

Committee of the Whole (2) Report

DATE: Tuesday, June 18, 2024

WARD(S): 4

TITLE: CANADIAN NATIONAL RAILWAY - BULK FUEL TRANSFER
FACILITY UPGRADE LETTER OF NON OBJECTION

FROM:

Nick Spensieri, City Manager

ACTION: DECISION

Purpose

To permit the Fire Chief to sign a Letter of Non-Objection for Canadian National Railways (CN) as it relates to an application to Transport Canada to expand and operate a flammable liquids bulk storage facility at the Canadian National Railway Company's MacMillan Yard (the Site). CN requires the letter to proceed with Phase 2 expansion.

Report Highlights

- Vaughan Fire and Rescue Services (VFRS) worked closely with CN on Phase 1 of the flammable liquids bulk storage facility at the Site and was satisfied with the safety and emergency measures.
- CN is now proposing to proceed with Phase 2 of development, which would double the fuel reserve capacity at the Site. CN requires a letter of non-objection from the City in order to proceed with construction.
- Firefighting and safety equipment on the site will be modern and meet all Federal and Provincial codes and legislations. Staff are satisfied with the proposed safety measures for the Site, and are recommending that the City provide CN with a letter of non-objection.

Recommendations

1. The Fire Chief be authorized to sign a letter of non-objection, and include any required stipulations regarding health and safety mitigation measures, regarding CN's Phase 2 development of the flammable liquids bulk storage facility at the MacMillan Yard.
2. That the Fire Chief be authorized to take any steps, including executing documents in a form satisfactory to Legal Services, to implement any requirements outlined in the letter of non-objection.

Background

CN has had bulk fuel storage at the MacMillian Yard for decades. The construction of the Phase 1 expansion permitted bulk fuel to be offloaded from rail cars, safely stored, and then decanted for dispersal to the GTA by way of tanker trailers. Phase 1 is nearing the completion and operational testing phase. The proposed expansion of Phase 2 will allow the doubling of these bulk fuel reserves of gasoline, diesel, and ethanol that are vital to the transportation sector in the GTA and southern Ontario.

To proceed with construction of the Phase 2 expansion, CN must apply to Transport Canada. Under the *Flammable Liquids Bulk Storage Regulations*, CN's application must include evidence that the local fire authority having jurisdiction "has no objection to the proposed installation" of the infrastructure. This is not a letter of support for the expansion, but instead indicates that the City does not object to the project.

Previous Reports/Authority

Not applicable

Analysis and Options

VFRS has been working closely with CN on the implementation and testing of operational firefighting measures at the site as it relates to Phase 1. CN has also been responsive to VFRS's requests relating to safety and the design of the Site with respect to the Phase 2 expansion. The Phase 2 expansion will include the latest in firefighting equipment, techniques, and preparation for a site of this size.

VFRS senior staff toured a similar site and expect that the expansion will be ultra-modern in design and function. The City's Manager of Emergency Planning was also consulted in the design phase and provided input as to mitigation measures. The Manager of Emergency Planning will likewise be involved in the operational exercise with the VFRS to test the capacity of the safety measures prior to site commissioning.

When all contingencies were considered, VFRS requested CN upgrade on site equipment, including automatic nozzles, a larger firefighting foam capacity and accompanying large caliber nozzles and apparatus to facilitate a robust and timely response to a fire emergency on the property. CN has complied with all requests to date.

There is likely to be an increase in bulk fuel carriers on City of Vaughan and 400 series roads as a result of the Phase 2 expansion. Staff have included a traffic impact brief request as a requirement of providing the letter of non-objection to quantify the impact and mitigate associated risks. It is the opinion of the VFRS and Emergency Manager that a doubling of the fuel storage capacity does not represent a doubling of the hazard, or chances of an incident on this property. Analysis supports the recommendation to issue the letter of non-objection.

Financial Impact

There are no expected financial impacts.

Operational Impact

VFRS has consulted with all other portfolios within the City, and has collaborated with transportation engineering with respect to the traffic brief.

Broader Regional Impacts/Considerations

There are no expected impacts on other governments/organizations.

Conclusion

CN operates a bulk storage facility at the MacMillan Yard. CN is proposing to construct additional infrastructure to expand the storage capacity at the Site. CN is required to apply to Transport Canada in order to proceed with construction. CN must include a letter of non-objection from the City as part of its application to Transport Canada. This letter is not a letter of support, but rather a letter indicating that the City does not have an objection to the proposed expansion. VFRS has reviewed CN's proposed plans and worked with CN to confirm safety requirements and risk mitigation measures.

Accordingly, staff are requesting authorization from Council to sign a letter of non-objection from the City regarding CN's proposed Phase 2 development.

For more information, please contact: (Andrew Zvanitajs, Fire Chief or Mike Doyle, Deputy Fire Chief)

Attachments

N/A

Prepared by

Andrew Zvanitajs, Fire Chief