

GOVERNMENT OF ALBERTA

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# Annual Report

## Transportation and Economic Corridors 2022-2023

Transportation and Economic Corridors, Government of Alberta | Transportation and Economic Corridors  
2022-2023 Annual Report

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## Preface

The Public Accounts of Alberta are prepared in accordance with the *Financial Administration Act* and the *Fiscal Planning and Transparency Act*. The Public Accounts consist of the annual report of the Government of Alberta and the annual reports of each ministry.

The 2022-23 Annual Report reflects the 2022-25 ministry business plans, the Government of Alberta Strategic Plan, as well as the ministry's activities and accomplishments during the 2022-23 fiscal year, which ended on March 31, 2023.

The Annual Report of the Government of Alberta contains *Budget 2022* Key Results, the audited Consolidated Financial Statements and Performance Results, which compares actual performance results to desired results set out in the government's strategic plan.

This annual report of the Ministry of Transportation and Economic Corridors contains the Minister's Accountability Statement, the ministry's Financial Information and Results Analysis, a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- other financial information as required by the *Financial Administration Act* and *Fiscal Planning and Transparency Act*, as separate reports, to the extent that the ministry has anything to report.

All Ministry Annual Reports should be considered along with the Government of Alberta Annual Report to provide a complete overview of government's commitment to openness, accountability and fiscal transparency.

## Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2023, was prepared under my direction in accordance with the *Fiscal Planning and Transparency Act* and the government's accounting policies. All of the government's policy decisions as at June 1, 2023 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]

Honourable Devin Dreeshen  
Minister of Transportation and Economic Corridors  
June 1, 2023

## Message from the Minister



In 2022-23, Alberta confronted a range of issues, including: supply chain challenges; inflationary pressures; and skilled labour shortages in the transportation industry. This presented unique challenges for the ministry and the transportation sector.

Despite the challenges, the ministry advanced a range of important transportation initiatives that supported the continued safe and efficient movement of people and goods on Alberta highways. It optimized planning and investment decisions to deliver the best value for tax dollars.

We have added Economic Corridors to our ministry's name. This change highlights our expanding focus on building Alberta's economic corridors which can include a range of linear infrastructure – from highways and rail to utilities and pipelines. While TEC is directly responsible for only a subset of the infrastructure in many economic corridors, it functions as a convenor and brings together a range of government ministries and stakeholders to drive progress on advancing the economic corridors that are central to the province's and Canada's prosperity.

To support its mandate, TEC now includes the following divisions: Traffic Safety Services; Capital Planning, Grants and Engineering Services; Construction and Maintenance; Strategic and Integrated Services; and Finance.

In 2022-23, TEC allocated \$7.3 billion over three years toward priority infrastructure projects to promote economic growth, create jobs, clear transportation bottlenecks and reduce congestion in key trade and industrial corridors.

I am pleased to share some of the ministry's actions from 2022-23, which supported the goals of the Business Plan:

- \$578.2 million for planning, design and construction of twinning, widening and expanding roads and bridges;
- \$573 million for capital maintenance and renewal consisting of highway and bridge rehabilitation and replacement projects;
- \$195.6 million for water management and flood mitigation protection; and
- \$452.3 million for capital grants to municipalities.

The ministry invested \$573 million in 73 capital maintenance and renewal (CMR) projects. This includes \$442.6 million on highway rehabilitation projects to improve provincial transportation infrastructure. TEC also spent \$83.1 million on bridge construction and repairs in 2022-23 and \$47.3 million on major maintenance activities, including: asphalt pavement patching, semi-durable line painting, replacement of highway signs, replacement of traffic signals, partial and full-depth concrete deck replacements and deck joint replacements.

In 2022-23, TEC began construction on the Deerfoot Trail expansion project; the Dickson Dam service spillway; the Athabasca River Bridge on the Highway 813 replacement project and twinning Highway 11. The Government of Alberta, through Transportation and Economic Corridors, and Loon River First Nation, Peerless Trout First Nation and Bigstone Cree Nation initiated negotiations on an agreement (signed in April 2023) to begin work to extend Highway 686 to Fort McMurray, connecting northeastern and northwestern Alberta.

To improve safety and convenience for Albertans, the ministry continued to enhance 511 Alberta – its 24/7 road information service. These enhancements included the addition of a 'Travel Not Recommended' status to the map and a weather radar added to the mobile app. Other safety-focussed initiatives include construction on the Highway 1 wildlife overpass, intersection improvements on Highway 11 at Highway 781 and Range Road 15 in Sylvan Lake where intersections were converted to roundabouts, as well as work to test the Highway 22 Animal Detection System.

In support of the ministry's commitment to expanding Alberta's economic corridors, TEC signed a Memorandum of Understanding (MOU) with Saskatchewan and Manitoba to advance economic corridors and support the movement of products within Western Canada and to various markets. Although the actual signing of the agreement occurred in April 2023, just outside this reporting period, we spent much of early 2023 successfully negotiating the memorandum. This MOU gives Alberta's government the opportunity to work together with the prairie provinces and stakeholders to establish new routes for goods to travel including expanding trade through to Hudson Bay.

In the southern region, the ministry remains committed to twinning Highway 3 from Medicine Hat to the British Columbia border. Highway 3 is a vital economic corridor and east-west link, and is the major connector between Saskatchewan and British Columbia, south of the Trans-Canada Highway. We are moving ahead with the twinning of 46 kilometres between Taber and Burdett, which will improve safety, create jobs and spur economic investment along this critical length of the highway. Work also continued on the West Calgary Ring Road. In the northern region, work continued on twinning 19 kilometres of Highway 40 between Grande Prairie and Wapiti River as well as construction to twin the west segment of Highway 19 between Devon and Nisku.

Innovation is core to TEC's mandate. In 2022-23, TEC delivered on a range of cutting edge initiatives, including: completing the Highway 22 bridge using lower emission cement; trialling two projects with increased proportion of reclaimed asphalt pavement; testing a new cooperative trucking platooning system to help inform the future of automation in Alberta's transportation system; and installing two new Smart Roadside Inspection Systems (SRIS) that help save commercial carriers and inspectors time and money, and help reduce greenhouse gas emissions.

Alberta is known for its wide-open spaces and the time that many Albertans spend on the road makes driving safely and the ability to be licensed in an efficient manner that much more important. TEC advanced work on several driving initiatives in 2022-23. Approximately 500,000 Albertans in the Graduated Driver Licensing program who have demonstrated safe driving behaviours will benefit from no longer having to take an advanced road test to obtain their full Class 5 or Class 6 Alberta's driver's licence. Government has removed the Mandatory Entry-Level Training (MELT) requirement for Class 2 licensees to help alleviate school bus driver shortages while maintaining safety on Alberta roads. Drivers taking a Class 1 commercial driver's road test can now use an automatic transmission truck. Albertans upgrading to a Class 4 will now take an enhanced knowledge test, instead of an additional road test.

My ministry is also committed to supporting Ukrainian evacuees fleeing the conflict and helping them resettle in Alberta while maintaining safety on our roads. TEC is bolstering broader Government of Alberta support for Ukrainian evacuees by adopting a one year driver's licence exchange program. This will enable holders of Ukrainian Category B (passenger vehicles) or BE (passenger vehicles with a trailer) to exchange their driver's licence for an Alberta Class 5 driver's licence.

To continually look to enable economic growth, I determined that the construction of roundabouts on economic corridor highways should be built-out for two lanes in all directions. The additional capacity will support wider loads and long term future traffic growth.

And finally, TEC increased its efforts to reduce red tape by way of tackling regulatory approaches and program delivery that reduce unnecessary government oversight. In 2022-23, TEC achieved a cumulative 36 per cent reduction in red tape, exceeding the government's target of cutting red tape by one-third.

Looking back on 2022-23, I am pleased with what we have accomplished as a ministry. Looking forward, I am excited to work with a range of partners to continue advancing innovative projects that support a strong, safe, sustainable and resilient transportation network. Our leadership will benefit Albertans and Canadians.

[Original signed by]

Honourable Devin Dreesen  
Minister of Transportation and Economic Corridors

## Management's Responsibility for Reporting

The Ministry of Transportation and Economic Corridors includes the Department of Transportation and Economic Corridors.

The executives of the ministry have the primary responsibility and accountability for the ministry. Collectively, the executives ensure the ministry complies with all relevant legislation, regulations and policies.

Ministry business plans, annual reports, performance results and the supporting management information are integral to the government's fiscal and strategic plan, annual report, quarterly reports and other financial and performance reporting.

Responsibility for the integrity and objectivity of the accompanying ministry financial information and performance results for the ministry rests with the Minister of Transportation and Economic Corridors. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, which includes the financial information, performance results on all objectives and initiatives identified in the Ministry Business Plan, and performance results for all ministry-supported commitments that were included in the 2022-25 Government of Alberta Strategic Plan. The financial information and performance results, out of necessity, include amounts that are based on estimates and judgments. The financial information is prepared using the government's stated accounting policies, which are based on Canadian public sector accounting standards. The performance measures are prepared in accordance with the following criteria:

- Reliable – Information used in applying performance measure methodologies agrees with the underlying source data for the current and prior years' results.
- Understandable – the performance measure methodologies and results are presented clearly.
- Comparable – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Complete – outcomes, performance measures and related targets match those included in the ministry's *Budget 2022*.

As Deputy Minister, in addition to program responsibilities, I am responsible for the ministry's financial administration and reporting functions. The ministry maintains systems of financial management and internal control which give consideration to costs, benefits, and risks that are designed to:

- provide reasonable assurance that transactions are properly authorized, executed in accordance with prescribed legislation and regulations, and properly recorded so as to maintain accountability of public money;
- provide information to manage and report on performance;
- safeguard the assets and properties of the province under ministry administration;
- provide Executive Council, the President of Treasury Board and Minister of Finance, and the Minister of Transportation and Economic Corridors the information needed to fulfill their responsibilities; and
- facilitate preparation of ministry business plans and annual reports required under the *Fiscal Planning and Transparency Act*.

In fulfilling my responsibilities, I have relied, as necessary, on the executives within the ministry.

[Original signed by]

Bryce Stewart  
Deputy Minister of Transportation and Economic Corridors  
June 1, 2023



# Results Analysis

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## Ministry Overview

Transportation and Economic Corridors (TEC) supports Alberta's economic, social and environmental success by building and maintaining a safe and efficient transportation system. The Minister of Transportation and Economic Corridors is supported by the Parliamentary Secretary of Economic Corridors. Strategic development of economic corridors and multi-modal hubs is key to advancing the province's market access interests by linking economic activity to markets in and out of Alberta. To ensure highways remain clear and the roads are safe for travel, the ministry conducts ongoing monitoring and maintenance of highways. The ministry also engages in key oversight activities, supporting the safety of road users and vehicles in Alberta through educational, monitoring and compliance programs. SafeRoads Alberta ensures Albertans have quick access to a fair and efficient process for resolving administrative penalty disputes related to impaired driving charges and vehicle seizures under the *Traffic Safety Act*.

TEC is responsible for a number of programs that provide grant funding to projects to create jobs and support economic growth, protect public safety and ensure long-term affordability. Construction and maintenance of critical municipal infrastructure, including roads, bridges, community airports and water and wastewater infrastructure supports resilient, connected and healthy communities. Grant funding for capital public transportation infrastructure projects supports integrated connections in and between communities, connecting Albertans to critical services and each other.

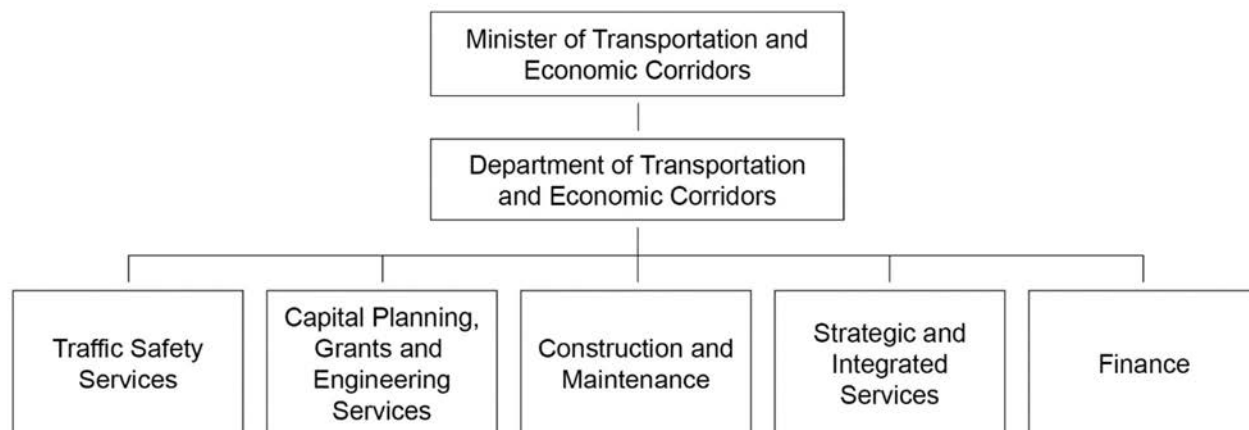
In 2022-23, the ministry worked to achieve the following outcomes:

- **Outcome 1:** Alberta's transportation network and water management infrastructure is managed effectively and responsibly, ensuring long-term sustainability and affordability
- **Outcome 2:** The transportation system is safe and secure, supported by policies, programs, enhanced services and a regulatory framework protecting public safety
- **Outcome 3:** Alberta's economic growth and recovery is supported by strategic infrastructure investments and innovation opportunities

For further detailed information on TEC initiatives, programs and construction projects, please visit the ministry's website at <http://www.alberta.ca/transportation-and-economic-corridors.aspx>

## Organizational Structure

As of March 31, 2023



### Traffic Safety Services

The Traffic Safety Services division coordinates and delivers a broad range of programs designed to enhance traffic safety and reduce transportation-related deaths and serious injuries, including driver training, education, examination and compliance monitoring programs for driver schools, instructors and examiners. This division is also responsible for providing safety and compliance programs and services for commercial carriers, dangerous goods, inspection facilities and provincial rail systems.

Two operation centres provide 24-hour support: the Transportation Management Centre's 511 Alberta provides timely road condition information for Alberta's highway network, and Alberta Environmental and Dangerous Goods Emergencies (EDGE) provides cross-ministry hazard-specific emergency response, acting as a single point of contact for spills and dangerous goods emergencies.

### Capital Planning, Grants and Engineering Services

The Capital Planning, Grants and Engineering Services division is responsible for the ministry's capital plan and capital grants programs. The division looks after capital program management, investment and long-term planning, as well as technical standards, strategic procurement, contract oversight and highway operations. The division administers provincial grant programs and federal capital grant programs, supporting local infrastructure projects.

### Construction and Maintenance

This division is responsible for the delivery of provincial highway and bridge projects as well as the management of highway maintenance, operations and rehabilitation activities throughout the province.

Regional offices oversee projects and delivery, including engagement with the public and stakeholders. Construction and Maintenance is also responsible for the delivery of water management projects on behalf of Agriculture and Irrigation.

### Strategic and Integrated Services

Strategic and Integrated Services is responsible for the policy and legislative framework supporting Alberta's transportation system. Policy work includes economic corridor initiatives and development, red tape reduction and policy development enhancing the safety and efficiency of the transportation network.

SafeRoads Alberta is responsible for reviews of administrative penalty disputes for impaired driving and vehicle seizures under the *Traffic Safety Act*.

The division is also responsible for ministry-wide strategic services, including business planning and reporting, accommodations and information management technology, business continuity and emergency planning, occupational health and safety, and supporting Infrastructure's overall coordination of the unsolicited proposal process for transportation-related projects.

### **Finance**

Finance provides a comprehensive set of financial services and support for the offices of the Minister and Deputy Minister, and the Department of Transportation and Economic Corridors. The division provides financial expertise and support to assist in enhancing decision-making, attaining business plan objectives and maintaining financial integrity.

## Operational Overview

The Ministry of Transportation and Economic Corridors provides a safe and efficient transportation system to support Alberta's economic, social and environmental vitality.

Key responsibilities of the Ministry of Transportation and Economic Corridors include:

- Prioritizing and advancing strategic economic corridor investments.
- Planning, designing and constructing key transportation infrastructure to enable economic growth and market access.
- Promoting Alberta's interests and collaborating with jurisdictions, partners and stakeholders to coordinate the development of transportation systems, standards and regulations, to enable market access for Alberta businesses, support supply chain resiliency and enhance the air sector.
- Regularly reviewing policies, programs and services to identify opportunities to increase transportation safety, eliminate unnecessary regulations and processes, reduce costs and improve service delivery efficiencies.
- Administrating grant programs to help municipalities develop and maintain local transportation and water/wastewater infrastructure.
- Coordinating driver training, education and examination programs, as well as driver fitness monitoring, and initiating projects to support driver licensing.
- Overseeing commercial carrier, dangerous goods and provincial rail system safety and compliance.
- Developing and implementing safety strategies to improve road use, vehicle and infrastructure safety, and reduce transportation-related serious injuries and fatalities on Alberta's roads.
- Resolving administrative penalty disputes for impaired driving charges and vehicle seizures under the *Traffic Safety Act*.
- Maintaining and operating a financially sustainable highway network to ensure the safe and efficient movement of people and goods.
- Designing, building and maintaining Alberta's water management infrastructure for Agriculture and Irrigation, to protect Albertans during extreme flood events and enhance and improve water supply.

## Key Highlights

In 2022-23, TEC delivered on commitments identified in the ministry's Business Plan 2022-25, and continued day-to-day operations to support Albertans, including spending:

- \$578.2 million for planning, design and construction of twinning, widening and expanding roads and bridges;
- \$573 million for capital maintenance and renewal, consisting of highway and bridge rehabilitation and replacement projects;
- \$195.6 million for water management and flood mitigation protection; and
- \$452.3 million for capital grants to municipalities.

TEC operated within an uncertain and complex environment amid growing infrastructure needs and rising stakeholder demands in 2022-23. Capital projects funded by the ministry faced supply chain disruptions and rising interest rates, and price escalation and volatility. The ministry optimized planning and investment decisions using a fiscally responsible approach to maintain and enhance Alberta's transportation network and water infrastructure, and ensure the safe and efficient movement of all people and goods.

Key achievements in 2022-23 toward desired outcomes in the Business Plan 2022-25 and key priorities in the Government of Alberta Strategic Plan 2022-25 include:

<b>Advancing economic corridors</b>	<p>A request for proposal (RFP) to design-build 46 kilometres of twinning work between Taber and east of Burdett on Highway 3 was issued late fall 2022.</p> <p>Work remained underway on the Calgary Ring Road, including the West Bow River Bridge, north section and the south section.</p> <p>Work continued on twinning 19 kilometres of Highway 40 between Grande Prairie and Wapiti River.</p> <p>Construction to twin the west segment of Highway 19 was ongoing.</p> <p>An agreement to collaborate on joint economic corridor projects to boost trade and economic growth was signed with Saskatchewan and Manitoba.</p>
<b>Major construction projects begin</b>	<p>The Deerfoot Trail expansion project began in January 2023.</p> <p>Construction work on the service spillway of the Dickson Dam started in fall 2022.</p> <p>Replacement of the Athabasca Highway 813 Bridge began in late summer 2022.</p> <p>Highway 11 twinning began in May 2022.</p>

<b>Highway 15 twinning and new bridge</b>	Highway 15 twinning and construction of a new bridge was completed in October 2022.
<b>Supporting airports</b>	<p>TEC is supporting the advancement of four recommendations by the Strategic Aviation Advisory Council to improve the aviation and aerospace industries, to support economic growth in Alberta. These include advocating to reduce aviation-related fees and COVID-19-related measures, relaunching key air services and strategic new routes, and expanding post-secondary aviation programs.</p> <p>TEC signed a \$7.5-million grant agreement with the Red Deer Regional Airport Authority to support runway improvements at the Red Deer Regional Airport. In Budget 2023, an additional \$30 million was allocated to support the Red Deer Regional Airport expansion project.</p> <p>The ministry invested in airport projects through the Strategic Transportation Infrastructure Program's Community Airport Program, including light upgrades at the airport in the Town of Spirit River and an airport runway overlay in the City of Camrose.</p>
<b>Driver licensing improvements</b>	<p>Albertans in the Graduated Driver Licensing program no longer have to take an advanced road test to get their full Class 5 or Class 6 Alberta's driver's licence.</p> <p>Drivers taking a Class 1 commercial driver's licence road test now have the option to do so in an automatic transmission truck.</p> <p>Albertans upgrading to a Class 4 driver's licence now take an enhanced knowledge test instead of an additional road test.</p>
<b>Driving Back to Work program</b>	TEC continued to build on the success of the Driving Back to Work program first introduced in November 2020. Approximately \$7.6 million in commercial driver grant funding was provided to 640 Albertans to take training required to earn their Class 1 driver's licence in 2022-23.
<b>Electronic logging devices</b>	TEC supported changes to federally regulated commercial vehicles by training commercial on-highway inspectors, sharing evaluation and awareness materials with drivers, and implementing the enforcement of electronic logging devices (ELDs) as of January 1, 2023. ELDs will make highways safer for all travellers, improving driver compliance with hours of service regulations.

<b>Smart Roadside Inspection Systems</b>	Two new Smart Roadside Inspection Systems (SRIS) were installed in Alberta, adding geographical coverage. The SRIS automatically identify high-risk commercial motor vehicles at the roadside without delay to drivers or interference with the flow of commerce, saving commercial carriers and inspectors time and money and reducing greenhouse gas emissions.
<b>Reducing wildlife-vehicle collisions</b>	Construction of the Highway 1 wildlife overpass began in spring 2022. Planning was underway for the Rock Creek wildlife underpass on Highway 3 and the Highway 22 Animal Detection System trial.
<b>511 Alberta</b>	<p>During the Papal visit in July 2022, TEC kept travellers informed of traffic disruptions on provincial highways due to closures, delays and restricted access through 511 Alberta and electronic message boards installed along affected highways.</p> <p>TEC's 24/7 road information service continued to enhance situational awareness and communication services in 2022-23, adding eight traffic cameras, seven digital messaging signs and three traffic beacons in partnership with Northeast Region Community Awareness Emergency Response group.</p>
<b>Supporting innovation in transportation</b>	<p>The Highway 22 Bridge was completed in 2022-23 using lower emission Portland Limestone Cement as part of a pilot project.</p> <p>Two trial projects with asphalt concrete mixes using 40 per cent reclaimed asphalt pavement were underway, and performance will be monitored over the next few years.</p> <p>A line painting project was underway, testing potential improvements to line painting performance.</p> <p>Cooperative Trucking Platooning System trials on the Queen Elizabeth II Highway between Calgary and Edmonton and on Highway 1 between Calgary and Banff wrapped up in May 2022. TEC provided support and advice to the trials project team to ensure compliance with regulations.</p>
<b>Municipal grant funding</b>	<p>TEC administered multiple grants supporting critical local transportation and water infrastructure in 2022-23, including:</p> <ul style="list-style-type: none"> <li>• \$147.3 million for the Investing in Canada Infrastructure Program (federal funding);</li> <li>• \$21.6 million for the Strategic Transportation Infrastructure Program (provincial funding); and</li> <li>• \$52.4 million for safe drinking water and water/wastewater treatment (provincial funding).</li> </ul>



## Discussion and Analysis of Results

### Actions that support the priorities of the Government of Alberta Strategic Plan

#### Key Priority Two:

Growing Alberta's economy

Objective one: Attracting investment and growing the economy

Action:

- Investing \$1.8 billion over three years toward priority infrastructure projects to promote economic growth, create jobs, clear transportation bottlenecks and reduce congestion in key trade and industrial corridors. Key projects underway include completing the ring road around Calgary, twinning 46 kilometres of Highway 3, and the Airdrie interchange improvement project. In 2022-23 Alberta's government is also investing \$235 million in smaller projects to support local municipal roads, bridges and water/wastewater infrastructure.

Detailed reporting found on pages 45-52 and pages 54-55.

#### Key Priority Two:

Supporting job creation

Objective two: Connecting Albertans with family-supporting jobs

Actions:

- Investing in unemployed Albertans through the Driving Back to Work Grant program which provides funding for training and testing to become a Class 1 driver, supporting the economy and helping keep the province's supply chain moving. This grant will help to fill an expected shortage of commercial drivers, forecast to be more than 12 per cent by 2023.
- Investing \$3.2 billion over three years in Capital Maintenance and Renewal (CMR) projects, which help maintain the facilities where government programs and supports are administered and delivered. CMR projects invest in vital repairs to government-owned facilities like courthouses, provincial buildings, housing, post-secondary institutions, health facilities, schools and cultural facilities throughout Alberta. This includes \$1.6 billion over three years in CMR projects that focus on prioritizing rehabilitation projects for roads, bridges, slide repairs and culverts. These projects are often delivered by small and medium-sized contractors, supporting local economies and small business owners.

Detailed reporting found on page 24 and page 31.

## Red Tape Reduction

The Ministry of Transportation and Economic Corridors remains committed to regulatory approaches and program delivery that reduces unnecessary government oversight and emphasizes outcomes, in order to improve access to government services, attract investment, support innovation and competitiveness, and grow Alberta businesses.

TEC continued to streamline processes and reduce unnecessary regulatory requirements to improve service delivery and support the province's economic growth and competitiveness. In 2022-23, TEC achieved a cumulative 36 per cent reduction in red tape, exceeding the government's target of cutting red tape by one-third by March 31, 2023.

Highlights of the time and cost-saving opportunities identified in 2022-23 are listed below, along with page numbers referencing where additional detailed reporting for each initiative can be found in the Results Analysis section.

- As of February 1, 2023, Albertans can obtain their Class 4 driver's licence without a road test, and instead take an enhanced knowledge test, saving Albertans time and money and attracting competition in the ride-share industry. (Page 30)
- As of April 1, 2023, drivers are no longer required to take the advanced road test to exit out of the Graduated Driver Licensing (GDL) program. The Class 5 and Class 6 basic road tests are enhanced and include elements from the advanced road test. These changes to the GDL program positively impacted more than half a million Albertans. (Page 29)
- TEC continued to implement the Experience and Equivalency Class 1 Mandatory Entry-Level Training Program in 2022-23, saving Albertans approximately \$4.2 million and 51,319 hours of instructional time. (Page 31)
- Changes to the *Highways Development and Protection Act* under the *Red Tape Reduction Statutes Amendment Act* came into force on May 31, 2022 and the *Public Highways Development Act* and the *City Transportation Act* were repealed, to decrease wait times for municipalities and remove uncertainty from potentially competing legislation. (Page 52)
- Building on the success of the Highway Vicinity Management Agreement (HVMA) pilot project, HVMA's were opened to all municipalities in the province through the Roadside Planning and Application Tracking Hub portal. The new process is expected to lead to quicker and more efficient approval times for permits for both industry and municipalities. (Page 53)
- Changes to six commercial carrier regulations came into force on March 1, 2023 based on 2019 and 2020 feedback from public, industry associations and federally regulated carriers. The changes, which included removing unnecessary, duplicated or outdated red tape, reduced 86 requirements for the commercial carrier industry. (Page 53)
- Changes to railway regulations on November 1, 2022 removed duplicative or outdated requirements, resulting in the reduction of 320 requirements. (Page 53)

## COVID-19/Recovery Plan

In response to the COVID-19 pandemic, government made significant investments in programs and strategies to respond to the evolving health emergency, support Albertans, and maintain the dynamism of Alberta's economy. Provincial economic stimulus funding has supported hundreds of transportation and water/wastewater infrastructure projects in the province since 2020, creating thousands of jobs and supporting economic recovery.

Work on six projects receiving more than \$550 million in economic stimulus funding from TEC and supporting more than 2,400 jobs continued to advance:

- **Highway 3 twinning:** A RFP to twin 46 kilometres between Taber and east of Burdett was issued late fall 2022, with construction expected to begin in 2023.
- **Highway 11 twinning:** Phase 1 of the project began in May 2022, and as of fall 2022 the twinning was 95 per cent complete and open to traffic.
- **Highway 40 widening:** Construction on the 36-kilometre stretch of Highway 40 between Wildhay River and Pinto Creek will begin in 2023.
- **65 Avenue Leduc interchange:** Following preliminary work underway in 2022-23, construction began in late April 2023.
- **Highway 201 Bow River Bridge:** Construction began in 2022-23 and is expected to be completed in late 2023.
- **Terwillegar Drive expansion:** Funded by a one-time capital grant, construction was ongoing in 2022-23 and is expected to be complete in 2025.

TEC continued to implement the capital maintenance and renewal (CMR) Recovery Plan stimulus projects. Of the \$404.5 million in stimulus funding approved for 109 projects in 2020-21, 2021-22 and 2022-23, \$81.8 million in stimulus funding was spent on CMR projects in 2022-23. The projects created approximately 5,000 jobs throughout the province, maintained or improved the condition of the highway network, and extended the life of existing roads and bridges.

Economic stimulus funding for capital municipal infrastructure projects to create jobs and build and upgrade transportation and water infrastructure wound down in 2022-23 with the following work:

- In 2022-23, 20 Strategic Transportation Infrastructure Program (STIP) projects received \$4 million in funding. Economic stimulus funding totalling \$50 million was first announced in 2020, supporting 70 STIP projects for local roads, bridges and community airport projects, and a total of about 480 jobs.
- In 2022-23, \$7.4 million was spent on 41 Alberta Recovery Plan Alberta Municipal Water/Wastewater Program (AMWWP) projects in 34 municipalities. The projects underway were part of \$150 million supporting 55 water and wastewater improvement projects first announced in 2020, which have supported approximately 1,300 jobs.

In 2022-23, TEC provided 24 Alberta municipalities \$79.5 million in much-needed financial support to municipal transit systems that experienced low public transportation ridership levels during the pandemic in 2020 and 2021. This Alberta Relief for Shortfalls for Transit Operators program funding was matched by the federal government for a total of almost \$159 million. The one-time investment is intended to help transit systems restore service levels and rebuild ridership.

## **Outcome 1: Alberta's transportation network and water management infrastructure is managed effectively and responsibly, ensuring long-term sustainability and affordability**

### **Key Objectives**

#### **1.1 Investigate and implement alternative funding opportunities to support long-term sustainability of transportation infrastructure.**

In 2022-23, the ministry continued to explore partnerships, collaborate with stakeholders and seek new ways of leveraging alternative funding opportunities to ensure maximum value for Albertans' investment in transportation infrastructure projects.

#### **Deerfoot Trail Expansion Project**

In January 2023, construction began on the first of many contracts that will improve the Deerfoot Trail, a key corridor for the movement of essential goods and services in the Calgary region. The 64 Avenue Deerfoot Trail interchange work is under a design-bid-build contract model, and is expected to be completed in 2023. Other improvements include upgrades to the interchange at Anderson/Bow Bottom, an additional bridge over the Bow River and improvements to Glenmore Trail, including the addition of another bridge. The Deerfoot Trail is a major north-south freeway in Calgary that handles 180,000 vehicles per day and is one of the busiest roads in Alberta. Improvements will alleviate traffic congestion, reducing driver commute times by about 15 per cent during peak travel times in the morning and by about 22 per cent during the evening.

The ministry amended its existing public-private partnership (P3) procurement process to address critical improvements through a design-build, procuring improvements prioritized based on addressing the most critical areas first. Tenders for interchange ramp reconfigurations, widening and adding travel lanes, and improving crossroad connections continue to progress. Pricing volatility, historically high inflation in the construction industry and the degree of risk did not demonstrate good value for taxpayer dollars through the P3 approach.

TEC is considering delivering the P3 projects through several design-bid-build contracts and one design-build contract, with all work being completed by 2027.

#### **Tompkins Landing Bridge**

Planning, preliminary engineering and financing the Highway 697 Tompkins Landing Bridge work was underway in 2022-23, including geotechnical analysis to determine the most cost-effective route. The bridge over the Peace River will replace an aging ferry and reduce driving time by almost one and a half hours for businesses, local traffic and industry traffic in the region from forestry, agriculture, trucking and construction. Increased capacity and reduced delays at the crossing will improve trade movements and attract investment to the region.

The new bridge is the first project under the *Financing Alberta's Strategic Transportation (FAST) Act*, enabling the project to move forward through the use of tolling to recover the cost of building and operating the bridge. Once the capital cost is recovered, the tolls will be removed.

## Cost-sharing partnerships

TEC continued to explore new cost-sharing opportunities and partnerships with jurisdictions and other stakeholders to enable new infrastructure to be upgraded or expanded at a reduced cost. Cost-share projects were underway in several regions of the province in 2022-23:

- **65 Avenue Leduc interchange:** Construction on the Queen Elizabeth II (QEII) Highway and 65 Avenue Leduc interchange began in late April 2023 and is anticipated to take about three construction seasons to complete. The \$124.3-million interchange project will be cost-shared by the Government of Alberta and the City of Leduc, with TEC providing \$108.2 million in economic stimulus funding toward construction. The project includes a new bridge over the QEII Highway, new on and off ramps connecting 65 Avenue, and intersection improvements at 65 Avenue. The interchange will support Leduc's growing community and business sector and improve access to key cargo hubs, including the Edmonton International Airport, increasing exports to international markets.

The QEII Highway is the busiest stretch of highway in Alberta, and is a critical economic and trade corridor supporting the movement of people, goods and services inter-provincially and internationally. Approximately 49,700 vehicles travel this segment of the QEII Highway every day, of which about 13 per cent are trucks. It is forecasted that the growth of cargo trucks will rise by an average of 2.6 per cent per year through 2045. The project will result in a total time savings of over 17 per cent for all traffic travelling through the interchange and cut commercial truck freight costs by \$211.1 million from 2025 to 2045.

- **Airdrie interchange:** TEC has committed up to \$29.7 million toward the Airdrie interchange project. The City of Airdrie is responsible for the delivery of this project, with construction ongoing since 2021 and anticipated to be open to traffic in 2023. The project will provide new access onto the QEII Highway at 40 Avenue, supporting ongoing and future residential and commercial development.
- **City of Edmonton 50 Street:** TEC is providing a \$28.3 million capital grant toward the project, with the City of Edmonton and federal government providing the balance of funding. The City of Edmonton is responsible for the delivery of the project, and construction of the northbound overpass began in November 2022. Once open in 2024, the project will separate north/south commuters from rail traffic and widen 50 Street from four to six lanes between Sherwood Park Freeway and 90 Avenue, easing traffic congestion in the area.
- **Terwillegar expansion:** TEC is investing \$120 million toward this economic stimulus project in southwest Edmonton, the fastest growing area in Alberta's capital region. The City of Edmonton is responsible for designing and delivering work, with construction ongoing in 2022-23. The expansion project is expected to be completed in 2025 and will relieve traffic congestion on this critical part of Edmonton's transportation network, which currently exceeds capacity during peak hours.
- **Yellowhead Trail:** TEC is providing a \$242-million capital grant toward the Yellowhead Trail project in Edmonton. The Government of Canada and City of Edmonton are also contributing to the project, and the City of Edmonton is responsible for delivery of the project. Work on the freeway conversion began in 2020, and is anticipated to be completed by 2026-27. Yellowhead Trail will be upgraded to a free-flow road through Edmonton via six project components, providing much-needed relief for industrial, commercial and commuter traffic on the busy highway.

## **National Trade Corridors Fund**

In June 2022, TEC submitted highway improvement, twinning and bypass project business cases to Transport Canada for consideration, seeking to leverage federal funding under the National Trade Corridors Fund (NTCF). NTCF is a merit-based program that funds infrastructure improvements to airports, ports, railways and transportation infrastructure to improve the flow of goods, people and trade and increase resiliency of supply chain infrastructure. As of March 31, 2023, the ministry had nine outstanding applications with Transport Canada for consideration, with a decision stage anticipated in 2023.

### **Calgary-Banff Rail**

A revised Unsolicited Proposal (USP) for the Calgary-Banff Rail project remained in the evaluation stage, with next steps to be determined in 2023-24. The USP followed TEC signing a Memorandum of Understanding (MOU) with the Canada Infrastructure Bank in July 2021 to assess the viability of a passenger rail line between the Calgary International Airport, downtown Calgary and Banff. The proposal is being considered under the USP Framework in collaboration with Infrastructure, and TEC continues to explore the project with community partners, stakeholders and the private sector.

TEC also began work with the City of Calgary and other stakeholders, including the Calgary International Airport, on a passenger rail study to explore the functional connection and ridership impact for integrated passenger rail services between the Calgary International Airport, downtown Calgary and Canmore/Banff.

## **1.2 Develop and maintain critical infrastructure to enhance resilience, such as the Springbank Off-Stream Reservoir (SR1) and Dickson Dam Capacity Enhancement projects.**

The ministry continued to work proactively in 2022-23 toward enhancing the province's resilience to possible future unpredictable and natural weather events, such as the British Columbia floods in 2021 and Alberta floods in 2013. For new flood mitigation projects in the province, Environment and Protected Areas determines the priority, requirements and most suitable option and location. Similarly for existing infrastructure, Agriculture and Irrigation determines the priority and requirements for enhancing food capacity. The project is then transferred to TEC to deliver the project, and work may include an environmental impact assessment, engineering and design, regulatory approvals and construction work.

### **Springbank Off-Stream Reservoir**

In 2022-23, \$163.1 million was invested in the Springbank Off-Stream Reservoir (SR1) project to improve Calgary and southern Alberta's ability to manage future weather events. Construction began in February 2022, with the following activities underway:

- construction of buildings and structures associated with the diversion structure and low-level outlet; and
- Highway 22 and Range Road 242 bridge construction, along with raising Highway 22.

Unexpected rock content in the soil and sand supply issues resulted in slower than anticipated progress on the dam construction, however no impact to the scheduled date for full operation is anticipated. To date, more than 23,000 metres cubed of total concrete has been placed, and 422,000 metres cubed of total earthfill has been placed. Work continues on utility relocation, regulatory commitments and Indigenous and community engagement as well as facility, road and bridge construction work.

The Government of Canada is also providing \$168.5 million toward the project under the federal Disaster Mitigation and Adaptation Fund.

The project is scheduled to be fully operational in 2025. Once complete, SR1 will help protect Calgary and southern Alberta from the devastation that resulted from the 2013 flooding of the Elbow River, which contributed to the loss of life and \$5 billion in damages and recovery costs. The project is fiscally responsible, since the SR1 investment is significantly less than the economic costs associated with a 2013-type flood event.

To review budget allocations and spending in 2022-23 for the SR1 project, please refer to page 70 in the Other Financial Information section.

### **Dickson Dam**

Construction work on the service spillway of the Dickson Dam started in fall 2022 and is expected to be finished in 2023. Future work on the dam, including adding additional flood capacity to the auxiliary spillway to accommodate extreme flood events, and protecting areas around the reservoir from floods, will be completed as project-specific funding becomes available. Water management structures and dams such as the Dickson Dam ensure a safe water supply, supporting the agricultural, industrial and tourism sectors throughout the province.

### **Water management infrastructure**

In 2022-23, \$32.5 million was invested toward rehabilitating and upgrading existing assets owned and operated by Agriculture and Irrigation, including the following:

- Kleskun Hills Drainage project, which included rehabilitating drop structures and improving the channel east of Grande Prairie;
- McGregor Reservoir shoreline erosion program, which included excavating and cutting back eroded vertical bluffs along the reservoir shoreline in Vulcan County; and
- Lethbridge Northern Headworks Main Canal liner replacement project, which included removing and replacing the canal liner and gravel armor 10 to 15 kilometres west of Fort Macleod.

Please refer to page 70 in the Other Financial Information section to review budget allocations and spending for water management infrastructure during the past fiscal year.



### **1.3 Implement capital maintenance investments, with a focus on prioritizing rehabilitation, using asset management principles to support strategic decision-making.**

TEC continued to manage more than 64,000 lane kilometres of highways (of which more than 28,400 kilometres are paved) and more than approximately 4,600 owned bridges, one of the largest highway networks in Canada. Approximately 11,000 kilometres of highways are 20 years old or more (about 39 per cent of paved highways), of which 21 per cent are five years older than the typical 20-year design life. Highways at end of design life require significantly greater maintenance.

The level of deterioration of the condition of the highway depends on a number of factors, including: the wear and tear from traffic, asset age and adverse weather patterns and events, ground conditions and freeze-thaw cycles. The ability to deliver the capital pavement rehabilitation and operating maintenance improvements can also be hampered by weather events, such as the number of rainy days during construction season and freeze-thaw cycles. Cost escalation of equipment, fuel, labour and materials also impacts the number of rehabilitation projects that can be completed by contractors.

Budget decisions for transportation infrastructure consider the overall needs of the entire province and employing an asset management approach helps ensure financial sustainability. Limited taxpayer funds requires that dollars are spent wisely on projects most important to the overall benefit and well-being of Albertans.

#### **Capital Maintenance and Renewal**

TEC's Capital Maintenance and Renewal (CMR) funding helps maintain the condition of the highway network and extend the life of existing roads and bridges. There are four main categories of CMR projects: highway rehabilitation (including land slide repairs), bridge construction, major maintenance and P3 maintenance.

In 2022-23, TEC invested \$573 million in 73 CMR projects, including \$25.2 million in slide repairs, in central, north central/Fort McMurray, Peace region and southern Alberta to improve the condition of the province's existing transportation system assets.

The ministry spent \$413 million on highway rehabilitation projects in 2022-23, which included the following completed paving projects:

- **Highway 43:** Town of Beaverlodge to one kilometre east of Highway 723
- **Highway 58:** 19 kilometres east of Highway 35 to Highway 88
- **Highway 1:** One kilometre east of Highway 561 to Highway 901
- **Highway 831:** Highway 661 to Highway 63

TEC spent \$83.1 million on bridge construction and repairs in 2022-23, with 36 projects underway during the construction season.

In 2022-23, \$47.3 million was invested in major maintenance activities, including: asphalt pavement patching, semi-durable line painting, replacement of highway signs, replacement of traffic signals, partial and full-depth concrete deck replacements and deck joint replacements. The major maintenance program supports road rehabilitation activities that extend the life of the road and improve road safety.

Approximately \$28.5 million in P3 rehabilitation was completed, to restore highway pavement on Edmonton and Calgary Ring Roads constructed under P3 arrangements.



## Asset management

The ministry continued to use asset management principles for decision-making and aligning design, operation, maintenance, rehabilitation and construction of the provincial highway network. Asset management is a strategic and systematic process of managing physical assets such as pavements, and bridges, as well as geotechnical hazards, such as slides, effectively throughout their life cycle.

As part of the asset management process, TEC annually collects and analyzes data to evaluate network performance and emerging needs. Roadway roughness is assessed, bridges and geohazards are regularly inspected, and collision data and highway operation efficiency is analyzed. Access to reliable and integrated data improves the ministry's ability to make timely, high-quality, evidence-based decisions.

Proposed new CMR investments are assessed using criteria developed by Treasury Board and Finance. The ministry considers how important the asset is to the province, how critical the asset is to the greater transportation system, asset condition, alignment to capital planning criteria and the likelihood of user or program/service impact if the proposed work was not to proceed.

In addition to CMR work, applying preservation treatments throughout the asset life cycle keeps assets (such as pavement, bridges and appurtenances) in acceptable condition to reduce the asset life cycle cost, thereby maximizing the return on infrastructure investment.

By implementing sound asset management principles, the right projects for both new and existing transportation infrastructure within available budgets were selected for 2022-23. Informed, data-driven decisions ensured taxpayer dollars were used effectively and that Albertans received the best value for their investment in the transportation system.

### **1.4 Implement flexible, cost-effective approaches and energy-efficient technologies to ensure highway operations and maintenance programs achieve the best value for investment and most effective results for Albertans.**

## Highway Maintenance

Nine private sector contractors in 25 contract maintenance areas across the province, the Deerfoot Trail in Calgary and the ring roads around Calgary and Edmonton ensure Alberta's provincial highway network is maintained to a safe standard during all seasons and weather events.

Highway maintenance contracts (HMCs) are awarded through a competitive bidding process, and proposals are evaluated for best value, capability and performance from both health and safety and environmental perspectives. HMCs in southern Alberta were re-tendered in late 2022 and awarded in 2023. Tenders for the Edmonton and Athabasca areas were underway in 2022-23 and will close in June 2023.

HMCs include an annual price adjustment clause to index contract costs to address inflation or deflation, helping mitigate risk pricing that otherwise may be added at time of bid. The price adjustment considers labour, Consumer Price Index, construction costs and the cost of diesel fuel for the previous year. In April 2023, the calculated price adjustment based on the 2022 indices resulted in an approximate eight per cent increase.

The contractors closely monitor road conditions within their area of responsibility and respond in a timely manner to maintenance needs. Responsibilities include highway patrolling and emergency duties, winter maintenance, line painting and pavement markings, vegetation control and maintenance on asphalt, gravel surfaces, roadside, bridges and highway lighting and signals.

In 2022-23, TEC spent \$358 million on provincial highway maintenance, including:

- \$276.9 million for maintenance of provincial highways and bridges; and
- \$81.1 million for P3 maintenance.

Snow and ice control on the transportation system is critical to ensure the safe movement of people, goods and services throughout province during the winter months. In 2022-23, nearly 700 snowplows and other snow removal equipment, in addition to \$53.1 million of salt, sand and gravel, helped make Alberta highways clear and safe for drivers.

Please refer to page 69 in the Other Financial Information section to review budget allocations and spending for provincial highway maintenance in 2022-23.

Salt, sand and gravel are stored at highway maintenance yards in sites across the province. TEC manages environmental liabilities associated with salt contamination at 157 legacy highway maintenance yard sites in Alberta. Legacy sites are those sites where the ministry currently owns, once owned or has been involved in a lease agreement at the site. Approximately half of the legacy sites are still active.

As part of an engineering assessment framework to identify and evaluate the optimal strategy for each site, TEC conducts several engineering assessments on highway maintenance yard sites a year. In 2022-23, 10 engineering assessments were completed. A total of 33 out of 157 sites have undergone engineering assessment. Risk management plans for 14 sites were submitted to Environment and Protected Areas, of which eight have been approved and the remaining six are under review.

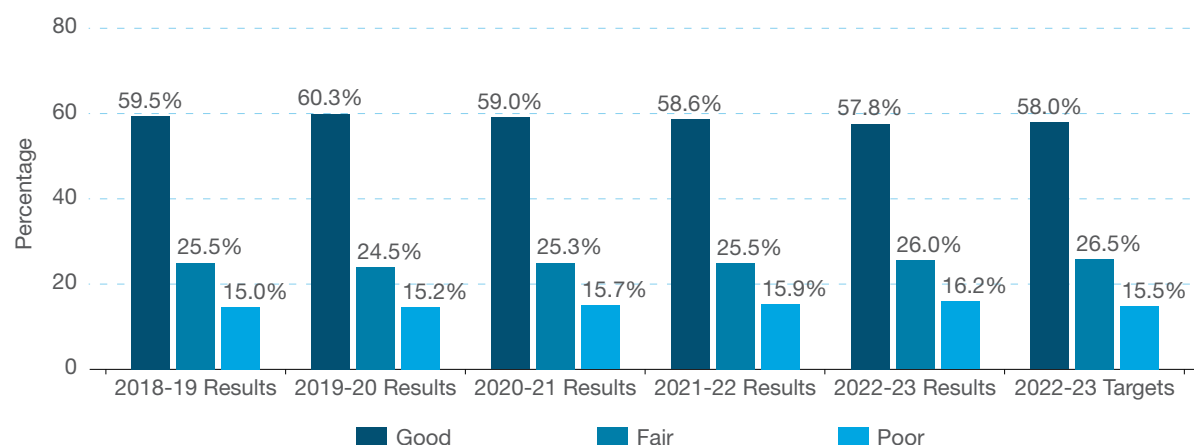
### **Trial/pilot projects**

The ministry supports work with partners to facilitate the use of new materials and methods in the construction industry that promote environmental stewardship and sustainable practices. Construction of the Highway 22 Bridge was completed in 2022-23 using lower emission Portland Limestone Cement as part of a pilot project. Results of the project will be evaluated for next steps in 2023-24.

In 2022-23, two trial projects were paved with asphalt concrete mixes using 40 per cent reclaimed asphalt pavement (RAP), higher than the current maximum allowable percentage of 30 per cent. The higher RAP mix may reduce greenhouse gas emissions as well as aggregate consumption, a non-renewable resource. Performance of these test sections will be monitored over the next few years to determine next steps.

The ministry is seeking to improve line painting performance by conducting a trial project and revising contract requirements for line painting data loggers. One line painting trial project was underway on two sections of highway in 2022-23. One test segment was constructed with a double application of paint and glass beads and a second segment used recessed (grooved) paint lines with one application of paint and glass beads. The impact of these techniques will be evaluated to determine next steps. Providing paint lines with improved performance will improve the safety of the highway network and ensure Albertans receive value for money.

### Performance Measure 1.a: Physical condition of provincial highway surfaces



#### Note:

The targets for physical condition of provincial highways were set and are reported as good, fair, or poor as follows:

**Good:** Adequate for intended use and expected to provide continued service life with average maintenance.

**Fair:** Aging components are nearing the end of their life cycle and require additional expenditures for renewal or refurbishing.

**Poor:** Upgrading is required and deterioration has reached the point where major repairs or rehabilitation is necessary.

**Description:** This measure defines the percentage of the paved highway network that is in good, fair, or poor condition. International Roughness Index (IRI) is used to measure the roughness of roads and this measure is the only metric used to categorize overall physical condition. Highways in poor condition are generally those that require work now or in the near future but are still safe for travel.

**Rationale:** The measure is used to assess the condition of the paved highway network, in support of efficient movement of commuter, business, personal and commercial traffic. The preservation of pavement condition through regular rehabilitation reduces the total life cycle cost of the highway system.

**Results:** Investments in capital pavement rehabilitation and operating maintenance improvements completed this year continued to sustain provincial highway surface condition and prolong the life of pavement. The ministry continued to enhance asset management practices to optimize maintenance of the highways under increased traffic flow. The ministry uses these new processes to identify highways with the highest need for repair and apply strategies to reduce life cycle cost for maintaining the highway network.

The combined percentage of highways in good and fair condition (expected to require average maintenance) decreased slightly to 83.8 per cent, which is lower than the previous year by 0.3 per cent. The percentage change is minimal, and the performance results have remained stable between 84 and 85 per cent for the last five years. The percentage of highways in poor condition (expected to require major repair or replacement) increased from 15.9 per cent to 16.2 per cent. Pavement condition worsens as it ages, but the ministry has been able to maintain the condition of aging infrastructure. Although 39 per cent of the network is at, or older than, the typical 20-year design life, only 16.2 per cent of the network is in poor condition. In 2022-23, the ministry continued to invest in preservation treatments,

such as seal coat, to maintain a sustainable transportation network. This will reduce the long-term maintenance and rehabilitation costs over the entire pavement service life.

The provincial highway system plays a key role in supporting the economy and connecting communities. The improvements to pavement quality help enhance product movement and efficient travel for all road users.

## **Outcome 2: The transportation system is safe and secure, supported by policies, programs, enhanced services and a regulatory framework protecting public safety**

Alberta's transportation system is affected by complex and dynamic interrelated elements. Multiple factors have the potential to impact the success of safety initiatives and strategies employed by the ministry, such as:

- driver/traffic safety legislation, education and training, licensing, enforcement and adjudication;
- traffic volumes and number of drivers/road users;
- types and condition of vehicles and freight;
- road user behaviours, such as drivers operating vehicles when fatigued, distracted or impaired;
- road infrastructure, such as roundabouts and intelligent transportation systems; and
- hazards such as adverse weather/natural events.

These factors, alone or in combination, have the potential to impact the safety and security of road users on the network, and may result in new, unexpected, rapidly-emerging issues. The ministry works to identify emerging issues related to the safety and security of Albertans and quickly respond, using a robust, coordinated delivery approach.

Please refer to page 69 in the Other Financial Information section to review budget allocations and spending for the Traffic Safety Services portion of the Traffic Safety Program, which includes leadership and direction in the development and delivery of transportation safety programs.

### **Key Objectives**

#### **2.1 Ensure high standards for driver licensing, and provide effective oversight and monitoring to support road user safety and cost-effective service delivery across Alberta.**

##### **Graduated Driver Licensing**

Work to improve Alberta's Graduated Driver's Licensing (GDL) program was underway during 2022-23, with changes implemented on April 1, 2023. As of April 1, 2023, Class 5 (passenger vehicles) and Class 6 (motorcycles) advanced road tests are no longer required for drivers to exit the GDL program. Enhancements were made to the basic road test to include elements from the previous advanced road tests. In addition, the exit requirements have been strengthened to ensure that new drivers have the skills and safe driving behaviours to drive on Alberta roads. Actual experience behind the wheel and having a driver that is demerit-free and suspension-free is a better indication of being ready for a full licence.

Albertans who complete a 24-month probationary period, are 18 years or age and have no suspensions or demerit traffic violations within their last 12 months of probation automatically qualify for their full Class 5 or Class 6 driver's licence and save approximately \$154 by not having to take a second road test to exit the GDL program.

Drivers in the GDL program who have completed a Class 5 or Class 6 driver training program from a driver training school licensed by TEC may be eligible to reduce the 24-month probationary period by up to six months.

The changes are the result of TEC's review of the GDL program and focused on efficiencies suggested by Albertans in a 2019 red tape reduction survey, while upholding the high standards for driver licensing. As of April 1, 2023, there were more than 700,000 drivers in the GDL program, with more than 500,000 Albertans eligible to exit the program.

### **Class 1 road tests**

Effective February 1, 2023, Albertans can take their Class 1 commercial driver's licence road test in an automatic transmission truck, in addition to being able to take the road test in a standard transmission truck. The new option reflects commercial trucking industry trends and ensures drivers are tested in the type of truck they will be driving once licensed. The change also streamlines driver licensing requirements by supporting commercial drivers coming to Alberta from other Canadian jurisdictions.

Road test availability remained high for Class 1 driver licence road tests, and in the 2022-23 fiscal year, 6,354 Albertans completed road tests for a Class 1 driver's licence.

### **Class 4 driver licensing**

As of February 1, 2023, Albertans no longer need to take an additional road test in order to upgrade to a Class 4 driver's licence. An enhanced knowledge test focusing on passenger management, passenger safety and the transportation of vulnerable people is required, in addition to mandatory driver medical and vision tests. A Class 4 driver's licence enables drivers to transport passengers in taxis, ride-share vehicles, limousines, small buses and ambulances.

The licensing changes will reduce costs and red tape for thousands of Albertans who obtain a Class 4 driver's licence each year and support attracting more competition to the ride-sharing industry. In the 2022-23 fiscal year, 7,072 Albertans took a Class 4 driver's licence road test.

### **Private passenger road test safety**

TEC strengthened oversight in 2022-23 by conducting virtual and in-person monitoring of driver examiners for passenger vehicle licensing. Using tablet technology, officials are able to review the road test route used during an examination, the speed of the vehicle and other parameters to ensure the test was conducted according to government standards.

## **2.2 Provide effective oversight and monitoring of commercial carrier and provincial railway industries, while continuing educational opportunities to improve public safety.**

### **Mandatory Entry-Level Training**

In 2022-23, 5,648 Albertans completed Mandatory Entry-Level Training (MELT), for a total of 14,726 Albertans since the program was first introduced in 2019. Through in-class, in-yard and in-vehicle training, MELT helps to ensure the province's roads are safe for road users by providing Class 1 drivers with the essential knowledge and skills that create a foundation for safe driving and developing positive driving attitudes and behaviours. Entry-level training for Class 1 drivers is a national safety standard across Canada and the United States to ensure road safety and support trade and labour mobility. Alberta is also the only province with MELT for Class 2 drivers, which is not included in the national safety standard.

The cost of MELT is capped at \$10,000 for Class 1 MELT and up to \$5,000 for Class 2 MELT to ensure training costs are fair and accessible. TEC has implemented several initiatives to help drivers and industry with the cost of MELT, including the Experience and Equivalency Program and the Driving Back to Work grant program.

## **Experience and Equivalency Class 1 MELT Training Program**

Between November 26, 2020 and March 31, 2023, 703 Albertans were approved to take the Experience and Equivalency Class 1 MELT Program. The program is a condensed 40-hour training program for experienced drivers to earn their Class 1 driver's licence, saving Albertans approximately \$4.2 million in tuition cost and 51,319 hours of instructional time.

The Experience and Equivalency Program recognizes the knowledge and skills that commercial truck drivers and farmers with a Class 1, 2 or 3 licence gain through on-the-job experience. The program helps address labour shortages experienced in the trucking industry by reducing time and cost barriers to obtain MELT.

## **Driving Back to Work grant program**

TEC continued to administer the Driving Back to Work (DBTW) grant program, providing \$7.6 million in 2022-23 to unemployed and underemployed Albertans pursuing careers in the trucking industry. The DBTW program supports successful applicants by covering more than 90 per cent of Class 1 driver's licence training and testing costs.

The DBTW program is intended to support resolving the commercial truck driver shortage and respond to industry's request for assistance in licensing more Class 1 drivers. Commercial truck driver shortages are partially due to increased demand, reduced supply of employees due to retirement, employers preferring to hire drivers with at least three years of driving experience and difficulty attracting women and youth due to long hours and time away from home.

Eligibility was expanded in November 2022 to include underemployed Albertans, who, on average, work less than 29 hours a week throughout the year. The expanded eligibility will help more Albertans access support to start careers as licenced commercial drivers, which will help to reduce labour shortages in the transportation and warehousing industry and ensure the supply chain keeps moving.

In 2022-23 the DBTW program helped 640 Albertans complete MELT to obtain a Class 1 driver's licence, including 37 grantees who self-identified as women. TEC has supported a total of 1,431 individuals since DBTW was first introduced in November 2020. Approximately 41 per cent of DBTW grant recipients reported having a commercial driving job within three months of completing their training.

## **Piloting virtual reality MELT training**

TEC continued to collaborate with the Alberta Motor Transport Association (AMTA) and Emissions Reduction Alberta in 2022-23 to support the development of virtual reality training simulators for Class 1 drivers. In 2022-23, the ministry contributed \$1 million toward the pilot project. AMTA also received support from other government partners.

The pilot project will determine the feasibility of using virtual reality simulator for MELT in-yard and/or in-vehicle training as an option to reduce training costs for MELT. The pilot will focus on developing hardware for truck steering controls and software to simulate real-life training environments and course delivery.

## **Pre-Entry Program**

TEC continued to implement the Pre-Entry Program in 2022-23 to ensure commercial carriers demonstrate knowledge of the National Safety Code (NSC) program and regulatory requirements before beginning operations.

In 2022-23, 2,204 new safety fitness certificate applications were processed. In addition, 2,832 users completed the online course, and 5,052 pre-entry knowledge exams were taken at Alberta registry agencies.

New carriers continue to be monitored to ensure they complete all the requirements of the Pre-Entry Program. Carriers found not in compliance are flagged for intervention. The Pre-Entry Program ensures commercial carriers meet the minimum performance standards set by member jurisdictions of the Canadian Council of Motor Transport Administrators and in consultation with the motor carrier industry.

## **Safety fitness certificates**

TEC extended the deadline to June 28, 2022 for commercial carriers to renew safety fitness certificates (SFCs). The deadline applied to all carriers who obtained their SFC before March 1, 2019. Carriers that did not renew their SFC before June 28, 2022 had their certificate cancelled, and on June 29, 2022, 2,677 SFCs were cancelled.

SFCs are required for all commercial carriers operating in Alberta with:

- vehicles registered for 11,794 kilograms or more, operating within Alberta;
- vehicles registered for more than 4,500 kilograms, travelling outside Alberta; or
- vehicles manufactured for 11 persons or more.

In 2022-23, there were more than 19,400 NSC commercial carriers in Alberta. Regular renewal of SFCs every three years ensures commercial carriers are accurately reporting time spent on the roads, sharing insurance information, and demonstrating that they meet required safety standards.

## **Electronic logging devices**

As of February 12, 2022, changes to federal Commercial Vehicle Drivers Hours of Service Regulations require federally regulated commercial vehicles (vehicles that cross provincial/territorial borders) to use certified electronic logging devices (ELDs).

An ELD is electronic hardware attached to a commercial motor vehicle engine to record driving and resting hours. The device replaces paper logbooks, making it easier and faster to track, manage, share and improve the accuracy of each driver's hours of service. ELDs help commercial drivers manage and plan their driving and off-duty hours and improve the efficiency of law enforcement inspections. The devices help drivers stay within legally allowed driving hours, resulting in less driver fatigue and safer roads in Canada.

As of January 1, 2023, Alberta implemented ELD enforcement for federally regulated carriers, which includes warnings and summons notices for repeat offenders. This enforcement date was aligned with other jurisdictions in Canada to allow for sufficient time for industry to obtain and install certified ELDs. Evaluation and awareness materials are provided on the ministry's public website as well as roadside to assist carriers with the transition. The mandate affects roughly 6,833 commercial carriers in Alberta operating approximately 69,500 vehicles that move goods and people outside the province.



To support ELD enforcement, Alberta's commercial vehicle on-highway inspectors received hours of service refresher training in 2022-23 developed by the Commercial Vehicle Safety Alliance Education Quality Assurance Team. The training included ELD enforcement practices on receiving electronic hours of service information from drivers, evaluating duty statuses and overall ELD awareness.

### Compliance and oversight

TEC ensures carrier compliance through active monitoring, audits and investigations, and applying administrative penalties for non-compliance, up to and including the suspension of a carrier's SFC, which removes their authority to operate. Between April 1, 2022 and March 31, 2023, the below activities were undertaken by TEC's compliance and oversight teams:

Dangerous Goods commercial carrier inspections	325
Vehicle inspection facility reviews	855
Hours of service permit inspections completed	12
NSC facility audits	605
New carrier compliance reviews completed	1,306
Administrative penalties issued (For carrier compliance, rail safety issues, vehicle safety issues, etc.)	313
Appeals/Registrar reconsideration applications	13
SFC suspensions issued (Consists of carriers not meeting conditions on certificates and includes suspensions applied in that timeframe based on the effective date, regardless if they are expired/ lifted in that timeframe or after)	1,499
Carriers downgraded to "Unsatisfactory" (Includes all unsatisfactory ratings applied in that timeframe based on the effective date, regardless if the rating is expired in that timeframe or after)	474

Through education, enforcement and progressive disciplinary actions, TEC ensures individuals and corporations identified as not compliant or posing a high risk to public safety are subject to corrective actions or regulatory sanctions. This helps ensure provincial highways, loading/unloading facilities and the provincial railway network are safe for all Albertans. The ministry works with industry, Transport Canada, emergency preparedness partners, emergency response agencies, first responders and Albertans to prepare, plan and respond to dangerous goods incidents, non-compliance and emergencies that may cause harm to life, the environment or property.

## 2.3 Implement transportation safety strategies and infrastructure enhancements to improve road safety, promote traffic safety and prevent transportation-related deaths and serious injuries on Alberta's roads.

### Traffic safety promotion

#### *Community Mobilization*

TEC's Community Mobilization program provided outreach services to communities, organizations and traffic safety stakeholders across the province. Consultants established, developed and supported traffic safety partnerships and collaboration between stakeholders, developed and shared traffic safety resources, and responded to traffic safety-related requests from stakeholders.

In 2022-23, two consultants provided services to 112 clients. Consultants provided action planning services to 75 clients, helping them identify and plan how to address local traffic safety challenges. Consultants also provided linking/sharing services by building relationships or sharing resources with 37 clients. As a result of the services provided, 49 clients held 39 events that focused on traffic safety topics such as impaired driving, distracted driving, bicycle safety and off-highway vehicles.

#### *Traffic Safety Calendar*

TEC developed the Traffic Safety Calendar in collaboration with stakeholders, including municipalities, traffic safety organizations, enforcement partners, schools, public health professionals, Indigenous communities and industry groups. The calendar was distributed to enforcement agencies and shared online through TEC's website. For each month's traffic safety topic, the ministry sent out a monthly stakeholder message with key facts and statistics and posted social media messages on Twitter. The calendar provides a framework for increasing awareness of traffic safety issues and aligning education initiatives with enforcement activities.

#### *Traffic safety grants*

TEC provided a total of \$155,000 in grant funding to four traffic safety organizations focusing on core traffic safety issues and addressing key target groups. Traffic safety grants enable traffic safety stakeholders to implement initiatives that address priority traffic safety issues. The programs are in high demand and have experienced a reduction in funding from other sources due to the COVID-19 pandemic. The following traffic safety organizations were approved for initiatives in 2022-23:

- **Alberta Motorcycle Safety Society (AMSS):** AMSS delivered a motorcycle safety awareness campaign in May 2022 at the start of motorcycle season.
- **Students Against Drinking and Driving (SADD) Alberta:** SADD provided services and resources to support high school students in learning about the dangers of impaired driving.
- **Mothers Against Drunk Driving (MADD) Canada:** MADD provided the School Assembly Program to schools across Alberta. The program educates grade seven to 12 students about staying safe in risky situations and finding alternatives to driving when impaired by alcohol and drugs.
- **Youth Initiatives and Education in Lifestyles and Driving (YIELD):** YIELD delivered presentations on the dangers of speed, impaired driving and distracted driving to young drivers at schools and community events across the province.

## Smart Roadside Inspection Systems

In 2022-23, TEC installed Smart Roadside Inspection Systems (SRIS) in Whitecourt and Coutts Vehicle Inspection Station (VIS). The installations substantially broadened geographical coverage by adding locations in the far south and the northwest quadrant of the province. The two new sites, adding to Alberta's other VIS locations using SRIS in Leduc and Atmore, build enforcement capacity, improve the quality and consistency of road safety data collection and support the development and improvement of road safety technology.

Alberta's SRIS is an electronic and fully integrated commercial vehicle enforcement screening system designed to automatically identify high-risk commercial motor vehicles at the roadside without delay to drivers or interference with the flow of commerce. The selective vehicle inspection process enhances service efficiency, helps reduce greenhouse gas emissions and saves compliant commercial carriers money by preventing unnecessary slowing and reporting to scale for inspections.

## Intersection improvements

TEC continued to screen and address safety-challenged intersections in Alberta as part of the ministry's overall Safe System Approach. Upgrade strategies include capital improvements, such as construction of a roundabout, traffic signal or adding a turning lane, and operational improvements, such as adding flashing beacons or warning signs or changing signal controls to protect left-turning vehicles.

Of the top safety-challenged intersections evaluated using the most recent collision data from 2018, 13 intersections were improved in 2022-23. Improvements included converting two intersections in Sylvan Lake on Highway 11 at Highway 781 and Range Road 15 to roundabouts. Roundabouts improve traffic flow and reduce speeding and other unsafe driver behaviours, resulting in fewer and less severe collisions.

The ministry completed advance work in 2022-23 for upcoming construction on the Highway 1A and Highway 22 interchange, which had the highest numbers of collisions in Alberta between 2014 and 2018. Additional construction details on the Cochrane interchange are provided on page 46.

For the next 10 safety-challenged intersections, six intersections were planned for upgrades in the published 2023 construction program. One intersection study was completed in 2022-23, and three will require study in the future.

## Highway infrastructure improvements

Safety improvements to infrastructure, like other Provincial Construction Program projects, are selected based on analytical tools used to evaluate projects. Ministry staff across the province collect and analyze data, such as traffic volumes and collision data, to identify the most appropriate and urgent projects. Evaluation considers many different factors, including current safety performance, construction and post-construction maintenance costs and support for new development. Projects are prioritized based on current performance of the particular asset and location.

Potential safety solutions include improved lighting to reduce nighttime accidents, signage/pavement markings providing advance notice to drivers of actions/hazards ahead and rumble strips to reduce off-road collisions.

Infrastructure safety improvements underway in 2022-23:

- Major upgrading and maintenance took place on the QEII Highway southbound, between Veterans Boulevard in Airdrie and Balzac. Similar work was carried out on Stoney Trail, west of Deerfoot Trail. This \$7.4-million investment included paving, the installation of guardrails, signs and rumble strips and line painting.
- Reconstruction of Highway 817 between Bow River and Highway 901 was 85 per cent complete at the end of the 2022 construction season. The \$25.6-million investment includes realigning the Highway 24 connector, as well as guardrail installation, illumination, signs, rumble strips and line painting.

## **Reducing wildlife-vehicle collisions**

### *Highway 1 wildlife overpass*

Construction began on a wildlife overpass on Highway 1, The Trans-Canada Highway, near Deadman's Flats west of Calgary in spring 2022. Once complete in fall 2023, the \$17.5-million wildlife overpass will improve driver safety by reducing the number of animal-vehicle collisions on Highway 1 and strengthen wildlife links to habitat areas in the Bow Valley.

The rate of wildlife-vehicle collisions along Highway 1 is high due adjacent diverse wildlife areas and high traffic counts through the Bow Valley. More than 24,000 vehicles travel this stretch of highway per day on average, reaching upwards of 30,000 vehicles per day during summer. Based on data from existing wildlife mitigation measures on other sections of the Trans-Canada Highway, providing a safe passage for wildlife across the highway can reduce animal-vehicle collisions by more than 80 per cent.

Significant collaboration between provincial government ministries identified common goals throughout the design and tender stages of the project. Strong partnering between provincial government ministries and industry has helped keep the project on track, despite construction challenges faced due to the global supply chain crisis.

### *Highway 3 wildlife underpass*

The Rock Creek wildlife underpass west of Highway 22 on Highway 3 is in the final stage of tender preparation. Construction is expected to begin in 2024 and be completed in 2025. The underpass will provide a safe passage for wildlife, improving driver safety by reducing the number of animal-vehicle collisions on Highway 3. Environmental organizations supporting this project are working with adjacent landowners to protect important habitat so that the crossing structure will continue to support local wildlife populations.

### *Highway 22 Animal Detection System*

Work continued in 2022-23 on a Highway 22 Animal Detection System, planned for operation in 2023. The system will detect large animals approaching the highway and activate signs to warn drivers that wildlife may be present on or near the road. The project is expected to help improve driver safety by reducing collisions and reduce the negative impact of Highway 22 on local wildlife populations.

The trial will assess the effectiveness of this innovative technology and consider its potential use on other highways with high rates of animal-vehicle collisions. If the trial is successful, animal detection systems may be a cost-effective way to reduce animal-vehicle collisions in areas where barrier systems and wildlife crossing structures are less feasible.

## Safety rest areas

### *Safety rest area washroom upgrades*

TEC began design work to upgrade washrooms in two existing safety rest areas on Highway 43 as an initial pilot project. This first round of upgrades will convert outhouse-style washrooms to flush toilets. The upgrades will ensure private and commercial drivers have safe, clean, modern washrooms as they travel Alberta's highways.

There are more than 400 existing safety rest areas in Alberta, which include points-of-interest, scenic viewpoints, brake check areas and chain on/off areas across the provincial highway network. Safety rest areas improve highway safety by providing a place for travellers to take a rest, fill up vehicles and eat so they can return to the road refreshed.

### *Commercial safety rest area project*

The ministry issued a RFP in 2022-23 to invite development proposals for commercial rest areas. Existing highway rest areas with sufficient land available were identified as potential locations for commercial development, and a shortlist of sites was developed based on municipal and trucking industry feedback and commercial viability.

Future safety rest stop area investment decisions consider distance between existing rest stops, stakeholder priorities, collision statistics, economic benefits and commercial truck traffic volumes. No proposals compliant to the RFP were received through this procurement, and the ministry will be reviewing options for next steps.

## Dangerous Goods and Rail Safety Program

In 2022-23, the ministry provided regulatory oversight, progressive discipline and incident investigation to ensure the safe and secure transportation of goods and commodities via road and provincial rail in Alberta. TEC staff continued to respond to the most severe road and rail dangerous goods emergencies, providing scene and technical assistance to emergency first responders and ensuring compliance with the Transportation of Dangerous Goods Regulations.

The ministry conducted 482 facility inspections, 16 highway tank facility audits and 117 railway inspections in 2022-23, and responded to more than 3,874 telephone inquiries related to road or rail transportation. TEC also attended or assisted in 191 road incidents and four rail incidents involving dangerous goods.

TEC continued to participate on the Federal-Provincial-Territorial Task force on the Transportation of Dangerous Goods, Means of Containment Safety Standards as well as the Federal-Provincial Working Group on Railway Safety. This important work ensures Alberta's interests are represented at national discussions on regulatory changes aimed at public safety and environmental protection.

## Alberta Environmental and Dangerous Goods Emergencies

Alberta Environmental and Dangerous Goods Emergencies (EDGE) is a 24-hour centre and essential service providing emergency response expertise on behalf of multiple ministries and agencies, including TEC, Environment and Protected Areas, the Alberta Energy Regulator, the Natural Resources Conservation Board and Environment and Climate Change Canada. The 24-hour emergency coverage ensures quick response to incidents that pose a risk to public safety, such as events and releases involving dangerous chemicals, pipelines or industrial facilities.

The Alberta EDGE team, made up of 10 regulatory compliance officers, continued to collaborate with partner ministries and agencies to ensure emergency triage procedures were accurate and updated.

During the past fiscal year, EDGE handled 19,064 calls related to environmental and dangerous goods emergencies, incidents and complaints, including:

- 3,333 calls related to dangerous goods and rail safety, including six high-profile incidents involving the transportation of dangerous goods;
- 10,719 calls for Environment and Protected Areas. Of this total, 1,877 were shared with the federal government's Environment and Climate Change Canada;
- 4,412 calls for the Alberta Energy Regulator; and
- 600 calls for the Natural Resources Conservation Board.

An increase in economic activity resulted in a three per cent rise in overall call volumes compared to the 2021-22 fiscal year. Dangerous goods road incidents increased 15 per cent compared to the 2021-22 fiscal year.

### **Transportation Management Centre/511 Alberta**

The Transportation Management Centre (TMC) continued to provide the most up-to-date information in a user-friendly and timely manner to travellers through 511 Alberta. The service helps travellers make well-informed decisions when trip planning so that people and goods keep moving safely and efficiently throughout the province. The 24/7 service streamlines incident reporting for 511 Alberta's many stakeholders, including emergency services, highway maintenance contractors, industry, regional staff and the travelling public.

Key highlights of 511 Alberta's improvements and operations in 2022-23 included:

- adding eight traffic cameras, seven digital messaging signs (DMS) and three traffic beacons in partnership with Northeast Region Community Awareness Emergency Response group;
- awarding a contract for the addition of 25 traffic cameras and five DMS over the next two years;
- adding "Travel not Recommended" as a primary condition on the 511 Alberta platform; and
- keeping the public updated and informed of traffic disruptions during the Papal visit in July 2022.

### **SafeRoads Alberta**

In 2022-23, SafeRoads Alberta continued to provide a streamlined adjudication process for Albertans seeking to dispute an Immediate Roadside Sanction (IRS) alcohol or drug related driving contravention under the *Traffic Safety Act* (TSA), with decisions delivered within 30 days of an IRS Notice of Administrative Penalty being issued. TEC's process enables Albertans to dispute their alcohol or drug-related driving contraventions through a fast and efficient adjudication process, instead of a courtroom.

Administrative penalties allow peace officers to address alcohol and drug-related driving through a more efficient and less punitive approach than a criminal impaired driving approach. Recipients of administrative penalties can challenge their contravention and obtain a decision within 30 days through the Saferoads Alberta adjudication process. In comparison, the average time to reach an outcome on an impaired driving case through a criminal trial in the Alberta Court of Justice was 490 days in 2019-20. By diverting alcohol and drug-related driving contraventions from the Alberta Court of Justice to

SafeRoads Alberta, court time is freed up to address more serious matters, and law enforcement spends less time in court on impaired driving matters, allowing them to address other concerns related to public safety. Between December 1, 2021 and November 30, 2022:

- A total of 13,860 Immediate Roadside Sanctions (IRS) Notices of Administrative Penalty were issued. This is a 17 per cent increase in the issuance of administrative penalties under the IRS program, when compared to the prior period of December 1, 2020 and November 30, 2021.
- 8,609 IRS FAIL Notices of Administrative Penalty (administered under section 88.1 of the *Traffic Safety Act*) were issued, and 913 impaired cases were commenced in the Alberta Court of Justice. This is equivalent to approximately 89 per cent (7,696) of *Traffic Safety Act* impaired driving matters being diverted from the courts to SafeRoads Alberta.
- Adjudicators reviewed and issued decisions on 2,024 impaired driving contraventions. This is a 45 per cent increase in the number of adjudicator decisions issued, when compared to the prior period of December 1, 2020 and November 30, 2021.

## Roadside worker safety

### *Safe passing rules*

Amendments to the *Traffic Safety Act* to change Alberta's safe passing rules were introduced in spring 2022 and will be implemented September 1, 2023. The amendments will extend protections to other types of roadside workers, such as highway maintenance workers and snowplow operators.

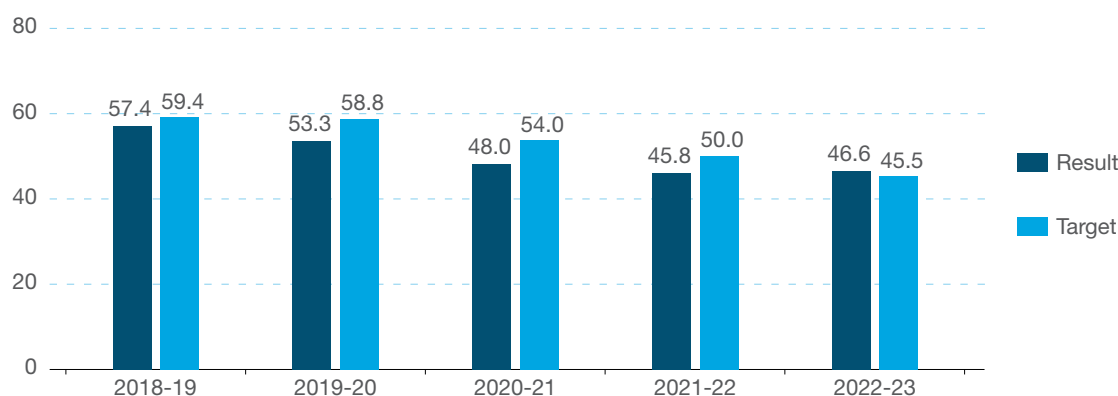
The *Traffic Safety Amendment Act, 2022* will require all motorists travelling in the same direction to slow down to at least 60 kilometres per hour (km/h) or the posted speed limit, whichever is lower, when passing a stopped roadside worker with lights flashing. The proposed changes will also require motorists travelling in the opposite direction on single-lane highways to slow down to 60 km/h or the posted limit when passing. TEC installed roadside signage in spring 2023 to help enhance awareness of the changes coming and inform motorists of the new rules of the road.

### *Blue light exemptions*

TEC recognizes that roadside workers are at higher risk of collisions when they work on the side of a highway. Between March 2018 and March 2021, there were 128 collisions involving snowplows contracted by TEC. Roadside worker safety continues to be a top priority for the ministry, and meaningful changes to enhance the safety of roadside workers will continue to be investigated and implemented.

In February 2023, TEC extended the use of flashing blue lights on certain roadside vehicles to February 2028 through Registrar exemptions to the Vehicle Equipment Regulation. The exemptions apply to tow trucks, support vehicles and highway maintenance vehicles, including snowplows. Roadside workers have the option to use flashing blue lights on their vehicles to increase their visibility and safety while working on Alberta roadways.



**Performance Measure 2.a:****Combined fatal and major injury collision rate<sup>1</sup> per 100,000 population****Note:**

<sup>1</sup>Actual rate is calculated as a three-year rolling average.

**Description:** This measure describes the three-year rolling average of the combined fatal and major injury collisions as a rate per 100,000 population.

**Rationale:** To continue efforts to reduce the number and severity of traffic collisions on Alberta's roads, the ministry monitors the combined fatal and major injury collision rate per 100,000 population.

**Results:** The combined fatal and major injury collision rate per 100,000 population was 46.6, which is above the target of 45.5 that the ministry aims not to exceed. Overall, the combined fatal and major injury collision rate has been decreasing over the past five years and as this 2022-23 rate marks a slight increase of 0.8 collisions per 100,000 population compared to the 2021-22 result of 45.8, this year's result is still the second lowest rate ever achieved for this measure. This long-term decrease in the collision rate cannot be attributed to a single factor, as many factors have the potential to affect outcomes. These include enforcement, engineering initiatives, community mobilization, strategic communication and education initiatives. Some external factors not directly influenced by the ministry may also have an effect on achieving target, including changing population demographics, economic activity in the province, increases in the number of drivers and registered vehicles as well as traffic volumes on provincial roads.

The collision rate is calculated as a three-year rolling average, which factors in peaks and valleys of collision data that may occur from year to year within the three-year range. The COVID-19 pandemic has now had an impact spanning two of the three years used to calculate the results for this year and contributed to lower traffic counts in 2021 and 2022, which in turn reduced the potential for collisions to happen. Some reduction in traffic volumes may also extend long-term through the expanded use of office/home hybrid work models. Building on the rebound from last year, traffic volumes observed by the ministry's 389 Automated Traffic Recorder Sites increased by 2.2 per cent compared to 2021 levels. In years ahead, as traffic volumes continue to rise, the pandemic impacts will have less influence on potential future collision rate results.

Many traffic safety initiatives, such as reducing impaired driving or increasing occupant restraint use, focus on changing attitudes and behaviours. These types of changes can take several years, if not decades, to achieve. Other examples of programs recently introduced include Mandatory Entry-Level Training (MELT) and Pre-Entry for commercial drivers, and changes to the delivery model for road tests, all



of which may have had some impact by putting safer drivers on Alberta roads. When determining the target, long-term goals are taken into consideration and the target aligns with the ministry's transportation safety strategies. Transportation safety strategies and programs continue to be a focus for the ministry. Other emerging contributing factors include newer vehicles being safer and having more technology options for safety, such as lane warning systems, back-up cameras, adaptive cruise control and emergency braking sensors.

The results demonstrate significant progress considering that even with the increasing population and number of vehicles on Alberta's roads less fatal and major injury collisions have occurred over time. This year's result still continues to indicate the cumulative effect of transportation safety initiatives in contributing to protecting and saving lives. Taking into account these continuing enhancements to safety and overall improving results since 2017, the ministry continued to set aggressive targets to further reduce casualties and collisions in the Transportation and Economic Corridors Business Plan 2023-26.

### **Outcome 3: Alberta's economic growth and recovery is supported by strategic infrastructure investments and innovation opportunities**

#### **Key Objectives**

#### **3.1 Work with partners to support innovative, cost-effective transportation mobility options for Albertans.**

##### **Calgary and Edmonton light-rail transit**

The Government of Alberta provides capital funding to support and upgrade municipal transit infrastructure to improve the availability of affordable, accessible and environmentally sustainable transportation options for Albertans. Since 2009, the government has significantly increased funding toward light-rail transit (LRT) expansion in both Calgary and Edmonton, and in 2019-20, the province committed a total of \$3 billion over the next 10 years toward City of Calgary and City of Edmonton LRT projects.

In 2022-23, a total of \$69.5 million was provided toward the Calgary LRT and \$180 million to the Edmonton LRT. Investment includes provincial funding as well as federal government funding, which was provided through the Investing in Canada Infrastructure Program (ICIP) and administered by TEC. Work underway in 2022-23 included:

##### *Edmonton LRT*

- West Valley Line construction, the second and final stage of the project, is expected to be completed by the end of 2026.
- Metro Line Northwest LRT construction, the first stage of the extension project, is anticipated to be completed in October 2024.
- Capital Line South extension project was underway as of spring 2022, with an expected completion date of fall 2026.

##### *Calgary Green Line*

- A delivery partner was selected by the City of Calgary in November 2022.
- An RFP to select a development partner closed in early 2023.
- Early work, which included utility relocation, land preparation and the purchase of material supply, was underway in 2022-23.

The LRT projects will serve and connect growing populations within Alberta's two biggest metropolitan centres with fast, frequent and reliable transit service. The Government of Canada formally approved both Calgary and Edmonton LRT business cases in 2022-23, and provincial grant agreements and a grant amendment for Metro Line were finalized. A grant agreement amendment for the Calgary Green Line LRT project was underway, following approval of a revised business case in 2022-23.

##### **Green Transit Incentives Program**

The Green Transit Incentives Program (GreenTRIP) provides funding support for local, regional and inter-municipal public transit throughout Alberta. GreenTRIP supports new public transit alternatives throughout the province that will significantly reduce the number of vehicles on Alberta roads and reduce greenhouse gas emissions.

In 2022-23, \$9.3 million was provided to nine different municipalities for 16 projects supporting transit infrastructure expansion, new bus purchases and bus stop shelters. The Bow Valley Regional Transit Services Commission completed three projects, including bus shelters and bus stop improvements in Banff and Lake Louise.

As the GreenTRIP program winds down, TEC has provided flexibility in payment for committed funding to assist municipalities during economic recovery and to accommodate supply chain issues and equipment delays experienced during project construction.

To review budget allocations and spending in 2022-23 for GreenTRIP, please refer to page 69 in the Other Financial Information section.

### **Alberta Relief for Shortfalls for Transit Operators**

TEC provided transit systems in Calgary and Edmonton and 22 other Alberta municipalities with \$79.5 million as part of the Alberta Relief for Shortfalls for Transit Operators (RESTOR) to help offset losses to transit revenue resulting from the COVID-19 pandemic. The federal government matched provincial contributions for a total of \$159 million. Memorandum of agreements with municipalities were signed in the first half of 2022, and payments were made to municipalities in fall 2022.

RESTOR funding was a one-time contribution in recognition of the extraordinary impacts of the COVID-19 pandemic on transit operating revenues. The program helped municipalities cover operating costs and ensure public transit services were maintained. Public transit supports economic recovery in municipalities by ensuring Albertans can get to and from work or school and access critical services.

### **Public Transit Infrastructure Fund**

The province of Alberta and federal government wrapped up the Public Transit Infrastructure Fund (PTIF) program as of March 31, 2023. The province administered the remaining dollars on behalf of the federal government toward the program. PTIF helped accelerate municipal investments to support the rehabilitation of transit systems, new capital projects and planning and studies for future transit expansion. In 2022-23, \$1.5 million was invested in two projects in Calgary and two in Red Deer, supporting local transit systems. Projects included bus stop accessibility upgrades and system-wide intelligent transit technology in Red Deer and Green Line LRT transit bus improvements and Green Line material supply in Calgary.

### **Investing in Canada Infrastructure Program**

TEC continued to provide flow-through funding for the Investing in Canada Infrastructure Program (ICIP) in Alberta and administered the Public Transit and COVID-19 Resilience funding streams on behalf of the federal government in 2022-23. The goal of ICIP is to create long-term economic growth, support a low greenhouse gas emission economy and build inclusive communities.

An Integrated Bilateral Agreement between Canada and Alberta was signed on March 22, 2023. The federal government extended the ICIP program deadline to 2034 and shortened the final deadline for identifying projects to March 31, 2023 from March 31, 2025. The extended program deadline will assist municipalities experiencing supply chain challenges and equipment and material delays impacting construction schedules.

In 2022-23, TEC delivered funding across four ICIP streams:

- **Public Transit:** \$112 million was provided to regional transit systems for six projects to expand or retrofit public transit infrastructure. Two of the original 12 projects approved in the public transit stream were completed to-date, with 10 projects ongoing.  
Projects included Calgary and Edmonton LRT funding, bus stop improvements and bus purchases in Strathcona County, a transit hub/park and ride in and smart fare systems in Spruce Grove, smart bus and smart fare in Leduc and Fort Saskatchewan, fleet enhancement in Cold Lake and a pedestrian bridge in Bow Valley. An additional nine new projects were submitted to the federal government in 2022-23 to utilize unused funding and savings from completed and descope projects.
- **Green Infrastructure:** \$16.8 million was provided toward projects to help construct water supply and treatment facilities and fund green transit projects.  
Of the original 33 ICIP Green Infrastructure projects, including 30 water/wastewater projects, 11 were completed to-date, with 22 projects ongoing. An additional water project was also submitted to the federal government in 2022-23. Projects included funding toward LRT projects in Calgary and Edmonton, water treatment plant in Taber, a new wastewater treatment facility in Lloydminster, wastewater treatment system expansion in Raymond, a water reservoir and treatment plant replacement in Red Deer County and lagoon rehabilitation in Alix.
- **Rural and Northern Communities:** \$0.6 million was provided as part of this ICIP stream. Both of the two approved objects, a regional water project in the County of Saddle Hills and a regional wastewater treatment facility in Rocky Mountain House, remained active as of March 31, 2023.
- **COVID-19 Resilience:** \$17.9 million was provided to municipalities in all regions of the province for projects supporting improvements to municipal/public infrastructure, sidewalk rehabilitation and repairs, bus safety improvements, transit digital real time signage, leisure centre expansion, community parks and playgrounds and fleet expansion. Of the 91 projects the stream started with, 49 were completed as of March 31, 2023. An additional 16 projects were submitted to the federal government in 2022-23 to utilize unused funding and savings realized from completed and descope projects. At the end of 2022-23, 58 projects remained active.

The province contributed at least one-third of the total ICIP amount toward projects funded under the Public Transit, Green Infrastructure and Rural and Northern Communities funding streams.

### **Federal public transit funding program**

The Government of Canada is investing \$14.9 billion in new public transit funding across the country over the next eight years. Programs will include a Zero Emission Transit Fund, a Rural Transit Solutions Fund and an Active Transportation Fund. The federal government will also provide \$3 billion per year in permanent, predictable public transit funding, beginning in 2026-27.

TEC provided consolidated Government of Alberta feedback to Infrastructure Canada in the fall of 2022 on the design of the permanent transit fund, to ensure provincial needs are reflected in this new funding.

### **E-scooters**

TEC continued to issue annual permits to e-scooter companies operating ride-share programs within municipalities. In 2022-23, six e-scooter companies operated under the pilot program in 13 different municipalities, including Airdrie, Blackfalds, Calgary, Cochrane, Edmonton, Lacombe, Lacombe County, Leduc, Lethbridge, Medicine Hat, Okotoks, Red Deer and St. Albert. The program has demonstrated significant growth since first beginning in 2019-20 with one e-scooter company operating in Calgary and Edmonton.

Feedback collected from participating municipalities in September 2022 indicates support for the e-scooter program by municipalities as well as users. Reported benefits include alternate transportation modes, revitalization of community spaces, increased traffic to and within commercial spaces, emission reduction, increase in outdoor activities and user enjoyment. TEC recognizes the benefits of offering low-cost, sustainable alternative transportation options and will continue to collaborate with local municipalities and e-scooter vendors in pilot projects to reduce barriers, mitigate safety concerns and assess the risks in developing a future e-scooter policy framework.

### **3.2 Implement transportation initiatives across multiple modes to promote economic growth and recovery in Alberta and support opportunities in multiple sectors.**

TEC spent close to \$524.9 million on hundreds of projects during the 2022-23 construction season, creating more than 13,000 jobs across the province. The strategic infrastructure projects underway on Alberta's major trade corridor highways highlight the government's commitment to ensuring goods and services can move safely and efficiently, supporting economic growth and diversifying the economy. Capital plan construction included both the Calgary and Edmonton ring roads, highway twinning, widening and expansion projects, and economic stimulus projects.

Please refer to page 70 in the Other Financial Information section to review budget allocations and spending in 2022-23 for ring roads and highway twinning, widening and expansion of provincial highways.

#### **Calgary and Edmonton ring roads**

##### *Calgary Ring Road*

More than \$235.8 million was invested in the Calgary Ring Road in 2022-23. The Ring Road project addresses traffic congestion experienced in southwest Calgary due to highly populated areas. Once complete, the project will support all key sectors in Calgary, including aerospace and logistics, financial, energy, agribusiness, technology and tourism by improving access and reducing travel time for commuters and businesses getting goods to market.

Calgary Ring Road work underway in 2022-23:

- Construction continued to progress under two design-build contracts on the west section of the Calgary Ring Road.
- The South Bow River and West Bow River Bridge projects advanced under two traditional design-bid-build contracts.
- Significant progress on the Trans-Canada Highway was achieved, alleviating traffic congestion through this area.

The West Bow River Bridge, the north ring road section and a portion of the south ring road section are scheduled for completion in fall 2023. The south section, expected to be finished in fall 2024, will complete the Calgary Ring Road, enabling 101 kilometres of free-flow travel.

##### *Edmonton Ring Road*

The majority of work to expand the southwest portion of Anthony Henday Drive in Edmonton was completed in fall 2022, with 10 per cent to be completed by fall 2023. In 2022-23, \$25.4 million was spent toward widening the concrete sections, paving and widening of the eastbound Henday Bridge over Whitemud Drive, and girder erection on the North Saskatchewan River Bridge.

The expansion project adds one lane in each direction between Calgary Trail and Whitemud Drive and includes rehabilitation of existing lanes. Once widening from four to six lanes is complete, commuter and commercial traffic movement will be improved for the more than 90,000 vehicles a day that travel through this area.

### **Provincial highway construction – twinning, widening and expansion, as well as economic stimulus projects**

- **Athabasca Highway 813 Bridge replacement:** Construction began on the Town of Athabasca's Highway 813 Bridge in late summer 2022 and included 50 per cent completion of the pile wall and installation of the first pier in the river. A new \$70-million structure will replace the existing 72-year-old bridge, expected to open to traffic in 2025. The bridge replacement will support economic development, improve safety and commuter traffic in and around Athabasca, and provide an improved connection for area Indigenous communities.
- **Cochrane interchange:** Tender for construction of the Cochrane interchange at Highway 1A and Highway 22 was issued in December 2022, and construction began in spring 2023. The three-year project will construct a twin overpass, build roundabouts and ramps and two bridges on Highway 1A over Big Hill Creek, as well as twin Highway 1A under the overpass.

The interchange will decrease congestion and improve travel times in the region. On average, 29,200 vehicles per day use the Highway 1A and Highway 22 intersection. The intersection provides an important connection for the forestry industry, local ranchers and visitors travelling to Kananaskis Country and the Rocky Mountains.
- **Hangingsstone Bridge:** The \$23-million Hangingsstone Bridge project on Highway 63 in the Fort McMurray area was completed in 2022-23. Construction included highway realignment and completion of a new bridge.
- **Highway 3 twinning:** A RFP to twin 46 kilometres between Taber to east of Burdett was issued in late fall 2022, with construction expected to begin in 2023. The twinning project for this segment was first announced in July 2020, as a \$150-million economic stimulus project to support job creation and economic recovery.

On November 25, 2022, TEC announced a commitment to explore twinning options for the remaining 215 kilometres of Highway 3. The remaining seven sections are at various stages of project readiness. A phased approach will ensure projects are cost-effective and limit disruption to Highway 3 motorists. The timeline for completing all Highway 3 twinning projects is approximately 10 years.

Highway 3 is an important economic corridor in southern Alberta that is a critical route for industry, recreation and tourism. The region is experiencing high economic growth, and continued development and expansion of processing facilities in the region is projected to put a strain on the Highway 3 corridor, in particular the safety of larger truck traffic accessing the highway. Highway 3 also connects to international markets through the Port of Vancouver and can offer an alternate transportation route in times of emergencies, such as the 2021 British Columbia floods.
- **Highway 11 twinning:** Phase 1 of the \$120-million Highway 11 twinning project, a stimulus project to support the province's economic recovery, began in May 2022. As of fall 2022, the Highway 11 twinning was 95 per cent complete and open to traffic. Phase 1 included twinning south of Sylvan Lake and construction of two roundabouts at Highway 781 and Range Road 15 to improve the efficiency and safety for traffic turning in all directions.

Phase 1 is the first of four projects that will twin the full length of Highway 11 between Sylvan Lake and Rocky Mountain House. Remaining work will be completed in phases, and design and engineering work continues on the remaining three projects. Phase 2 of the project was tendered in 2022 and will begin this spring 2023.

Highway 11 supports key industry supply chains and serves as an important economic corridor for the movement of goods and services in central Alberta. Twinning Highway 11, also known as the David Thompson Highway, will support expansion of the tourism industry in the Sylvan Lake and David Thompson region. The project addresses the safety and access concerns of residents and businesses by improving local residents, businesses, commuters and other motorists' ability to access the town.

- **Highway 40 twinning:** Work on the first phase to twin 19 kilometres of Highway 40 between Grande Prairie and Wapiti River was underway in 2022-23. A cost-sharing agreement has been reached between municipalities, with the Municipal District of Greenview providing up to \$60 million toward the nearly \$230 million cost. Construction includes bridge and intersection improvements, LED lighting upgrades and a second bridge with a pedestrian walkway over the Wapiti River and is expected to be completed by fall 2023.

The second phase of the Highway 40 twinning project, which will twin 10 kilometres of the highway between the City of Grande Prairie to south of Township Road 700, was tendered in late 2022. The project includes building a second bridge over the Canfor haul road, a new vehicle inspection station and a roundabout at the Highway 40 and Township Road 700 intersection. Construction began during the 2022-23 winter and is anticipated to be complete by summer 2025.

Highway 40 is an important economic corridor for the entire province, serving residents and businesses, recreation and tourism, as well as the forestry, oil and gas, and sand and gravel sectors. Traffic volumes, in particular heavy truck traffic, have increased significantly over the last five years, leading to safety concerns and frequent road closures. Twinning this vital corridor will widen narrow segments to improve safety, as well as support economic growth and job creation in Grande Prairie and northwestern Alberta.

- **Highway 201 South Bow River Bridge:** Construction on the Highway 201 South Bow River Bridge began in 2022-23 and included completion of the pier and abutment widening of the westbound bridge structure, bearings and girders erected on the eastbound bridge structure, roadway surfacing on Stoney Trail west of Chaparral Boulevard and approach ramp decks for the pedestrian bridge. The estimated three-year, \$60-million economic stimulus project is expected to be completed in late 2023.

Stoney Trail is a major trade corridor for the Calgary and southern Alberta region, with more than 50,000 vehicles over the South Bow River Bridge daily. Replacing the bridge will reduce congestion and improve traffic flow, supporting growth in multiple business sectors in Calgary, including energy, business and tourism.

## Aviation

### *Strategic Aviation Advisory Council*

The Strategic Aviation Advisory Council (SAAC) develops recommendations on how air services can support public safety-related services, such as emergency and fire response, and tourism and economic growth through investment in infrastructure, aviation-related programs such as pilot training. TEC serves as the secretariat to SAAC.



SAAC continued to work with aviation industry partners in 2022-23 to understand emerging challenges and long-term objectives and explore ways government can support aviation industry growth and Albertans' needs. Its work has focused on how to improve the cost competitiveness of the aviation sector, opportunities to relaunch key air services and target new routes, and opportunities for post-secondary aviation program expansion.

In February 2023, following the meeting of the Council of Ministers Responsible for Transportation and Highway Safety, the Minister of Transportation and Economic Corridors sent a letter to the federal Minister of Transport requesting that the federal government consider all options to address ongoing air sector issues, including the high cost of air travel, as they are having significant impacts on Canadians. Of note, the minister recommended the federal government eliminate rents paid by airports such as the Calgary and Edmonton International Airports, rather than just reducing them by 50 per cent, as was recommended in fall 2022 by the National Supply Chain Task Force.

Three additional members were appointed to SAAC by Order in Council on March 29, 2023.

#### *Grant agreement with Red Deer Regional Airport Authority*

In 2022-23, TEC signed a grant agreement with the Red Deer Regional Airport Authority to provide up to \$7.5 million for infrastructure improvements to support widening the main runway and other infrastructure improvements to support low-cost passenger services at the Red Deer Regional Airport.

A one-time \$30-million capital grant to support the Red Deer Regional Airport Expansion project was subsequently announced in March 2023. This new funding will build on the previous grant and will develop land north of the airport (road construction and other civil works) to support business development. The development will also create additional emergency access to the airport, increasing safety for the community as it continues to grow.

Improvements to the airport will attract new passenger and cargo services, offering a wider range of travel options to area residents and increasing the region's tourism potential. The development of a shipping and receiving hub in central Alberta will attract new investment opportunities to create high-paying jobs, supporting the economic growth of the local community.

### **3.3 Investigate opportunities to enhance market access and mobility for transportation users, and support routes connecting major industrial, manufacturing and high-load corridors and hubs.**

#### **Economic corridors**

Economic corridors are trade corridors that provide vital links to markets in and out of Alberta, supporting economic, social and environmental activity. These trade corridors may include varying types of linear infrastructure. In 2022-23, the ministry restructured to create a team dedicated to examining Alberta's current and potential future economic corridors to ensure efficient pathways to markets.

Market access is a priority for the Government of Alberta. Alberta is landlocked and depends on well-functioning infrastructure, carriers and logistics to support the efficient movement of Alberta's exports to other markets. As an exporting province, international trade is vital for the economic success and well-being of Alberta, comprising about one-third of the province's gross domestic product. Expanding economic corridors has the potential to provide Alberta with greater flexibility and capacity to move resources to markets in eastern Canada, Europe and Asia, supporting job creation and economic prosperity.



In March 2023, the Government of Alberta signed an MOU with the Special Areas and Oyen Development Corporation, the Oyen Regional Railway Company and the Canada Infrastructure Bank to support an assessment of whether the rail line between Oyen and Lyalta should be restored. TEC and Agriculture and Irrigation are the signatories to this MOU. Government is contributing \$475,000 toward the feasibility study.

To advance the province's market access, improve the transportation system's role in moving people, goods and services safely and efficiently, and identify solutions to supply chain challenges, the Minister of Transportation and Economic Corridors participated in cross-jurisdictional meetings:

- **Council of Ministers Responsible for Transportation and Highway Safety:** The minister shared Alberta's perspectives on enhancing economic corridors and supply chains when he attended the meeting of the Council of Ministers Responsible for Transportation and Highway Safety in February 2023. The minister also requested that the federal government accept and implement the recommendations that were provided to the federal government by the National Supply Chain Task Force.
- **Western Transportation Advisory Council (WESTAC):** Alberta participates with other governments, ports, railways and other transportation stakeholders on WESTAC for the purpose of discussing transportation and trade corridor matters that support western Canada. In April 2022, the minister participated in WESTAC's Spring Member Forum in Regina, where WESTAC's members discussed economic and infrastructure challenges. In November 2022, the minister participated in WESTAC's Fall Member Forum in Calgary, where WESTAC's members discussed the importance of infrastructure investments, supply chains and an adequate transportation sector workforce.

Supply chain infrastructure efficiency and resiliency ensures Alberta's access to markets within the province, across Canada and throughout the world. TEC continued to work with supply chain partners, including railways, ports, shippers and other governments to discuss infrastructure investments as well as non-infrastructure barriers to trade that can be addressed to enhance supply chain efficiency.

There are a number of factors causing supply chain issues in Alberta and Canada, including a shortage of commercial truck drivers and port congestion. Improvements to road, rail and marine infrastructure in the British Columbia Lower Mainland, for example, would enhance access for Alberta products moving through the Port of Vancouver. To this end, TEC provided a submission to the National Supply Chain Task Force in summer 2022, which among other items emphasized the importance of addressing labour-related challenges, continued federal funding for transportation infrastructure, and timely regulatory approvals for transportation infrastructure projects.

Throughout 2022-23, the Government of Alberta has communicated the transportation challenges of shippers and other businesses to the federal government through correspondence and during federal-provincial meetings to emphasize the importance of adequate and reliable rail service, which is largely provided by federally regulated railways.

### High-load corridor

TEC continued to advance work on industrial, manufacturing and the high-load corridor (HLC) that form part of the provincial highway network and are critical to the province's long-term economic growth. The HLC is approximately 5,100 kilometres of designated highways with buried or raised utility lines that allow the uninterrupted movement of over-height loads up to nine metres high, and loads as high as 12.8 metres along some highways.

The HLC operates as a cost-recovery program. Fees charged for hauling loads greater than six metres high along the corridor are invested back into projects to extend the HLC, such as burying or raising power lines, or by modifying traffic signals along future corridor sites. In 2022-23, six projects modifying 29 power line crossings were completed.

Strategic investments to enhance the HLC eases traffic congestion for all road users, supports oversized/ overweight corridor movement, saves industry time and money, encourages economic growth and ensures Alberta's competitiveness by expanding access to new markets within and outside the province. Construction was underway on a number of capital road and bridge projects on the HLC in 2022-23:

- **Highway 15 twinning:** The \$14-million project to twin three kilometres on Highway 15 and build a new bridge was completed in October 2022. The HLC project supports economic development by improving the connection between Fort Saskatchewan, Sturgeon County and the Industrial Heartland and addresses congestion caused by the Highway 15 Bridge running over capacity.

Traffic volume on the bridge has increased by 50 per cent in recent years, with more than 23,000 vehicles crossing the bridge daily. The highway is an important service and trade corridor for industry, agricultural producers and businesses and a commuter route for thousands of Albertans. Recently announced energy development projects, including two multi-billion dollar petrochemical facilities planned for development in Sturgeon County and Strathcona County, are expected to bring continued growth and demand for road and bridge infrastructure in the region.

- **Highway 19 twinning:** Highway 19 is a 12-kilometre high-volume HLC segment connecting Highway 60 and Highway 2 near Edmonton that is being expanded to accommodate traffic growth in the region. Twinning work continued on the west segment of Highway 19, the second phase of the project, which began in 2021 and is expected to be completed in 2023. The second phase is estimated at \$79 million, with the Government of Alberta providing \$48.9 million and the Government of Canada and Town of Devon funding the remaining balance.

The first phase, a stretch of 2.4 kilometres between the QEII Highway and Range Road 253, was completed in 2019. Design, utility relocation, land acquisition and environmental permitting activities for the final phase of the middle segment of Highway 19 were underway.

Highway 19 serves an important commercial and industrial region of Alberta, several area communities and the Edmonton International Airport, with about 10,000 vehicles travelling daily. The highway twinning will support continued economic growth in the capital region and enhance the safe and efficient movement for all travellers.

- **Highway 60 twinning:** Design, land purchasing and utility relocation phases of the Highway 60 twinning project were underway on the estimated \$129.3-million project in 2023. The project includes twinning Highway 60 between Highways 16 and 16A, construction of an overpass over the Canadian National Railway tracks, new northbound bridge over Highway 16A and ramp modifications to the existing bridge over Highway 16A.

Highway 60 is an important transportation and logistics corridor with major linkages to the Trans-Canada Highway (Highway 16), Edmonton International Airport and the Highway 2 Corridor. The route has significant heavy and high load truck traffic. Improvements will support area businesses that supply the resource sector, as well as the agriculture, manufacturing, warehousing and logistics sectors. Improved operations will also attract new and increased development in the area.

- **Highway 63 twinning:** TEC continued to announce strategic investments for new projects to support and expand Alberta's HLC. In March 2023, the government allocated \$117 million over the next three years to twin Highway 63. Design was nearly complete in 2022-23 and construction is expected to begin in fall 2023, with an estimated completion date of 2025-26.

Highway 63 serves as an important link in northern Alberta for oversize and overweight vehicles transporting goods for the energy sector. Twinning the highway will enable commercial drivers and commuters to travel safely and efficiently between Fort McMurray and the expanding plant and mine sites to the north.

- **Peace River Bridge deck replacement:** Deck replacement of the older Peace River Bridge began in early 2020 and remained underway in 2022-23. Due to more work required with the river piers than originally anticipated, the completion date is now scheduled for summer 2023.

Once work is completed, the original Peace River Bridge will carry eastbound traffic, while the new bridge that opened in fall 2020 will carry westbound traffic. The two bridges will significantly reduce congestion for the more than 17,000 vehicles that use the crossing each day. They serve as an economic gateway to northwestern Alberta and the Northwest Territories and improve access to key resource areas.

- **Vinca Bridge:** TEC completed the design for a new Vinca Bridge in 2022-23. The Vinca Bridge replacement project, announced in February 2023, will replace the aging Highway 38 Bridge across the North Saskatchewan River, south of Redwater. The new bridge will establish a critical link in Alberta's HLC, saving heavily loaded trucks about 200 kilometres of travel. In addition to shortening travel times and reducing greenhouse gas emissions, the bridge will support economic growth in the Industrial Heartland, a thriving industrial zone with more than \$45 billion in total capital investment and billions more expected in coming years.

### Overweight/over-dimensional permitting

TEC issued a total of 192,491 permits for the movement of oversized vehicles and other commercial carrier exemptions in 2022-23. Permit programs support and promote economic development by aiding the efficient movement of oversized loads while ensuring public safety, infrastructure protection and limiting impacts, such as traffic delays, on the general public.

More than 90 per cent of Alberta municipalities use Transportation Routing and Vehicle Information System Multi-Jurisdictional (TRAVIS-MJ) for permitting, a platform owned and operated by the province. TRAVIS-MJ manages most processes for permit approvals, fee collection and fee distribution of provincial and municipal permits. The system supports the critical activities of major components of the Alberta economy, including oil and gas, mining, forestry and construction. Building on the success of projects such as TRAVIS-MJ, the ministry continues to seek new integrated approaches and system upgrades to improve data quality and offer new opportunities for efficient service delivery.

## Planning studies

TEC uses planning studies to inform and prioritize future capital investment in Alberta's economic corridors. By identifying the impacts of population and economic growth on infrastructure, the ministry can determine how best to enhance the network, accommodate traffic growth, improve safety and enhance efficiency by addressing congestion.

The following studies were underway or completed in 2022-23:

- Highway 2 and Highway 12 interchange expansion (Completed)
- Highway 2 and 338 Avenue interchange and access management at Okotoks (Completed)
- Twinning Highway 3 between Pincher Creek and Fort Macleod (Underway)
- Twinning Highway 11 between Eckville and Rocky Mountain House (Underway)
- Highway 16 expansion between Edmonton and Stony Plain (Underway)
- Highway 40 transportation network review south of the Wapiti River near Grande Prairie (Completed)
- Highway 64 Clear River slide repair (Underway)
- Highway 666 business case to review existing highway alignment due to geotechnical concerns (Completed)

New studies approved in 2022-23 and in future years include:

- Edmonton Area Network Study
- Calgary Area Network Study
- Enhancing Highway 20 between Highway 11 and Highway 12
- Twinning Highway 21 between Highway 625 and Highway 628
- Twinning Highway 39 between Calmar and Leduc
- Highway 744 realignment study (to determine most viable highway corridor and river crossing to replace aging bridge)

### **3.4 Reduce red tape and regulatory burden for Albertans by streamlining regulations, programs and processes, providing time and cost savings to Albertans and achieving a 33 per cent reduction in red tape by 2023.**

#### ***Highways Development and Protection Act***

Changes to the *Highways Development and Protection Act* came into force on November 30, 2022 under the *Red Tape Reduction Statutes Amendment Act, 2022*. Amendments changed the authority to designate freeways and associated access locations from Lieutenant Governor in Council to the Minister of Transportation and Economic Corridors, and repealed the *Public Highways Development Act* and the *City Transportation Act*. Repealing these acts removed uncertainty for municipalities and other stakeholders who faced competing obligations under legislation in conflict with the *Highways Development and Protection Act*. The minister's new authority to designate freeways and access locations will help decrease wait times for municipalities seeking responses to proposals to designate highways as freeways for new developments.

## Highway Vicinity Management Agreements

In 2022-23, TEC's Highway Vicinity Management Agreements (HVMAs) pilot project to improve accessibility for roadside development permit applicants was evaluated to be successful. HVMAs were then opened to all municipalities in the province through the Roadside Planning and Application Tracking Hub (RPATH) portal, an electronic system for submitting development permit applications. Implementation of HVMAs in parallel with RPATH is expected to result in faster and more efficient permit approval times, benefitting industry and municipalities.

## Commercial carrier regulations

As of March 1, 2023, changes under six commercial carrier regulations were implemented, including:

- amending the Operator Licensing and Vehicle Control Regulation to require commercial drivers aged 45 to 65 years to submit driver medical examinations every three years instead of two years;
- amending the Commercial Vehicle Safety Regulation to exempt farmers from certain tie down requirements when short hauling bales at lower speeds;
- allowing commercial drivers to produce certain records electronically at roadside;
- eliminating select dimension and weight-related special exemption permits;
- amending the Use of Highway and Rules of the Road Regulation to remove the current 90 km/h maximum speed restriction on school buses;
- exempting drivers from the requirement of a Registrar's endorsement for completion of the school bus driver improvement program (i.e., an S-endorsement) when operating school buses with up to two non-student passengers;
- aligning Alberta's trailer height restrictions with the rest of Canada; and
- streamlining the commercial carrier regulations to remove unnecessary, duplicated or outdated requirements.

The amendments resulted in the reduction of 86 requirements, eliminating unnecessary administrative burden for the commercial carrier industry. Opportunities to reduce red tape were identified during extensive consultation to gauge support for provincial/federal regulatory harmonization in 2019 and 2020 with the public, industry associations and federally regulated carriers.

## Railway regulations

Changes to railway regulations on November 1, 2022 removed duplicative or outdated requirements, resulting in the reduction of 320 requirements. The changes enable heritage railway operators to operate under alternate rules specific to individual needs, while continuing to make sure railways are safe. TEC ensures the safe operation of all provincially regulated railways, including industrial loading and unloading terminals, heritage and public (short line) railways and the transportation of dangerous goods on provincially regulated rail.

### **3.5 Administer capital grant funding to support reliable access to clean and safe drinking water and water/wastewater treatment for communities.**

TEC continued to invest in water and wastewater treatment grant programs, providing funding to smaller and rural communities to build new water supply and treatment facilities and wastewater treatment facilities. The programs ensure municipalities have access to reliable and efficient water and wastewater treatment, improving the quality of life for residents, and also help support job creation and local economic growth. Please refer to page 69 in the Other Financial Information section to review budget allocations and spending for provincial and federal water/wastewater programs underway in 2022-23.

Due to escalated pricing as a result of rising interest rates, supply chain issues and the ongoing conflict in Ukraine, some water and wastewater projects were delayed or retendered to reduce costs. To help ensure taxpayers get maximum value for dollars spent, water grant programs leverage federal contributions through programs such as ICIP and the Clean Water and Wastewater Fund (CWWF).

#### **Water For Life**

In 2022-23, \$30.4 million was spent on 10 Water For Life (W4L) projects underway in eight rural municipalities and/or regional water commissions in Alberta. An RFP was prepared for the Okotoks/Foothills raw waterline, approved in 2022. TEC allocated \$15.9 million toward the \$34.2-million project to improve access to safe and secure drinking water in southern Alberta. The W4L program provides grants to municipalities to assist in the construction of high-priority municipal water supply and treatment projects, as well as those for wastewater treatment and disposal.

#### **Alberta Municipal Water/Wastewater Program**

The Alberta Municipal Water/Wastewater Program (AMWWP) continued to provide regular and economic stimulus grant funding for municipalities in 2022-23 to support large capital water and wastewater projects that would not otherwise be possible. Eligible projects include water supply and treatment, wastewater treatment and disposal, and facility upgrades, ensuring small and rural communities have reliable and efficient water and wastewater treatment facilities.

Under regular AMWWP funding, \$14.7 million was invested toward 67 projects underway in 49 municipalities, which included completion of the Thorhild Lagoon Expansion project in the County of Thorhild.

In 2022-23, \$7.4 million was also spent on 41 Alberta Recovery Plan economic stimulus projects in 34 municipalities, a program launched in 2020 and now winding down in 2022-23. The Town of Rimbey completed the final stage of the water well risk mitigation project, which included connecting new wells to the water treatment plant via pipeline.

#### **First Nations Water Tie-In**

The First Nations Water Tie-In program provides federal flow-through funding to fund waterline connections between the First Nation and existing regional water systems in Alberta, and was fully committed in 2022-23. Construction was completed on the Whitefish (Goodfish) First Nation water line connecting to the Highway 28/63 Regional Water Services Commission.

## Clean Water Wastewater Fund

TEC also administered \$0.6 million in funding to one project through the Clean Water Wastewater Fund on behalf of the federal government, as the program wound down. The Village of Consort awarded tender for the water pump station upgrade, with construction expected to begin in spring 2023.

### **3.6 Advance the Strategic Transportation Infrastructure Program (STIP) to support critical road and bridge infrastructure projects, contributing to resilient local economies.**

The Strategic Transportation Infrastructure Program (STIP) continued funding projects in 2022-23, helping rural and small urban municipalities fund capital construction and rehabilitation of important local transportation infrastructure such as roads, bridges and community airports.

In 2022-23, TEC provided \$17.6 million in regular STIP funding for 65 bridge replacements, 10 road improvements and six community airports in 41 municipalities across the province. Major work planned or underway in 2022-23 included the following projects under each of the four programs:

- bridge culvert replacements completed in the Peavine Metis Settlement under the Local Road Bridge Program;
- light upgrades completed at the airport in the Town of Spirit River, as part of the Community Airport Program;
- Forestry Trunk Road, phase 6 began in spring 2023 in the Municipal District of Greenview, under the Resource Road Program; and
- 114 Avenue industrial road improvement projects began in spring 2023 in the Town of High Level, as part of the Local Municipal Initiatives Program.

Economic stimulus funding from Alberta's Recovery Plan, first launched in 2020, wound down in 2022-23. By March 31, 2023, \$4 million for 20 projects in nine municipalities received economic stimulus STIP funding in 2022-23, including a bridge replacement in Parkland County and an airport runway overlay in the City of Camrose.

To review budget allocations and spending in 2022-23 for STIP, please refer to page 69 in the Other Financial Information section.

### **3.7 Facilitate the research and development of innovative approaches and technologies, such as alternative fuel technologies and automated vehicles, to improve mobility choices, create jobs and attract investment.**

TEC continued to monitor advancements in technology and innovation entering the marketplace with the potential to substantially transform the transportation system. Supporting the advancement of energy-efficient transportation technologies, as well as innovative, private-sector-led infrastructure projects, encourages investment and ensures Alberta will be ready to safely implement emerging technology in the future.



### **Alberta Motor Transport Association Innovation Campus**

TEC continued to explore innovation opportunities and partnerships and encourage investment in 2022-23. TEC is working with Infrastructure and Public Safety and Emergency Services on an USP received in April 2022 from the Alberta Motor Transport Association (AMTA). The AMTA is proposing a new campus at the City of Beaumont Innovation Park that will be an innovation hub and training centre for law enforcement and commercial drivers and will include classrooms and a driving track. Throughout 2022-23, the collaborative effort focused on reviewing the proposal.

### **Alberta Zero-Emissions Truck Electrification Collaboration**

TEC is working with AMTA on its proposal to test hydrogen fuel cell electric vehicles on Alberta's roads. The Alberta Zero-Emissions Truck Electrification Collaboration (AZETEC) pilot will include the design and demonstration of a hydrogen fuelling station for commercial transportation fleet vehicles. Hydrogen potentially requires shorter refuelling times, offers longer driving ranges and produces fewer greenhouse gas emissions.

Other stakeholder groups in Alberta are also working to expand electric vehicle charging infrastructure within the province. The successful adoption of, and transition to, alternatively fuelled vehicles depends on mature equipment and widespread infrastructure.

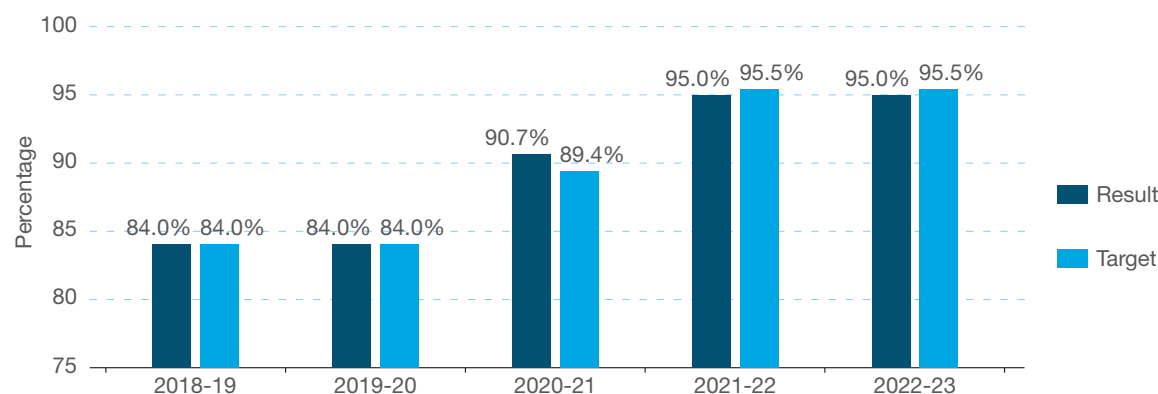
### **Cooperative Trucking Platooning System trials**

TEC partnered with Bison Transport, Tantis, Pronto AI and the University of Alberta to enable a commercial vehicle platooning trial between November 2021 and May 2022. TEC provided support and advice to the project team during Cooperative Trucking Platooning System trials on the QEII Highway from Calgary to Edmonton and on Highway 1 between Calgary and Banff to ensure the trial was compliant with regulatory requirements. The trials were a result of TEC's initial work with Transport Canada to approve the pilot project. Two trucks travelling closely behind one another in a "platoon" transported cargo between sites, testing the commercial application of wireless communication and automated driving technologies.

### **Sundre Wastewater Treatment Plant**

TEC has allocated a one-time \$7.5-million grant toward upgrades to Sundre's wastewater treatment plant once a pilot project to test new technology has been evaluated. The pilot project ends in 2023 and is part of plans to upgrade the wastewater treatment plant with new and innovative technology. If the pilot is successful, the new technology will result in cost savings in initial capital investment, ongoing operating costs and capital renewal and will reduce greenhouse gas emissions.



**Performance Measure 3.a:****Percentage of combined ring roads in Calgary and Edmonton open to travel**

**Description:** This measure indicates the percentage of ring roads in Calgary and Edmonton open to multi-lane travel. The total corridor length when completed will be approximately 101 kilometres in Calgary and approximately 78 kilometres in Edmonton.

**Rationale:** The development of ring roads around the province's two major metropolitan areas is critical to the economic development of the province. While accommodating traffic growth in the Edmonton and Calgary regions, the ring roads also enable the efficient movement of goods and people into, out of and around the two metropolitan areas, improving access from the cities to the rest of Alberta and vice versa.

**Results:** At the end of fiscal year 2022-23, 95 per cent of combined ring road kilometres were open to travel. This result reflects the percentage of kilometres completed is maintained at 95 per cent compared to the same year-end result last year. While there were no ring road projects scheduled for completion in fiscal 2022-23, the remaining ring road design-build projects are progressing toward full completion, scheduled for 2023 and 2024. The 95 per cent result is 0.5 per cent lower than the 95.5 per cent target. This slight variance equates to approximately 900 metres of roadway, which can be accounted for by the lane closures on the Bow River bridge in south Calgary along Stoney Trail, part of the Southwest Calgary Ring Road. This bridge is currently being reconstructed as the previous bridge was at the end of its design life.

The ring road capital projects are generally delivered under large contracts concluding with a traffic availability milestone. These projects are multi-year projects with established completion dates. The last major milestone achieved that added several kilometres of completed ring road toward this measure last year was the Southwest Calgary Ring Road project which was fully open to traffic in 2021. The Calgary Ring Road is 91 per cent complete (91.5 kilometres of 101 kilometres) and the Edmonton Ring Road is fully complete. As ring roads become open to traffic the movement of goods and people is improved, creating a positive economic benefit for Albertans.

## Performance Measure Methodology

### Performance Measure 1.a:

#### Physical condition of provincial highway surfaces

The ministry ensures the objectivity of results by hiring an external consultant to collect International Roughness Index (IRI) data. Highway condition categories are based on a 2002 University of Calgary study on road conditions and other performance measures.

The ministry uses the same condition thresholds in the 2002 study to track the condition trend over time.

Condition thresholds between good and fair and between fair and poor are set using a proactive life cycle analysis approach.

Condition	Major Divided Highway Corridors			Other Highways		
<b>Good</b>		Average IRI	<1.5m/km		Average IRI	<1.5m/km
<b>Fair</b>	≥1.5m/km	Average IRI	<1.9m/km	≥1.5m/km	Average IRI	<2.1m/km
<b>Poor</b>	≥1.9m/km	Average IRI		≥2.1m/km	Average IRI	

Future performance targets are estimated using planned capital improvements and historic pavement deterioration rates.

The external consultant calculates the average IRI value over every 50-metre segment. The ministry then averages the 50-metre segment into one-kilometre sections. This provides the condition assessment in longer segments that are more responsive to budget changes and relevant to capital improvement projects.

A detailed explanation of the one-kilometre segmentation is provided in the 2002 University of Calgary study.

**Source:** Tetra Tech Inc. collects 50-metre International Roughness Index data. The Ministry of Transportation and Economic Corridors averages these 50-metre records into one-kilometre segments. Highway network, length and construction status is used to update the Transportation Infrastructure Management System, Ministry of Transportation and Economic Corridors.

**Performance Measure 2.a:****Combined fatal and major injury collision rate per 100,000 population**

The data for this measure was taken from the ministry's eCollision Analytics database. The results for the measure are based on a calendar year. Collisions include those that result in the death of a person within 30 days of the collision or those that result in a major injury to at least one person involved in the collision (an injury is defined as major when persons with injuries or complaints of pain that went to the hospital and were subsequently admitted, even if only for observation). Data is compiled from collision reports completed by the attending law enforcement officer where the collision resulted in death or major injury to at least one person. The reported collision rate is based on a rolling three-year average. The following calculation is used to determine the collision rate for each year:  $\text{Number of Combined Fatal and Major Injury Collisions} / \text{Population} * 100,000$ . Rates are then averaged to represent a rolling three-year average using the following calculation:  $(\text{Year 1 Rate per 100,000 Population} + \text{Year 2 Rate per 100,000 Population} + \text{Year 3 Rate per 100,000 Population}) / 3$ .

**Source:** eCollision Analytics database, Ministry of Transportation and Economic Corridors. Annual population for Alberta: Statistics Canada. Table 17-10-0005-01 Population estimates on July 1<sup>st</sup>, by age and sex. The collision data for both 2021 and 2022 is based on the best information currently available and is preliminary and subject to change as more information becomes available.

**Performance Measure 3.a:****Percentage of combined ring roads in Calgary and Edmonton open to travel**

The measure is based on construction project data supplied by the engineering consultants supervising the ring road construction. The percentage is calculated by totalling the number of kilometres of multi-lane roadway opened to travel versus the total kilometres of ring road (179 kilometres). The length of Calgary and Edmonton ring roads is estimated based on information from planning studies. When the highway is built and open to travel, the completion length is calculated using As-Built data. This could cause a small variation between the target and the result.

**Source:** Construction project data is supplied by the engineering consultants supervising the ring road construction. The constructors provide monthly reports. Edmonton is fully complete (100 per cent) and Calgary is completed except for the West Calgary Ring Road. Southwest Calgary Ring Road Contractor – Mountain View Partners provided a monthly report which is averaged into the completed total. Completion length of the project is based on contract or data in the Transportation Infrastructure Management System, Ministry of Transportation and Economic Corridors.

## Financial Information

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## Ministry Financial Highlights

### Statement of Revenues and Expenses (unaudited)

Year ended March 31, 2023

	2023		2022	Change from	
	Budget	Actual	Actual (Restated)	Budget	2022 Actual
<i>(in thousands)</i>					
<b>Revenues</b>					
Government Transfers - Federal Grants	\$ 828,278	\$ 273,094	\$ 216,751	\$ 555,184	\$ 56,343
Premiums, Fees and Licences	33,479	30,620	28,281	2,859	2,339
Other Revenue	24,690	29,067	23,831	(4,377)	5,236
Ministry Total	886,447	332,781	268,863	553,666	63,918
Inter-ministry consolidation adjustments	-	(1,228)	(320)	1,228	(908)
Adjusted Ministry Total	886,447	331,553	268,543	554,894	63,010
<b>Expenses - directly incurred</b>					
<b>Program</b>					
Ministry Support Services	9,164	8,946	9,105	(218)	(159)
Program Services and Support	38,963	41,955	36,938	2,992	5,017
Traffic Safety Programs	47,581	43,479	40,057	(4,102)	3,422
Provincial Highway Maintenance	1,201,666	1,171,304	1,110,911	(30,362)	60,393
Municipal Transit and Transportation Grant Programs	148,300	250,607	313,401	102,307	(62,794)
Municipal Water Infrastructure Grant Programs	136,700	52,418	60,954	(84,282)	(8,536)
Federal Grant Programs	784,814	149,317	256,482	(635,497)	(107,165)
Legal Obligations	-	113,000	-	113,000	113,000
Ring Roads - Debt Servicing	103,447	103,447	102,668	-	779
Transfer of Capital Asset to Other Ministries	15,032	34,179	12,612	19,147	21,567
Ministry Total	2,485,667	1,968,652	1,943,127	(517,015)	25,524
Inter-ministry consolidation adjustments	(15,032)	(35,898)	(12,677)	(20,866)	(23,221)
Adjusted Ministry Total	2,470,635	1,932,754	1,930,450	(537,881)	2,303
<b>Annual Deficit</b>	<b>\$ (1,584,188)</b>	<b>\$ (1,601,201)</b>	<b>\$ (1,661,907)</b>	<b>\$ (17,013)</b>	<b>\$ 60,706</b>

## Revenue and Expense Highlights

### Revenue

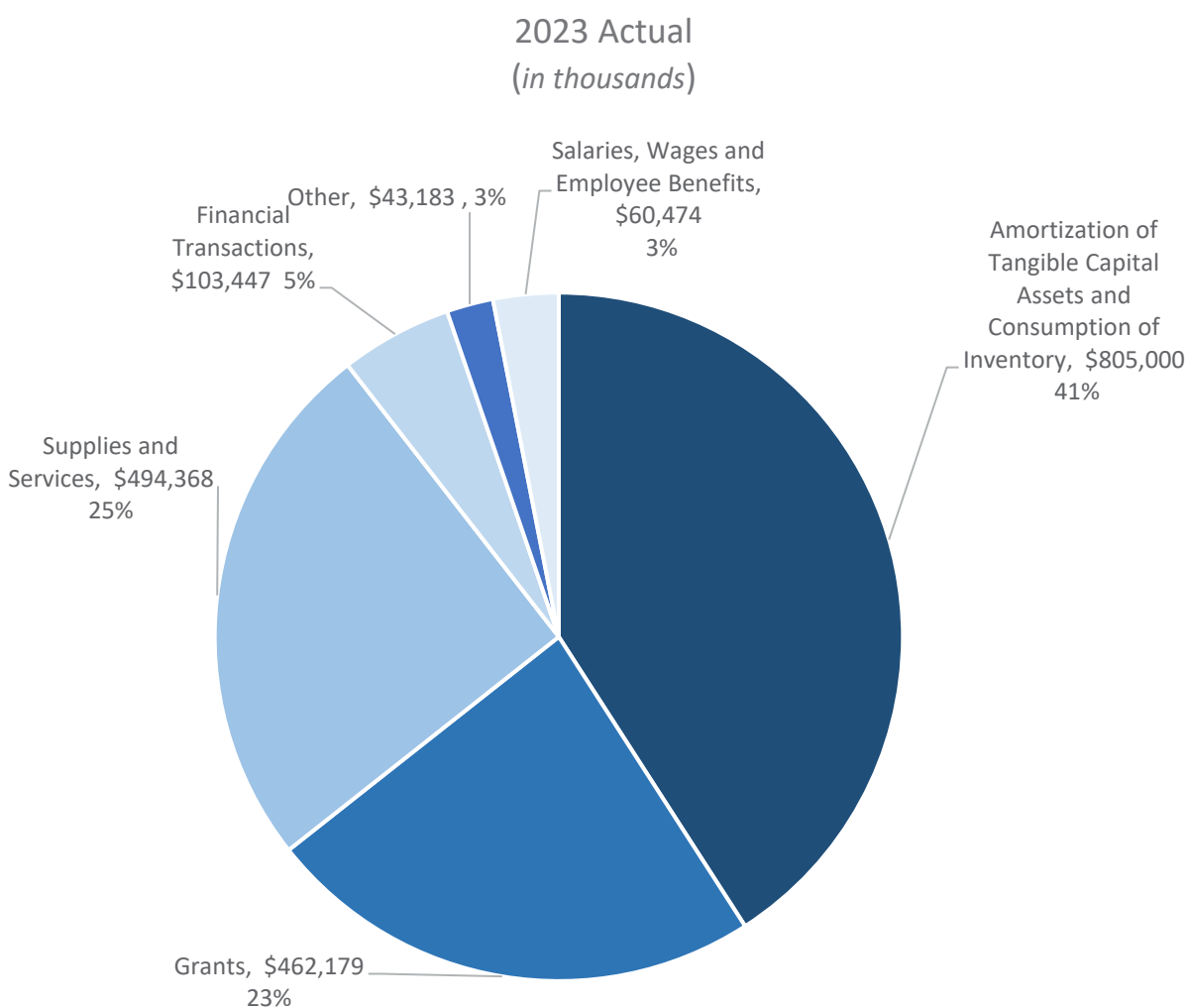
- Revenue was \$553.7 million lower than budget. The primary reason for the variance was due to slower than anticipated progress on projects receiving federal funding such as Edmonton and Calgary LRT projects under the Investing in Canada Infrastructure Program (ICIP).
- Revenue totaled \$333 million in 2022-23, an increase of \$63.9 million from 2021-22 actuals. The increase was primarily due to one-time federal funding to provide relief to municipalities for transit operators as a result of low ridership during the pandemic. The corresponding expense was recorded in 2021-22 when grants were delivered to municipalities; however, the revenue was not recognized until 2022-23.

### Expense

- Expense totaled \$2 billion in 2022-23, an increase of \$25.5 million from 2021-22 actuals. The increase was primarily to support Alberta's legal obligation from a court ruling and higher highway maintenance costs in 2022-23. The increases were partially offset by slower construction progress by municipalities on their transit and transportation programs, and one-time grants in 2021-22 to provide relief for transit operators as a result of low ridership during the pandemic.
- Expense was \$517 million lower than budget. The under-expenditure was primarily due to slower construction progress than anticipated on the Calgary and Edmonton LRT projects and by municipalities under the Municipal Water Wastewater Program and First Nations Water Tie-In Program. These under-expenditures were partially offset by recording more construction progress than anticipated on various projects such as Edmonton Yellowhead Trail Project, Red Deer Regional Airport Expansion, and a legal obligation from a court ruling.
- \$1.17 billion was spent for Provincial Highway Maintenance in 2022-23, including amortization of tangible capital assets, supporting the structural and operating maintenance of all provincial highways, bridges, and ring roads, and the provision for future remediation of highway maintenance yards.
- Under grant programs, a total of \$452.3 million was provided to municipalities to assist in the construction of municipal water supply and treatment projects, construction and rehabilitation of local roads and bridges, and regional and inter-municipal public transit.
- The remaining \$345.0 million supported corporate activities undertaken by the Ministry, leadership and direction in the development and delivery of Transportation and Economic Corridor safety programs, the interest portion of the debt repayment for agreements under public private partnerships, the value of capital assets transferred to other ministries, and a legal obligation from a court ruling.

## Expenses – Directly Incurred Detailed by Object (unaudited)

The following information presents expenses of the ministry that were directly incurred by object. The objective of disclosure of expenses by object is to provide information that is useful in evaluating the economic impact of government acquiring or consuming various types of resources.



- The Ministry's largest 2022-23 expenses by object were Amortization of Tangible Capital Assets and Consumption of Inventory, which made up 41 per cent of total operating expense. Amortization of \$750.6 million was recorded for tangible capital assets consisting of provincial highways, roads and bridges owned by the Ministry, and consumption of inventory of \$54.4 million was recorded for the salt, sand and gravel used in maintenance activities.
- Salaries, Wages and Employee Benefits totaled \$60.5 million, or three per cent, and supported corporate support services, construction and maintenance projects, and administration of the Traffic Safety Services program and SafeRoads Alberta.

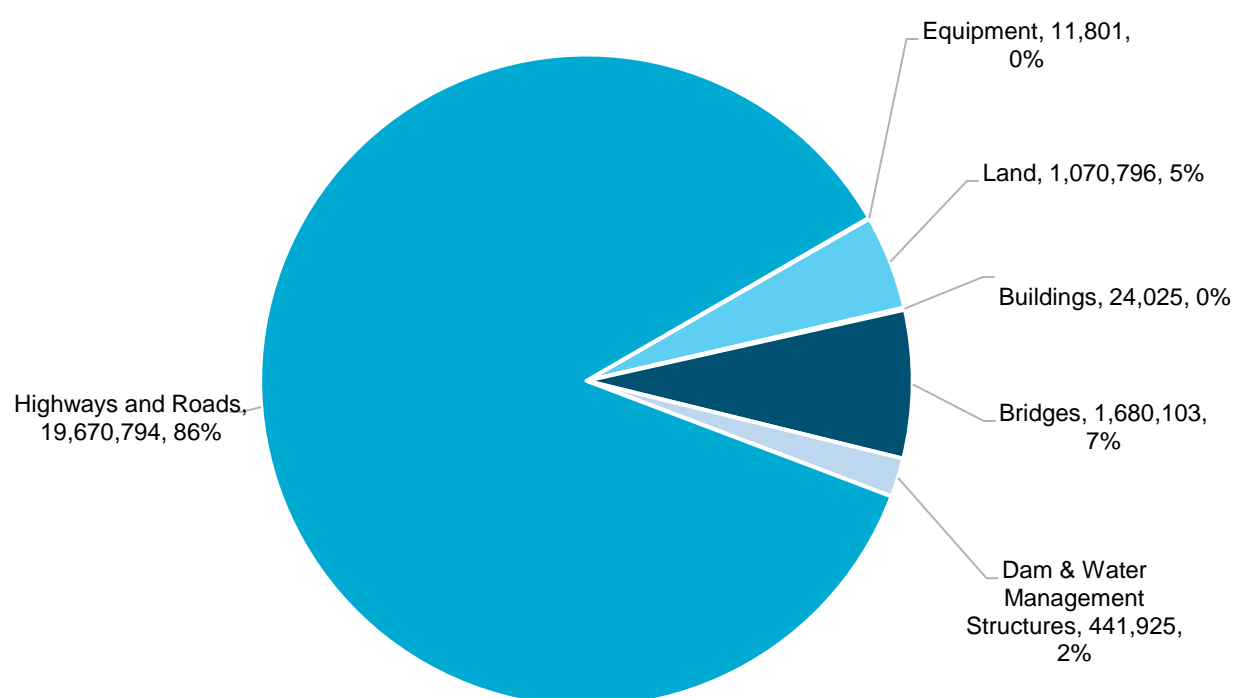
- Grants, comprising \$462.2 million or 23 per cent, includes municipal transit and water infrastructure support through provincial and federal funding. Grant funding was also provided for traffic safety projects and initiatives including the Driving Back to Work Program.
- Supplies and Services of \$494.4 million, or 25 per cent, was mainly for Provincial Highway Maintenance, which provided funding for maintenance contracts and work activities such as snow plowing, salting/sanding, line painting, pothole patching and mowing of grass. In addition, it included ongoing supply requirements for the ministry (i.e., travel, repairs and maintenance, materials and supplies, other purchased services, and shared services provided by the Ministry of Service Alberta and Red Tape Reduction).
- The remainder of Ministry expense of \$146.6 million or seven per cent is related to Financial Transactions and Other. This captures the interest portion of the debt repayment for agreements under public private partnerships and the value of capital assets transferred to other ministries.



## Supplemental Financial Information

### Tangible Capital Assets (unaudited)

Net Book Value as of March 31, 2023  
(in thousands)



- Highways, roads and bridges make up 93 per cent of the total net book value of \$22.9 billion for all assets owned by the ministry.
- Highways and roads account for the largest category of tangible capital assets which includes original pavement and repaving overlays that represent improvements, roadbed, drainage works, and traffic control devices. The ministry is also committed to finding alternative ways to finance and deliver infrastructure projects. This means using a combination of traditional and innovative financing and delivery models, including public-private partnerships (P3).
- Dams and water management structures are constructed by the ministry and transferred to the Ministry of Agriculture and Irrigation upon their completion. The Ministry of Transportation and Economic Corridors does not amortize these assets.



# Other Financial Information

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**Statement of Credit or Recovery (unaudited)**  
**Department of Transportation and Economic Corridors**  
**Year Ended March 31, 2023**  
*In thousands*

The following has been prepared pursuant to Section 24(3) of the *Financial Administration Act*.

	Authorized Spending	Actual Revenue Recognized	Deferred Revenue	Total Amount Received/ Receivable	(Shortfall)/ Excess
<b>Operational</b>					
Motor Transport Permits and Licences	\$ 9,140	\$ 6,685	-	\$ 6,685	\$ (2,455)
Commercial Vehicle Decals	\$ 480	\$ 128		\$ 128	\$ (352)
National Safety Code	426	426	-	426	-
	<u>\$ 10,046</u>	<u>\$ 7,239</u>	<u>\$ -</u>	<u>\$ 7,239</u>	<u>\$ (2,807)</u> <sup>(1)</sup>
<b>Capital - Voted</b>					
Highway Rehabilitation Projects and Rehabilitation	\$ 3,000	\$ 1,278	\$ -	\$ 1,278	\$ (1,722)
Tourism Highway Signage Initiative	1,000	427	-	427	(573)
	<u>\$ 4,000</u>	<u>\$ 1,705</u>	<u>\$ -</u>	<u>\$ 1,705</u>	<u>\$ (2,295)</u> <sup>(1)</sup>

(1) Shortfall is deducted from current year's corresponding funding authority.

**Motor Transport Permits and Licences**

A portion of the revenue for Motor Transport Permits and Licences supports Alberta's traffic volumes, the Driver Examiner Road Test Model and the Pre-Entry Program.

**Commercial Vehicle Decals**

Revenue generated from the sale and distribution of commercial vehicle decals.

**National Safety Code**

The National Safety Code is a joint agreement between the federal government and the province to place standards on drivers of buses and freight trucks across the country.

**Highway Rehabilitation Projects**

Various agreements exist whereby the private sector and municipalities make contributions towards capital investments in new roads, bridges, interchange; and capital maintenance and renewal

**Tourism Highway Signage Initiative**

The private sector contributes towards new investments in tourism related highway signs and structures in the province.

**Lapse/Encumbrance (unaudited)**  
**Department of Transportation and Economic Corridors**  
**Year Ended March 31, 2023**  
*In thousands*

	Voted Estimates <sup>(1)</sup>	Adjustments <sup>(2)</sup>	Adjusted Voted Estimate	Voted Actuals <sup>(3)</sup>	Over Expended (Unexpended)
<b>EXPENSE VOTE BY PROGRAM</b>					
1 Ministry Support Services					
1.1 Minister's Office	\$ 740	\$ -	\$ 740	\$ 743	\$ 3
1.2 Deputy Minister's Office	780	-	780	900	120
1.3 Strategic Services	7,644	-	7,644	7,350	(294)
	9,164	-	9,164	8,993	(171)
2 Program Services and Support					
2.1 Program Services	20,963	-	20,963	22,111	1,148
2.2 Assessment and Support Systems	18,000	-	18,000	19,600	1,600
	38,963	-	38,963	41,711	2,748
3 Traffic Safety Programs					
3.1 Traffic Safety Services	21,765	-	21,765	22,497	732
3.2 Driver Safety Initiatives	5,600	-	5,600	4,910	(690)
3.3 SafeRoads Alberta	9,307	-	9,307	6,379	(2,928)
3.4 Commercial Driver Grants	10,909	-	10,909	9,922	(987)
	47,581	-	47,581	43,708	(3,873)
5 Provincial Highway Maintenance					
5.1 Maintenance	264,755	-	264,755	276,905	12,150
5.2 P3 Maintenance	80,261	-	80,261	81,062	801
	345,016	-	345,016	357,967	12,951
6 Municipal Transit and Transportation Grant Programs					
6.1 Strategic Transportation Infrastructure Program	35,000	-	35,000	21,584	(13,416)
6.2 Green Transit Incentives Program (GreenTRIP)	17,900	-	17,900	9,338	(8,562)
6.3 Terwillegar Expansion	31,250	-	31,250	-	(31,250)
6.4 City of Edmonton 50th Street Project	14,150	-	14,150	11,258	(2,892)
6.5 Calgary LRT Projects	50,000	-	50,000	41,376	(8,624)
6.7 Red Deer Regional Airport Expansion	-	-	-	5,440	5,440
6.8 Edmonton LRT Projects	-	-	-	97,698	97,698
6.9 Yellowhead Trail Project	-	-	-	63,568	63,568
6.10 Ray Gibbon Drive Upgrade	-	-	-	345	345
	148,300	-	148,300	250,607	102,307
7 Municipal Water Infrastructure Grant Programs					
7.1 Municipal Water Wastewater Program	61,700	-	61,700	22,066	(39,634)
7.2 Water for Life	37,300	(4,278)	33,022	30,352	(2,670)
7.3 First Nations Water Tie-In Program	30,200	-	30,200	-	(30,200)
7.5 Sundre Wastewater Treatment Plant	7,500	-	7,500	-	(7,500)
	136,700	(4,278)	132,422	52,418	(80,004)
8 Federal Grant Programs					
8.1 Public Transit Infrastructure Fund	7,816	-	7,816	1,464	(6,352)
8.2 Clean Water Wastewater Fund	13,004	-	13,004	599	(12,405)
8.3 Investing in Canada Infrastructure - Public Transit	670,589	-	670,589	111,957	(558,632)
8.4 Investing in Canada Infrastructure - Green Infrastructure	34,567	-	34,567	16,760	(17,807)
8.5 Investing in Canada Infrastructure - Rural and Northern Communities	13,944	-	13,944	635	(13,309)
8.6 Investing in Canada Infrastructure - COVID-19 Resilience	44,894	-	44,894	17,902	(26,992)
	784,814	-	784,814	149,317	(635,497)
9 Ring Roads					
9.3 Debt Servicing	103,447	-	103,447	103,447	-
	103,447	-	103,447	103,447	-
14 Legal Obligation	-	-	-	113,000	113,000
	-	-	-	113,000	113,000
Total	1,613,985	(4,278)	1,609,707	1,121,168	(488,539)
Credit or Recovery Shortfall <sup>(2)</sup>		(2,807)	(2,807)	-	2,807
	\$ 1,613,985	\$ (7,085)	\$ 1,606,900	\$ 1,121,168	\$ (485,732)
<b>(Lapse)/Encumbrance</b>					<u>\$ (485,732)</u>

**Lapse/Encumbrance (unaudited)**  
**Department of Transportation and Economic Corridors**  
**Year Ended March 31, 2023**  
*In thousands*

	Voted Estimates <sup>(1)</sup>	Adjustments <sup>(2)</sup>	Adjusted Voted Estimate	Voted Actuals <sup>(3)</sup>	Over Expended (Unexpended)
<b>CAPITAL INVESTMENT VOTE BY PROGRAM</b>					
1 Ministry Support Services					
1.3 Strategic Services	\$ 687	\$ 3,081	\$ 3,768	\$ 3,340	\$ (428)
	687	3,081	3,768	3,340	(428)
9 Ring Roads					
9.1 Edmonton Ring Road	12,547	3,917	16,464	25,358	8,894
9.2 Calgary Ring Road	253,203	13,805	267,008	235,751	(31,257)
	265,750	17,722	283,472	261,109	(22,363)
10 Provincial Highway Construction Projects					
10.1 Highway Twinning, Widening and Expansion	367,046	67,150	434,196	248,344	(185,852)
10.2 Deerfoot Trail Upgrades	72,700	2,405	75,105	15,408	(59,697)
	439,746	69,555	509,301	263,752	(245,549)
11 Bridge Construction Projects	97,600	23,814	121,414	83,146	(38,268)
12 Provincial Highway Rehabilitation					
12.1 Highway Rehabilitation Projects	424,256	28,835	453,091	413,955	(39,136)
12.2 P3 Rehabilitation	30,160	-	30,160	28,509	(1,651)
12.3 Major Maintenance	45,000	(5,896)	39,104	47,295	8,191
	499,416	22,939	522,355	489,759	(32,596)
13 Water Management Projects					
13.1 Water Management Infrastructure	36,000	8,412	44,412	32,450	(11,962)
13.2 Springbank Off-Stream Reservoir	208,600	(17,088)	191,512	163,100	(28,412)
	244,600	(8,676)	235,924	195,550	(40,374)
Total	1,547,799	128,435	1,676,234	1,296,656	(379,578)
Credit or Recovery Shortfall <sup>(2)</sup>		(2,295)	(2,295)	-	2,295
	\$ 1,547,799	\$ 126,140	\$ 1,673,939	\$ 1,296,656	\$ (377,283)
<b>(Lapse)/Encumbrance</b>					<b>\$ (377,283)</b>
<b>FINANCIAL TRANSACTIONS VOTE BY PROGRAM</b>					
5 Provincial Highway Maintenance					
5.5 Salt, Sand and Gravel	\$ 57,000	-	57,000	53,099	(3,901)
	57,000	-	57,000	53,099	(3,901)
9 Ring Roads					
9.4 Debt Repayment	69,679	-	69,679	69,679	-
	69,679	-	69,679	69,679	-
Total	\$ 126,679	\$ -	\$ 126,679	\$ 122,778	\$ (3,901)
<b>(Lapse)/Encumbrance</b>					<b>\$ (3,901)</b>

- (1) As per "Expense Vote by Program", "Capital Investment Vote by Program" and "Financial Transactions Vote by Program" pages 205-207 of 2022-2023 Government Estimates.
- (2) Adjustments include encumbrances, capital carry over amounts, transfers between votes, and credit or recovery increases approved by Treasury Board, and credit or recovery shortfalls. An encumbrance is incurred when, on a vote by vote basis, the total of actual disbursements in the prior year exceed the total adjusted estimate. All calculated encumbrances from the prior year are reflected as an adjustment to reduce the corresponding voted estimate in the current year. Salt, Sand and Gravel of the Financial Transactions vote was encumbered in the current year by \$4,278 due to an over expenditure in the prior year (2021-22). To address this shortfall \$4,278 was transferred from element 7.2, Water for Life of the Expense vote to element 5.5, Salt, Sand and Gravel of the Financial Transactions vote for enhanced safety on the provincial highway system.
- (3) Actuals exclude non-voted amounts as no cash disbursement is required (non-cash amounts), or because the Legislative Assembly has already provided the funding authority pursuant to a statute other than an appropriation act. Non-cash amounts (such as amortization, write down or loss on disposal of capital assets, consumption of inventory and valuation adjustments and provisions) are excluded as these amounts do not require any expenditure or payment of public money. Year-end expense accruals & payables which will immediately require a cash outlay (payment of public money) to settle or otherwise extinguish the liabilities are included in Actuals.

# Annual Report Extracts and Other Statutory Reports

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*Public Interest Disclosure (Whistleblower Protection) Act* . . . . . 72

## *Public Interest Disclosure (Whistleblower Protection) Act*

Section 32 of the *Public Interest Disclosure (Whistleblower Protection) Act* reads:

- 32(1) Every chief officer must prepare a report annually on all disclosures that have been made to the designated officer of the department, public entity or office of the Legislature for which the chief officer is responsible.
- (2) The report under subsection (1) must include the following information:
- (a) the number of disclosures received by the designated officer, the number of disclosures acted on and the number of disclosures not acted on by the designated officer;
  - (b) the number of investigations commenced by the designated officer as a result of disclosures;
  - (c) in the case of an investigation that results in a finding of wrongdoing, a description of the wrongdoing and any recommendations made or corrective measures taken in relation to the wrongdoing or the reasons why no corrective measure was taken.
- (3) The report under subsection (1) must be included in the annual report of the department, public entity or office of the Legislature if the annual report is made publicly available.

There were no disclosures of wrongdoing filed with my office for the Department of Transportation and Economic Corridors between April 1, 2022 and March 31, 2023.



