

September 23, 2019

Mr. Doron Grosman
President and Chief Executive Officer
GCT Global Container Terminals Inc.
375 Water Street
Suite 610, The Landing
Vancouver, BC V6B 5C6

Dear Mr. Grosman:

I am writing to let you know that we have been giving further consideration to the concerns GCT has expressed in both the RBT2 review panel process and the judicial review proceedings regarding our February 29, 2019 [sic] decision letter respecting the GCT Preliminary Project Enquiry for the proposed Deltaport Fourth Berth project (DP4).

Having regard to all relevant information available to the Port (including some which became available to us through the review panel process) we are hereby rescinding our February 2019 decision letter and will proceed with receiving GCT's Preliminary Project Enquiry. Port staff will be in touch with your staff shortly on this matter to discuss the timing of the Port's process relative to the impact assessment process DP4 would be required to undergo, pursuant to the recently enacted Impact Assessment Act and supporting regulations.

In making this decision I wish to note that, as we made clear in the review panel hearings, the Port still believes (based on prior assessments of the area) there are considerable risks with the proposed DP4 project as it relates to fish habitat. However, in the circumstances, we are no longer of the view that they are of such a nature that any consideration of DP4 is not an option. Instead, we are open to considering GCT submissions (and responses to any related questions or concerns) as part of a federal impact assessment of DP4 and our PER process.

Similarly, in respect of the competitiveness and control question, we remain of the view that this is a significant issue – one that we have consistently made GCT aware of for some years now (including in our commercial agreements and through the terminal operator RFQ process). We continue to consider it potentially problematic for the proposed DP4 project, but we are prepared to further consider that issue through the information and analysis that will be undertaken through the federal impact assessment of DP4 and our PER process.

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With respect to your stated concerns about “bias” on the part of the Port given its different roles, the Port considers these multiple roles mandated by the Canada Marine Act and related regulations and thus an integral and appropriate aspect of the Port’s mandate. Further, to the extent you may hold any residual concerns in this regard, we note that before any decisions would be made by the Port, the DP4 project would be subject to assessment under the Impact Assessment Act, and that process would materially inform the Port PER process.

Ultimately, and having said all the above, I wish to reiterate the position noted in my February 2018 letter that, even if the DP4 project is able to satisfactorily address the above noted issues, the Port would ultimately make a decision on the project having regard to all relevant factors including effective and efficient port operations (as we are mandated). This would include, but is not limited to, the status of the RBT2 project in terms of meeting anticipated increased shipping demands.

Yours truly,

VANCOUVER FRASER PORT AUTHORITY

A handwritten signature in green ink, appearing to read 'Robin Silvester', with a long, sweeping flourish extending upwards and to the right.

Robin Silvester
President and Chief Executive Officer