# FACT SHEET
# Project Need and Benefits

The Vancouver Airport Fuel Delivery Project includes upgrades to an existing marine terminal and development of an aviation fuel receiving facility on industrial zoned land on the north bank of the South Arm of the Fraser River. It will include a short, 14-km underground pipeline (300 mm or about 12 in. in diameter) through Richmond to YVR, mostly located within the Highway 99 corridor.

**Project Need**

- The project is needed because the existing fuel delivery system it will replace relies on just two sources of fuel – the Chevron Refinery in Burnaby and the BP Cherry Point Refinery in Washington. This is unsustainable in the growing economies of both British Columbia and Washington State.
- The Lower Mainland's only remaining refinery (Chevron) supplies just 40% of the airport's needs and is not expected to expand its capacity. YVR and the airlines are increasingly dependent on a single refinery in Washington State (Cherry Point). If one of these refineries shut down for an extended period, airport and airline operations would be jeopardized.
- The existing pipeline system from Burnaby is 43-years-old, and runs over 40-km across Burnaby and north Richmond in comparatively built-up urban areas. It was built when four local refineries were operating and all producing jet fuel. Only one remains.
- The existing pipeline, which is only 150 mm (6 in) in diameter, operates near capacity, and since the mid-1990s, tanker truck deliveries have been necessary to meet YVR's growing fuel demand.
- Tanker truck deliveries, approximately 35-40 per day, represent over 20% of current fuel required at YVR. Tankers are the only method of increasing supply. Just one new daily flight to Asia would require an additional 800 tanker truck deliveries a year.
- All airlines operating at YVR are disadvantaged by the price differential of fuel due to constrained supply. The Asia-Pacific Gateway Initiative is dependent on YVR and the airlines being provisioned with access to fuel at competitive market rates.

**Benefits**

- With a secure and long term competitive fuel supply, YVR will help ***grow the economy***. YVR is a significant economic generator with more than 23,000 employees. A daily international flight creates about 186 person-years of direct employment. For every direct job at YVR, there are 2.5 more indirect and induced jobs (i.e., 57,500 jobs). There is significant growth anticipated throughout BC that will have a corresponding effect on flight activity.
- The project represents a $110 million investment and construction jobs in the Lower Mainland.
- The project's **spill prevention and response strategies** for the Fraser River are robust and go well beyond industry standards and best practices, and is described by Environment Canada as the current state-of-the-art for spill modelling and potential incident preparation. The project will enhance the response capability on the Fraser River that will benefit all other users on the river.

- The project will have a **smaller environmental footprint** than the existing fuel delivery system, and will remove all the tanker trucks that carry fuel to YVR (over 1,000 each month) from Washington State through Surrey, Delta and Richmond.
- The project will help ensure that YVR remains a critical part of British Columbia's role as Canada's **Pacific Gateway**.
- The project will also help is needed to ensure YVR continues to have the fuel capacity to add the new flights that are central to your government's ***BC Jobs Plan***.

**Benefits to Richmond (YVR Economic Impact Study 2010)**

- Proximity to YVR is an important determinant of organizational location – 75% of organizations surveyed for the Economic Impact Study indicated that proximity to the YVR is important or very important to their operations. The majority of organizations indicated that proximity to YVR is essential for carrying out operations.
- 24% of all employees at YVR live in the City of Richmond.
- 6% of the employed labour force residing in the city works at YVR.
- The average annual wage of $46,814 of jobs at YVR is higher than the $42,081 average annual wage in British Columbia. It is also 27% higher than the $36,753 average annual wage in Richmond.
- Taxes collected by the municipal government increased by 25.9% over 2005 due to the increases in the property taxes paid by YVR tenants and the YVR's payment-in-lieu of taxes to the City of Richmond. The municipal tax revenue attributable to YVR operations accounts for about 9% of the $309 million tax that the City of Richmond collected in 2009.
- Major corporations and organizations in Metro Vancouver (not associated with the airport) were surveyed about how YVR helps them compete globally. Overnight flights to Asia are important to the ability of major Richmond-based companies and organizations such as MDA, Sierra Wireless, Kwantlen College and Great Canadian Casino to compete globally.
- Richmond hotels have seen an up-tick in business as a result of overnight arrivals and departures, because more passengers have to stay close to the airport before or after their trip.