



CONSULTATION
DOCUMENT

BEAU PORT 2020



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A WORD FROM THE PRESIDENT AND CEO

The Québec Port Authority (QPA) is taking another step forward as it clarifies the commercial focus of the Beauport 2020 project and responds to the concerns raised by the public and the government departments involved while rising to address emerging global needs and opportunities. As we announced on December 12th, the project's commercial function will focus exclusively on the storage and handling of containers. The QPA also confirms the abandonment of the planned breakwater and the reconfiguration of the Beauport Bay beach to minimize river encroachment.



Mario Girard

President and CEO



The Beauport 2020 project has been undergoing an environmental assessment process by the Canadian Environmental Assessment Agency (CEAA) since August 2015. The Environmental Impact Statement (EIS) was submitted in December 2016, and the assessment process is still ongoing. At the same time, the independent commercial studies conducted over the last two years have confirmed the use scenario for the new wharf. The 15-metre water depth at low tide, combined with full intermodality and proximity to Midwestern markets, are some of the key elements justifying this commercial use. The deep-water container terminal will enable our region to assert its status as a world-class logistic and economic hub. The Port of Québec is proud to continue developing this project for the economic benefit of Québec and Canada.

We are driven by the desire to build this project with the community. We have taken great care to listen to and analyze the comments made by all stakeholders at public hearings, in submissions and at the numerous meetings held by our administration. In light of this proposal, we want to hear what you think of the clarifications made to the Beauport 2020 project to help it sail to successful completion. Using this document, we will collect the potential concerns and comments regarding the recent announcement of the project's final focus and the other clarifications presented herein. We will then respond to all the concerns and issues recorded by the CEAA, in addition to those we will collect through this consultation exercise. The final response document will then be submitted to the CEAA for analysis.

Thank you for your participation.



BEAUPORT 2020 A

RECENT STEPS AND SCHEDULE

From the very beginning of the Beauport 2020 project, the Québec Port Authority (QPA)—hereinafter the Port of Québec—was committed to proposing a project that would maximize the benefits to the community while minimizing the impact on the environment and respecting sustainable development values.

As early as August 2015, the Port of Québec voluntarily submitted its Beauport 2020 project to the Canadian Environmental Assessment Agency (CEAA), which started the environmental assessment process in collaboration with federal and provincial government experts. Among other things, the process involves the preparation of an EIS that meets guidelines drafted specifically for the project by the CEAA to qualify the potential effects on the environment.

The choice of the Beauport sector for the construction of a deep-water wharf was the result of a comparative analysis of various potential areas within the Port of Québec's administrative perimeter. A list of 17 criteria (technical, economic, environmental and social) was developed to document and analyze potential sites. The analysis showed that the Beauport sector stood out for fulfilling a wide range of requirements: topography and geometry, intermodal quality, flexibility, navigability, centralization of operations, a lower overall impact on the environment, less encroachment on the river, lower amounts of sediments to dredge, integration within an existing industrial port environment and project implementation costs that would allow an acceptable return on investment.

The EIS, inspired by the highest standards, was submitted in December 2016 and was followed by a public consultation period in January and February 2017. In accordance with the process, and to follow up on the public consultation and expert analysis activities, the CEAA sent the Port of Québec a document of questions and comments.



ND ITS EVOLUTION

Since then, the Port of Québec has worked to answer these questions, and in December, it confirmed that the final version of the operation scenario for the deep-water wharf construction project in the Beauport port area, the Beauport 2020 project, would be that of a terminal devoted exclusively to the handling and storage of containerized merchandise. Thus, the answers provided to the CEAA will take into account this clarified aspect of the project.

Work will begin once applicable government approvals will have been obtained.

LISTENING TO STAKEHOLDERS

In addition to actively participating in several committees as part of its day-to-day operations—the

Port/Community Coexistence Committee (PCCC), the Comité de vigilance des activités portuaires, the Table de concertation du Vieux-Québec and the Beauport Bay user forum (BBUF)—the Port of Québec has taken great care to present the Beauport 2020 project to these committees, and to the general public, through several initiatives such as a citizen information day, the distribution of information pamphlets and a series of nearly 140 meetings on this topic. The Port of Québec also sought the participation of the community and stakeholders, including First Nations, as part of the process of preparing the EIS to ensure that the concerns raised would be integrated into it and that fundamental questions would be answered.

The comments received prompted the Port of Québec to reconsider certain aspects of the project presented in the Environmental Impact Statement. The current objective is to clarify the project and hear about any additional concerns that arise.



Figure 01 Visual representation of the project including the details

THE PROJECT'S EVOLUTION

The Port of Québec is still proposing the construction of a deep-water wharf in the Beauport sector along with a 17-hectare area behind the wharf devoted to economic development. At the CEEA's request, a hypothetical operation scenario was used early in the process since the Port of Québec was unable to confirm a final focus for the project's operational phase when it was time to prepare and submit the EIS.

Various concerns were raised during the consultations held by the CEEA and the Port of Québec, several of which came from the presentation of a hypothetical operation scenario. They can be summarized as follows:

- ▀ The project's commercial and economic justification
- ▀ Potential nuisances
- ▀ Public safety
- ▀ The possible effects on the environment in case of incidents or malfunction

The Port of Québec always intended to present a definitive operation scenario to the public when it could be confirmed in order to clarify the potential effects of the project and plan the best measures to prevent or mitigate them.

Since the EIS was submitted, and following the CEEA's consultations and hearings, the Port of Québec has continued mobilizing its team to explore all possible improvements to the project. The project has since been clarified.





CLARIFICATION OF THE PROJECT

From the start, it should be noted that the project's location remains the same and that the best efforts have been made to minimize the impact on the river. The Beauport 2020 project still involves the construction of the new 610 m wharf line and of a 17-hectare area, the dredging of a manoeuvring area, and the extension of the railway and of the emergency outfall from the City of Québec's wastewater treatment plant.

Two of the main clarifications to this project are the confirmation of the final commercial function of a terminal reserved exclusively for containerized goods, and the confirmation that the breakwater construction and Beauport Bay beach reconfiguration will not be going ahead. Some adjustments and enhancements naturally result from these two clarifications, including:

TERMINAL RESERVED EXCLUSIVELY FOR CONTAINERIZED CARGO

- Revised information on road and rail transport
- Update of the railway extension
- Removal of the option to build a temporary wharf with piling and sheet piling

BREAKWATER CONSTRUCTION AND BEAUPORT BAY BEACH RECONFIGURATION CANCELLED

- Update of the concept of a sound and visual barrier between the port area and the recreational and tourist area
- Permanent relocation of the bank swallow nesting area

The Port of Québec can now clarify the use scenario for the area behind the wharf by announcing a project for a world-class container terminal, confirming the commercial focus of the Beauport 2020 project and, at the same time, responding to several comments and concerns related to the lack of clarity as to the final focus of the project and its economic rationale.





TERMINAL RESERVED EXCLUSIVELY FOR CONTAINERIZED CARGO

In addition to meeting an economic need, a container terminal provides a positive response to the concerns of the CEAA, certain departments and the public regarding the potential presence of certain types of materials during the operating phase or regarding worst-case accident or malfunction scenarios.

QUESTIONS

What are your impressions of and/or concerns about the commercial clarification made to the project?

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What are your apprehensions about and/or expectations of the Port of Québec or the future operator of the container terminal?

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REVISED INFORMATION ON ROAD AND RAIL TRANSPORT

The operating conditions of a container terminal will create ground traffic. Containers entering or leaving the Beauport terminal will be coming by railway (85%) and by road (15%). This use is essential to reach the target markets, foremost among which is the American Midwest. The containers will travel to distribution centres, warehouses and industrial parks, which facilitates land transport logistics between the container terminal and the cargo's origin or final destination.

UPDATE OF THE RAILWAY EXTENSION

The length of the railway extension in the area behind the wharf will be changed to accommodate the operational requirements of a container terminal. However, access to the railway from the south side of Henri-Bourassa Boulevard on port territory will remain.

REMOVAL OF THE OPTION TO BUILD A TEMPORARY WHARF WITH PILING AND SHEET PILING

The project to build a wharf using piling and sheet piling to temporarily accommodate potential customers before the new wharf line is completed is cancelled. This decision was based on the fact that the clarified commercial purpose of the project eliminated the need for such a structure. This component has therefore been removed from the Beauport 2020 project.

QUESTION

Do you have any particular apprehensions and/or expectations regarding this use of ground transport (road and rail) as part of the project's operational phase? Please explain your answers in detail.

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# BREAKWATER CONSTRUCTION AND BEAUPORT BAY BEACH RECONFIGURATION CANCELLED

The construction of the breakwater and reconfiguration of the Beauport Bay beach was originally planned for the project due to the proximity of the beach to the new wharf and the possibility of repurposing the dredged sediments while ensuring the sustainability of this recreational and tourist area and combating its erosion.

Following the conclusion of certain studies and the analysis of the comments made and concerns raised by the various stakeholders for this component, including members of the Beauport Bay user forum, the Port of Québec decided to exclude the beach from the project. There will be no breakwater construction or beach refilling. Cancelling these projects will reduce the project's footprint on the aquatic environment by five hectares, thus addressing one of the concerns raised by public authorities and the issue of boating safety.

However, it is important to mention that discussions are continuing with relevant stakeholders, including the Beauport Bay user forum, to explore other avenues to enhance the recreational and tourist site and the services offered there. These talks will also enable any necessary adjustments to be made during the construction phase of the Beauport 2020 project to minimize inconvenience to users of the site.

## QUESTION

Do you have any concerns and/or expectations regarding cohabitation between the Beauport 2020 project and the Beauport Bay recreational and tourist site? If so, please elaborate.

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INSTALLATION OF A SOUND AND VISUAL BARRIER BETWEEN THE PORT AREA AND THE RECREATIONAL AND TOURIST AREA

As part of the project, there was a plan to extend the existing vegetated embankment between the industrial sector and the recreational and tourist sector. The infrastructure separating the new back area of the wharf and the beach sector will now be extended using a wall of containers lined with green arrangements, continuing the development of the Beauport sector's green grid.

This infrastructure has been the subject of additional studies to confirm its effectiveness as a sound and visual barrier. The work carried out by the Port of Québec addresses the concerns of public authorities as to the environmental suitability of the structure separating the new port sector and the recreational and tourist sector. The aesthetic, environmental integration and greening aspects were also crucial features for the Port of Québec when designing this work. The impact of this structure on the wind is currently under study and will be discussed with members of the Beauport Bay user forum.

QUESTION

Do you have any apprehensions and/or expectations regarding the solution aiming to reduce the noise and visual impact that may result from the industrial port activities taking place near the recreational and tourist site? If so, could you elaborate?

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## PERMANENT RELOCATION OF THE BANK SWALLOW NESTING AREA

The construction of this infrastructure is now excluded from the project, as it is already underway. Recall that the current location of the nesting area, a pilot project launched by the Port of Québec, would place it directly within the area behind the future Beauport 2020 wharf. For this reason, it was necessary to permanently reposition this area in a new location conducive to the species.

In response to concerns raised by public authorities, the Port of Québec took the initiative, in the summer of 2017, to present an action plan to Environment and Climate Change Canada and the Canadian Wildlife Service that included a new location for the nesting

area so that it is less exposed to weather and human disturbance. Note that the new nesting area was built in 2017 and that the two structures (the current nesting area and the new one) will both be in operation during the 2018 nesting season, to ensure a smooth transition and enable us to confirm that the new structure will be used without compromising the success of the brood.

### QUESTION

In your opinion, and based on your first impressions, do you believe that the changes presented may assuage some of your concerns? Please explain your answer.

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RATIONALE FOR A CONTAINER TERMINAL

International trade has the wind in its sails, and this growth creates a need for efficient modes of transport. In addition to stimulating the local and national economy, and boosting the attractiveness of the St. Lawrence, the container terminal project makes it possible to adapt to major trends in global transportation. Maritime transport accounts for 90% of global trade. Of all the ways to transport cargo, it is the most advantageous from an environmental point of view, with higher energy efficiency and lower GHG emissions, in addition to being the mode of transport that creates the fewest social nuisances.

Global economic dynamics are shifting. The emergence of a Chinese middle class that outnumbers that of the United States is disrupting transportation habits. Thanks to its strategic location, which provides a natural water depth of 15 m and full intermodality, the Port of Québec can play a role in trade between China and our market, which includes Quebec, Ontario and the American Midwest.

Current trends in maritime transport lead toward the use of larger ships because of the new sailing conditions available (with the expansion of the Panama Canal and the Suez Canal) and the economic efficiency of this mode of transportation. The Port of Québec is the most upstream location in the St. Lawrence and Great Lakes seaway that can host these vessels.

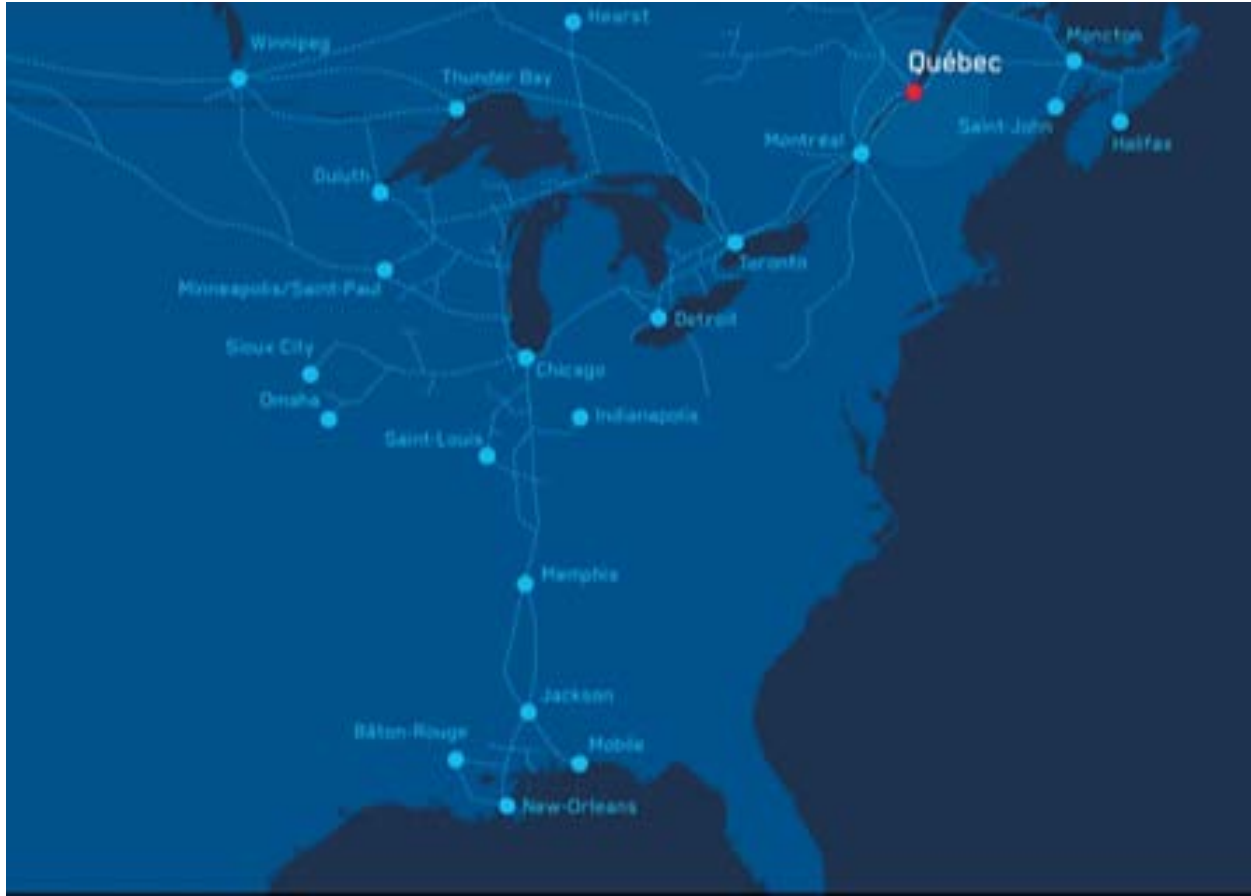
QUÉBEC'S NEW ROLE AS A CONTINENTAL LOGISTICAL HUB

The Beauport 2020 project, with its commercial function reserved exclusively for containerized goods, will enable our greater region to become a continental logistical hub. A logistical hub is a multimodal industrial park where companies and distribution centres cluster.

These companies transform the received goods or endeavour to transport them efficiently to both the national and international markets.

Container transport is one of the modes of transport that generate the most economic benefits for its host communities, in particular because of the large numbers of companies involved in this business. The Beauport 2020 project is a major one, with the transformative potential to grant currently inaccessible economic might to the St. Lawrence. According to a study conducted by KPMG in December 2017, completing the Port of Québec's container terminal project will generate recurring annual economic benefits of \$287.4 million and a total of 2,710 direct, indirect and induced jobs in all of Canada. This doesn't even include the large number of companies and jobs as well as the expertise it will help develop over the years.

The Port of Québec plays a major role in Canada's international trade logistics chain as it serves growing sectors of the economy and receives requests from various industries.



QUÉBEC'S ADVANTAGES ARE CLEAR AND UNMATCHED ON THE ST. LAWRENCE:

- ▶ Natural water depth of up to 15 m at low tide in the Beauport sector
- ▶ A location between Europe and the Great Lakes area (the economic heart of America and a mass market of 110 million people)
- ▶ Full intermodality with immediate access to rail and road networks

THE BENEFITS OF A MORE COMPREHENSIVE AND EFFICIENT ST. LAWRENCE MARITIME ROUTE

The economic success of the St. Lawrence Seaway depends on the quality and intermodal connections of its maritime infrastructure.

Guided by a consultation of maritime industry stakeholders and the expertise of its departments, the Quebec government tabled a 2030 vision for the maritime industry in which it expresses its desire to confirm Quebec's role as a hub for transatlantic trade. The Beauport 2020 project is part of this vision.

The choice of a container terminal project is based on a thorough market study that confirmed its commercial potential for Québec, but also for the entire St. Lawrence trade corridor. June 2016 marked the opening of the new Panama Canal, which now allows the passage of a new generation of larger vessels with its new standard of 15 m of water depth. Atlantic-facing US ports have adapted to accommodate these new vessels. With Beauport 2020, the Port of Québec will increase the St. Lawrence River's competitiveness by offering a deep-water container terminal with a depth of 15 m at low tide.

QUESTIONS

Do you have any particular apprehensions, concerns and/or expectations regarding the commercial rationale expressed in the clarification of the project's commercial focus?
If so, could you elaborate?

Do you have any concerns when thinking about container transport and handling?
If so, could you elaborate?



THE ENVIRONMENTAL IMPACT OF THE PROJECT

The Beauport 2020 project is designed to use the best possible practices, technologies and mitigation and control measures to reduce any potential effects on the environment. In this sense, it will be part of our overall sustainable development approach implemented through various planning, consultation and monitoring mechanisms. These mechanisms ensure the project is managed efficiently in a way that is respectful of the environment and the community.

To date, more than \$10 million has been invested and more than 80 sectoral studies have been conducted by various external specialists to identify and assess the potential effect of the Beauport 2020 project on the entire physical, biological and human environment.

The Environmental Impact Statement (EIS) documented the potential effect of the project on 25 components of the biophysical, biological and human environment. It also assessed the risks of accidents and malfunctions, the effects of the environment on the project, and its cumulative effects. The results obtained will enable the preparation of an environmental monitoring and follow-up program that will be adapted to the new container terminal operation scenario. The program developed as part of the EIS included the monitoring of the following components:

- ▶ Construction nuisance management: air, noise, light, dredging
- ▶ Biological environment: fauna and flora, drainage water
- ▶ Environmental emergency plan in case of breakage or accident

Here is a list of the aspects on which expertise was updated to take the clarification into account and update the impact assessment.

- ▶ Air quality modelling
- ▶ Sound environment measurement
- ▶ Sector hydrodynamics
- ▶ Visual simulation of the new facilities
- ▶ Simulation of nocturnal brightness
- ▶ Effects of the modifications on the winds required to practice certain sports at Beauport Bay
- ▶ Terrestrial technological risks and emergency measures
- ▶ Economic benefits of the definitive operation scenario
- ▶ Effects on aquatic fauna

The Port of Québec is acting proactively, having taken the initiative to update the assessment of the project's impact considering the clarifications made. This update will be presented in the document currently being written to respond to the CEEA's questions.



OUR COMMITMENTS

SEA AND LAND SAFETY: A PRIORITY

The EIS presented the results of an in-depth analysis of the technological risks and accident and malfunction scenarios based on the hypothetical Beauport 2020 development scenario. The most significant terrestrial risks were related to the presence of liquid bulk near recreational and tourist facilities. These risks have now been eliminated.

As for maritime risks, the most likely would be the result of a collision between ships, which would statistically happen once every 3,906 years. Several preventive measures are already in place to prevent marine incidents, including support from the Canadian Coast Guard's Marine Communications and Traffic Services, mandatory pilotage of transiting vessels by the Laurentian Pilotage Authority, the use of tow boats, and ice management.

TAKING INTO ACCOUNT THE IMPACT OF THE ENVIRONMENT ON THE PROJECT

Once again aiming to maintain the highest safety standards for the project, we conducted an assessment of the impact of the environment on the project carried out. The purpose of this was to predict what environmental features may have an influence on the project. For each situation identified, the Port of Québec ensured that adequate design standards, mitigation measures (when required) and management mechanisms were in place. In the context of the Beauport 2020 project, the environmental effects included in the EIS are as follows:

- ▶ Geological conditions: seismic activity, movement, settlement, landslides and land subsidence
- ▶ Hydrodynamic conditions: shoreline erosion, ice conditions
- ▶ Extreme weather events: severe storms and thunderstorms, tornadoes, floods and droughts
- ▶ Climate change

QUESTION

Do you have any fears and/or concerns about the project's impact on the terrestrial and aquatic environment? If so, could you elaborate?



In your opinion, what methods should be implemented to facilitate conciliation and cohabitation between the port and the surrounding population?



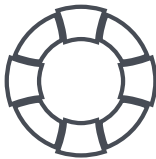


THE BENEFITS OF THE PROJECT ARE AS FOLLOWS:

CONTAINER TERMINAL



Increased local economic benefits



Beauport Bay user safety

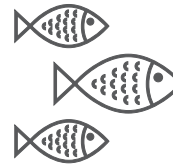


Fewer concerns about air quality and nuisances

CANCELLATION OF BREAKWATER



Improved conditions for beach users' activities



Reduced wetland loss and habitats disturbance (gains)



Improved access for Beauport Bay users



QUESTIONS, COMMENTS, SUGGESTIONS?

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