

August 10, 2022

Colin Plant, Chair Capital Regional District 625 Fisgard Street Victoria BC V8W 1R7

Dear Chair Plant:

Re: Island Rail Corridor

Thank you for your letters of July 15 and July 22, 2022, regarding the Island Rail Corridor.

I recognize that the Capital Regional District would like to see the restoration of rail services along the corridor. As you likely know, there have been many studies looking at the viability of rail service on the Island Rail Corridor, which have identified that restoring any form of rail service would be very costly.

Reference: 311728

For the ministry to advance any project, it must be supported by a strong business case where the benefits to the public clearly outweigh the costs. As you will know, on May 16, 2022, the ICF released a business case that proposes a mixed-use rail system with commuter service, interregional passenger service and freight operations. Ministry staff have provided some initial feedback to the ICF on its business plan, highlighting the importance of First Nations consultation and the need for an adequate contingency in the proposed costs.

Ministry staff continue to engage with the ICF and will be working collaboratively with the ICF to undertake consultation with First Nations communities to better understand their interests along the corridor. Both the ministry and the ICF view this as a critical step to inform any decisions around the future of the corridor. The ICF has initiated engagement with a small number of First Nations; however, more engagement is needed. The ministry will be providing support to undertake this important process and agrees that this is the first step prior to considering the development of a multi-disciplinary team to further develop the business case.

Ministry staff have also been in discussion with the federal government about the corridor. The provincial and federal governments are aware of the timelines around decisions regarding the corridor and are working collaboratively to discuss the corridor and the interests of First Nations, in addition to the benefits of the corridor as a part of the overall transportation network. The provincial government's goal remains to find the best use for the Island Rail Corridor, as well as to support First Nations interests in these discussions.

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Should you have any questions or wish to share further information, please do not hesitate to contact Janelle Staite, the ministry's Deputy Director for the South Coast Region. She can be reached at 250 751-3282 or Janelle.Staite@gov.bc.ca and would be pleased to assist you.

Thank you again for taking the time to write.

Sincerely,

Rob Fleming Minister

> Janelle Staite, Deputy Director South Coast Region