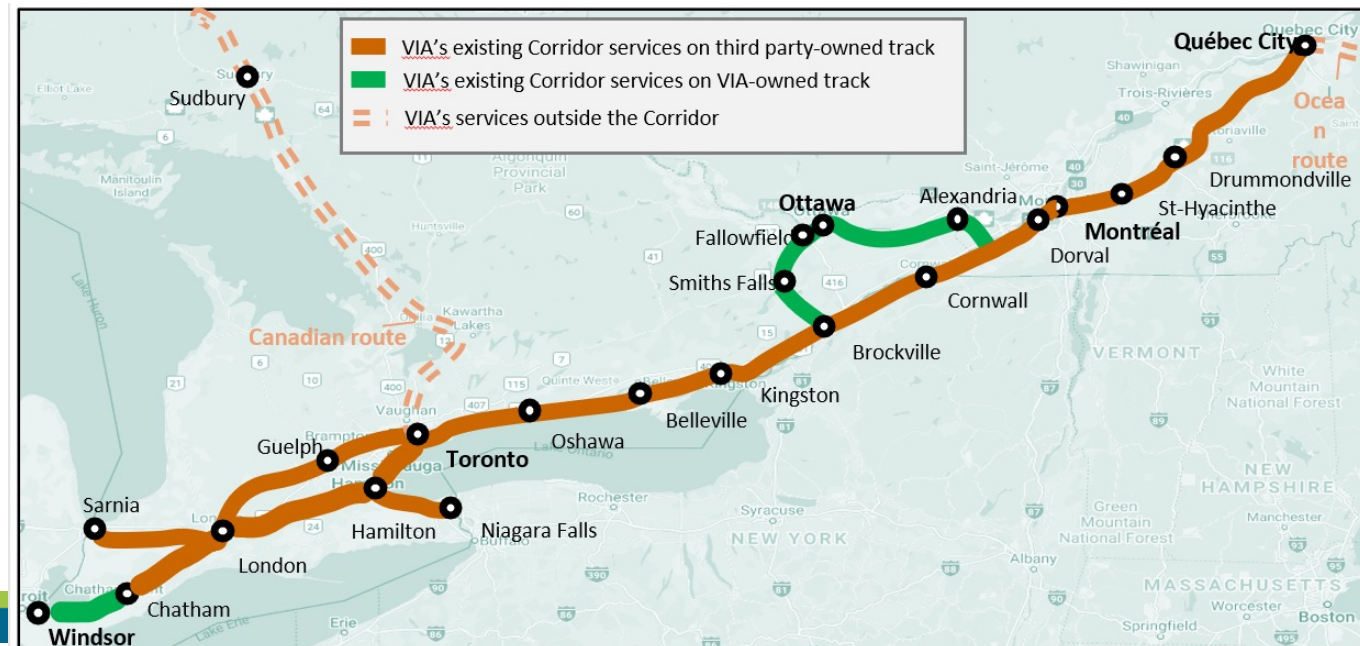
1. The HFR Project
2. Overview of Project Phases
3. Question and Answer Period

# The HFR Project



# Rail Services in the Québec City – Windsor Corridor

- In addition to operating long distance and regional services, **VIA Rail currently operates intercity passenger rail services** between Québec City and Toronto, and to communities in Southwestern Ontario.
- The tracks and stations along the Corridor are **mostly owned and controlled by Host Railways**, which provide shared access and control and manage dispatching, operations, performance, maintenance and train schedules through train service agreements.
- Increases in ridership over recent, pre-pandemic years have been accompanied by increases in revenues, where Corridor revenues have steadily increased from **\$226 million in 2015 to \$325 million in 2019**.

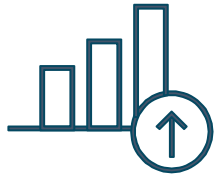


# Growth Opportunities Exist for Passenger Rail in the Corridor



## THE CORRIDOR IS CANADA'S MOST DENSELY POPULATED AND HEAVILY INDUSTRIALIZED REGION

- **61%** of Canada's Total Population
- **62%** of Canada's Total Labour Market
- **59%** of Canada's GDP
- **34%** of Canada's GHG Emissions



## DEMAND FOR PASSENGER RAIL WILL CONTINUE TO INCREASE

- **By 2043, an additional 5 million people are projected to live in Québec and Ontario** (an increase of 21% from 2020), which represents over half of the projected growth in Canada. Most of these new residents will **live and work in the Corridor**.
- The growing population and economy will **increase the demand for all modes of transportation including passenger rail**. The **greatest and most immediate need for improvements to passenger transportation infrastructure is in the Corridor**.
  - Passenger rail travel accounted for **only 2.3%** of all trips in the Corridor in 2019 compared to **94% by cars** – the opportunity exists for significant modal shift.

# The High Frequency Rail Project

HFR is the **largest transportation infrastructure project** that Canada has seen in decades and would:



Consist of an intercity passenger rail network in the Corridor **over 1000 km in length, with new and upgraded rights-of-way, tracks, structures, stations, rolling stock, and rail systems, with a railway electrification system along most of the Alignment.**



**Create new routes** between Toronto, Peterborough, Ottawa, Montréal, Trois-Rivières and Québec City, **providing new services to communities while maintaining connectivity between cities currently serviced.**



Operate alongside existing VIA Rail Corridor services, **creating an integrated passenger rail system** between Windsor and Québec City, with connectivity to VIA's routes outside of the Corridor.



Transform the passenger experience with **faster, more frequent and accessible, and more reliable and on-time** services that offer **improved integration** with other modes and a **much lower carbon footprint.**

# Project Outcomes

The HFR could create a **greener, faster, more frequent** and **more accessible transportation system** that could **deliver value to customers, communities and taxpayers.**

## 1 Significantly Increase Intercity Rail Passengers

- **Increase annual passenger trips** in the Corridor to at least 17 million by 2059 (up from 4.8 million in 2019), including both HFR Services and Local Services.
- **Operational and fleet strategies** include increased annual seat capacity to enable expected growth in passengers.

## 2 Enhance Passenger Experience in the Corridor

- **Faster service with shorter journey times** between Major Cities (Québec City, Montréal, Ottawa, and Toronto) that are less than:
  - 4h10 between Toronto and Montreal
  - 2h55 between Toronto and Ottawa
  - 1h45 between Ottawa and Montreal
  - 2h50 between Montreal and Québec City
- **More reliable service with improved on-time performance** within the Corridor (up to 95% on dedicated tracks from an average of 68% in 2019) and **more frequent departures** (e.g., minimum 12 departures per day) between Major Cities.
- Add new services to **Peterborough and Trois-Rivières.**
- Maintain connectivity between cities currently serviced by **meeting or exceeding minimum service requirements** to be established by Canada/the Project Authority for Local Services.
- **Improve integration with other modes of transportation** by engaging collaboratively with municipal stakeholders, transit authorities and other orders of government or service providers.
- Provide a passenger rail system that is **significantly less dependent** on sharing tracks with Host Railways.



# Project Outcomes Cont'd

## 3 Provide Meaningful Environmental Benefits to Support Canada's Net Zero Commitment

- **Provide a greener rail system and cleaner travel option** using electrified technology (zero or low emission power technology where electrification is not feasible, including alternative fuels or electric power cells).
- **Reduce greenhouse gas emissions** during operations by a minimum of 10 million tonnes of CO<sub>2</sub> over a 30-year term in support of Canada's net zero 2050 target.
- **Reduce total emissions associated with HFR**, including those associated with construction. Targets, including interval targets, would be developed by the Contracting Authority and the selected vendor, the Private Developer Partner (PDP), during the Co-Development Phase.
- **Report on greenhouse gas emissions savings achievements** (e.g., annually with rolled up reporting as intervals, such as every 5 years and/or to support Canada's emissions savings reporting).

## 4 Significantly Increase Availability of Accessible and Affordable Services

- **Provide barrier-free access to services** aligned with the Accessible Canada Act, meeting or exceeding the latest accessibility standards and best practices and significantly increase availability of accessible services to travellers in the Corridor.
- Incorporate an **affordable and socially equitable fare and ticketing policy** for passengers in the Corridor.
- **Incorporate findings into the Project** of a **Gender Based Analysis Plus (GBA+)** analysis that considers diverse identity factors, including how different individuals might experience the Project, to deliver positive GBA+ outcomes.

# Project Outcomes Cont'd

## 5 Enable Safe Intercity Journeys

- Provide a **safe and secure environment** for customers, staff and communities by incorporating proven standards of world-class safety focused passenger rail systems.
- Provide a **level of safety** for Project railways operations comparable to proven North American and European rail safety standards.

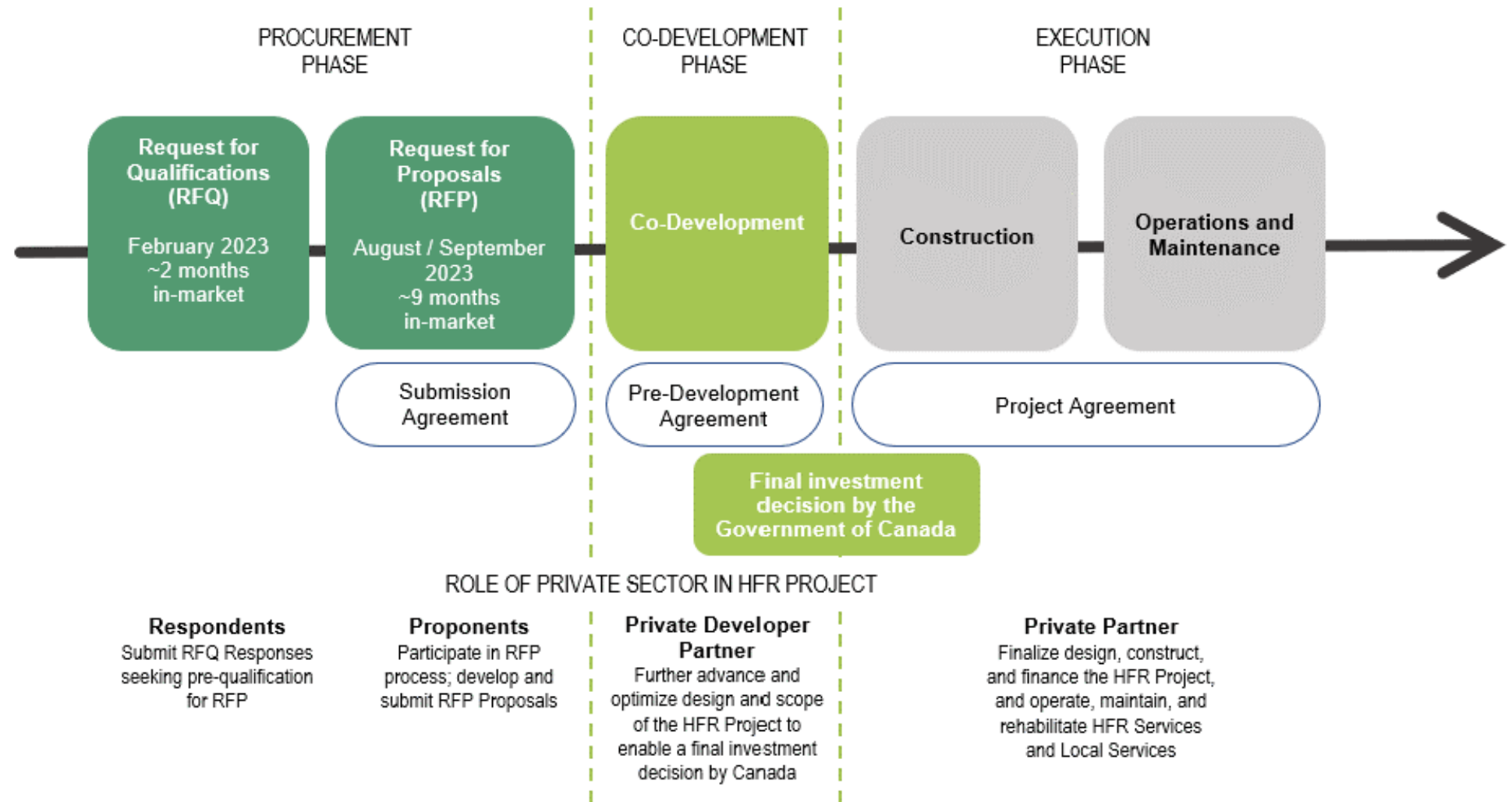
## 6 Minimize Financial Costs to Taxpayers

- **Eliminate operating subsidies** by Canada in the Corridor while achieving defined levels of **customer satisfaction**.
- Provide a Solution that yields best **value for money** for taxpayers, through:
  - the integration of design, construction, maintenance, and operations; and
  - optimal revenues and cost management
- Establish and adhere to an **affordability range** for the Project throughout the project lifecycle.
- **Contribute positively to** the Government of Canada's priorities on **economic growth** by generating jobs, creating new supply chains and supporting training and skills development while respecting trade obligations and ensuring cost efficiencies.

## 7 Contribute Positively to Canada's Commitment to Reconciliation with Indigenous peoples

- Create **socio-economic benefits and maximize project participation** opportunities for Indigenous Peoples.
- Support **ongoing engagement** to foster meaningful, two-way dialogue.

# HFR Project Phases



A Request for Expressions of Interest (RFEOI) was issued in February 2022 and a subsequent RFEOI Update in October 2022, the responses to which have informed the RFQ and future steps

# Overview of Project Phases



# Request for Qualifications (RFQ) Overview

## Participants

Teams of interested parties with relevant development, design, and operational expertise (Canada received a positive response to the RFQ which was released on Feb 17, 2023 and closed on April 24, 2023)

## Objectives

To pre-qualify respondents to be invited to participate in the RFP.

## Outcomes

Qualification of up to three Respondents with proven capability and capacity to develop, design, operate, and finance the Project, and with sound approaches to collaborate with Canada and other stakeholders

## Payments

No compensation will be paid to Respondents at this stage.

# Industry Engagement Leading up to RFQ

- In March 2022, Canada released the Request for Expressions of Interest (RFEOI) for the HFR Project. In keeping with best practices for large-scale infrastructure projects, a phased approach was used to share information and solicit market feedback.
- 54 written responses to the RFEOI were received from Interested Parties and meetings were held to discuss in greater detail. Canada used this feedback to refine the project requirements, the deal structure and the anticipated procurement and co-development timelines.
- An RFEOI Update was released in Oct 2022 which summarized key themes stemming from the RFEOI process and provided additional information, clarifications and some changes to the project and its procurement. A final round of meetings were held prior to the launch of the RFQ.
- This engagement process provided prospective bidders with the information needed to assemble teams and organize themselves and was instrumental in enabling an efficient RFQ process for a unique and complex project. At close, the RFQ received quality submissions without the need for extensions.

# Request for Proposals (RFP) Overview

## Participants

Qualified Respondents from the RFQ that have signed Submission Agreements

## Objectives

Select a Preferred Proponent to participate in the Co-Development Phase

## Outcomes

Proponents will be ranked based on the evaluation of their RFP Proposal, with the top-ranked Proponent expected to be invited to participate in the Co-Development Phase as the Private Developer Partner.

## Payments / Proposal Development Fee

Anticipated to be up to \$20 million per Proponent, including the successful Proponent, in consideration of the level of effort required to submit a compliant Proposal

# Co-Development Phase Overview

## Objectives

The Private Developer Partner (PDP)'s final technical, commercial and financial proposal for the Project, presented to Canada for final approval and as a condition of the Contracting Authority entering into the Project Agreement

## Outcomes

Upon approval by Canada, the Project Agreement would be executed by the Private Developer Partner, which would then become the Private Partner

## Payments

The Private Developer Partner would be compensated for scope completed during the Co-Development Phase, expected to be commensurate with the level of effort involved



# Co-Development Phases

The project development process during co-development is expected to be broken up into four distinct phases:

## 1 Plan Validation and Initial Stakeholder Engagement

- Private Partner ramps up resources, consults with VIA-HFR to approve the PDP's Co-Development Plan and establish an effective relationship along with rules of engagement.
- Planning and progressing on the targeted engagement with priority stakeholders along the corridor.

## 2 Project Definition

- Progress project development, refine the operational concept and design to ~15% level, sufficient to inform a project definition and Business Plan ready for Government consideration.

## 3 Reference Design

- Continue to progress reference design and Business Plan to a ~30% level, sufficient for regulatory approvals, agreements in principle with stakeholders and to launch any targeted investments.

## 4 Final Project Agreement

- Progress project development and design sufficient for a Final Business Plan.
- The necessary approvals for the Project from the Impact Assessment Agency of Canada and Canadian Transportation Agency are obtained and any required changes incorporated to the project definition.
- Project Agreement ready for signature (regulatory/stakeholder agreements secured), prepare mobilization for Project Execution

# Alignment Selection, Opportunities for Innovation and High-speed

- Through the structuring of the Procurement Phase and Co-Development Phase, Canada is seeking to encourage innovation by providing flexibility to explore options and alternatives to maximize Project Outcomes, including with respect to:
  - Alignment solutions;
  - Opportunities to increase speed on certain segments;
  - Station locations; and
  - Other potential innovations.
- A preliminary Alignment will be part of the RFP proposal
- The final Alignment will be determined early in the Co-Development Phase, in consideration of cost-benefit trade-offs of alternative approaches for exceeding the Project Outcomes

# Private Developer Partner Activities



# Overview of Execution Phase

## Objective and Outcome:

- The successful design, build, operations, maintenance, and financing of the Project will be the expected outcomes of the Execution Phase.

# Private Partner Responsibilities

Design and Construction

**Thank you for your  
interest**

**Follow the Progress at :  
[www.tgf-hfr.ca](http://www.tgf-hfr.ca)**

