

MODERNIZING THE DETROIT RIVER RAIL TUNNEL (Submitted by the Windsor-Essex Regional Chamber of Commerce)

Issue:

There is a need for additional rail capacity at the Windsor-Detroit Border crossing corridor. The Detroit River Rail Tunnel project will replace the ageing rail tunnel with a new, modernized rail tunnel able to accommodate higher rail cars used heavily for the automotive industry. The new tunnel would provide increased rail capacity needed for economic growth of the region as well as the Province of Ontario and Canada.

Background:

The border-crossing infrastructure in Southeast Michigan/Southwest Ontario is the lifeline of the regional economy. Taking into account crossings at both the Detroit River and St. Clair River, this lifeline comprises two bridges, a passenger tunnel, and two freight tunnels.

The Detroit River Rail Tunnel (DRRT) is poised to build a new, high-capacity rail tunnel under the Detroit River to provide improved freight service between the United States and Canada. The DRRT is a partnership between the Canadian Pacific Railway (CPR) and Borealis Infrastructure Trust, a part of the Ontario Municipal Employee Retirement System (OMERS).

The partnership owns and operates the existing rail tunnels under the Detroit River. The DRRT reports that it operates over 450,000 rail cars a year in the rail corridor that runs from Highway 401 in Canada to I-75 in Detroit. This volume of traffic is equivalent to 25 trains per day moving between Toronto and Chicago via the tunnel in Detroit.

However, the infrastructure of this 100 year-old immersed “twin-tube” tunnel is outdated and unable to accommodate the next-generation rail cars that are taller and wider than the diameter of the existing tunnels. Without a new tunnel, DRRT will not be able to provide competitive, cost-effective service to its current and future customers who use double-stacked containers or the taller AutoMax rail cars.

The region, the Province of Ontario and Canada stand to benefit from the construction of the additional rail capacity in the Windsor-Detroit corridor that the DRRT rail proposal would provide.

- The proposal by the DRRT states the following benefits to the region from construction of the new rail tunnel:
- Generate 1,700 construction jobs over the course of the 4-year project.
- Stabilize and help secure future rail service in the Windsor-Detroit region for years to come.
- Expands opportunities to grow and attract new business in the Windsor-Essex region.
- Provides the region with the first new international infrastructure crossing built in the Windsor-Detroit corridor in over 78 years.

Status of the Project

Project Funding: DRRT states that the project will be privately financed, and is estimated to cost \$400 million.

Community Support: A representative group of public and private sector leaders are on record in support of the project, including the City of Windsor, Ontario Chamber of Commerce and the Windsor-Essex Regional Chamber of Commerce among others. In the U.S. the project is supported by Wayne County, the Michigan Department of Transportation, Detroit Renaissance, among others.

Approvals/Permits Required: DRRT has stated that roughly 60 permits must be obtained before they can proceed with construction of the project; Number of permits are required from the Province of Ontario.

The Detroit River Rail Tunnel is a critical component of a functioning Canada-U.S. Border system that will provide immediate and long-term benefits to the regional, provincial and national economy. It would connect the economies of Michigan and Ontario and by extension the key economic centres beyond the immediate corridor, including the Port of Montreal as a key port for overseas trade with North America.

RECOMMENDATIONS:

The Ontario Chamber of Commerce urges the Government of Ontario to:

1. Support the construction of a new Detroit River Rail Tunnel on the Windsor-Detroit corridor as an integral part of the overall border infrastructure improvement plans; and
2. In coordination with the Federal Government, expedite whenever possible any provincial approvals needed by the DRRT partnership to realize this project in full.