

GOVERNMENT OF ALBERTA

Annual Report

Transportation

2019-2020

Transportation, Government of Alberta | Transportation 2019–2020 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 of the 21 ministries.

The annual report of the Government of Alberta contains ministers' accountability statements, the consolidated financial statements of the province and the *Measuring Up* report, which compares actual performance results to desired results set out in the government's strategic plan.

This annual report of the Ministry of Transportation contains the minister's accountability statement, the financial information of the ministry and a comparison of actual performance results to desired results set out in the ministry business plan. This ministry annual report also includes:

- the financial statements of entities making up the ministry including the Alberta Transportation Safety Board for which the minister is responsible;
- 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.

Minister's Accountability Statement

The ministry's annual report for the year ended March 31, 2020, 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 July 9, 2020 with material economic or fiscal implications of which I am aware have been considered in the preparation of this report.

[Original signed by]

Honourable Ric McIver
Minister of Transportation

Message from the Minister



Our ministry's work affects all Albertans. Whether it's travelling along our highway network, using public transportation, relying on clean drinking water from modern water systems to depending on the vast array of goods and services that move across our province – Alberta Transportation plays a role. I'm pleased to report on some of my ministry's main achievements in the 2019-20 fiscal year.

In 2019-20, \$4.4 billion was invested in the highway network across the province to create jobs, support Alberta's economy, enhance safety for all drivers and improve the flow of traffic. This investment allocated \$2.9 billion for new road and bridge projects across the province, including \$1.9 billion toward the Calgary and Edmonton ring roads, and more than \$1.5 billion to rehabilitate

Alberta's highways and bridges to extend their lifespan and support safe and efficient travel.

Alberta Transportation considered ways to reduce red tape for more than 25,000 Alberta commercial carriers in 2019-20. Four major red tape reduction initiatives were completed in 2019-20, saving Albertans both time and money. These actions included removing unnecessary restrictions for oil well service rigs that limited movement between job sites, eliminating outdated regulatory requirements under the *Traffic Safety Act*, and eliminating the registrar's exemption for Operating Authority Certificates. Updates to the Commercial Vehicle Dimension and Weight Regulation in November has resulted in the elimination of about 5,600 individual permits per year, without any changes to traffic or road safety.

Alberta's government launched a review of the province's driver examination system to reduce wait times and improve service delivery. The review included a public survey and engagement with registry agents, driver examiners and the Alberta Union of Provincial Employees to discuss ways to improve road testing services.

The ministry continued to implement Mandatory Entry Level Training (MELT) for commercial drivers seeking Class 1 or Class 2 driver's licences. As of March 1, 2019, all Class 1 (tractor-trailer) and Class 2 (bus) drivers are required to complete MELT training. In response to concerns from farmers and school boards about meeting MELT requirements in time for the busy harvest and back-to-school seasons, Alberta Transportation granted more time for new drivers of school buses and farming equipment to complete new training requirements for drivers of Class 1 and Class 2 vehicles.

On December 1, Alberta's government put a temporary freeze on new photo radar devices in order to engage with the 27 municipalities using photo radar and police services to establish stronger data collection and reporting requirements. We are working to determine how photo radar should be used to improve traffic safety and ensure it is not simply another tax on Albertans.

A safe, efficient and reliable transportation network is critical to our prosperity and our quality of life in Alberta. Above all, public safety is a top priority for our government and will always be the first consideration in every decision we make.

[Original signed by]

Honourable Ric McIver
Minister of Transportation

Management's Responsibility for Reporting

The Ministry of Transportation includes the Department of Transportation and the Alberta Transportation Safety Board.

The executives of the individual entities within the ministry have the primary responsibility and accountability for the respective entities. 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. Under the direction of the Minister, I oversee the preparation of the ministry's annual report, including the financial information and performance results. The financial information and performance results, 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:

- Reliability – information used in applying performance measure methodologies agrees with the underlying source data for the current and prior years' results.
- Understandability – the performance measure methodologies and results are presented clearly.
- Comparability – the methodologies for performance measure preparation are applied consistently for the current and prior years' results.
- Completeness – outcomes, performance measures and related targets match those included in the ministry's Budget 2019.

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 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 for the ministry, I have relied, as necessary, on the executives of the individual entities within the ministry.

[Original signed by]

Rae-Ann Lajeunesse
Deputy Minister of Transportation
July 9, 2020

Results Analysis

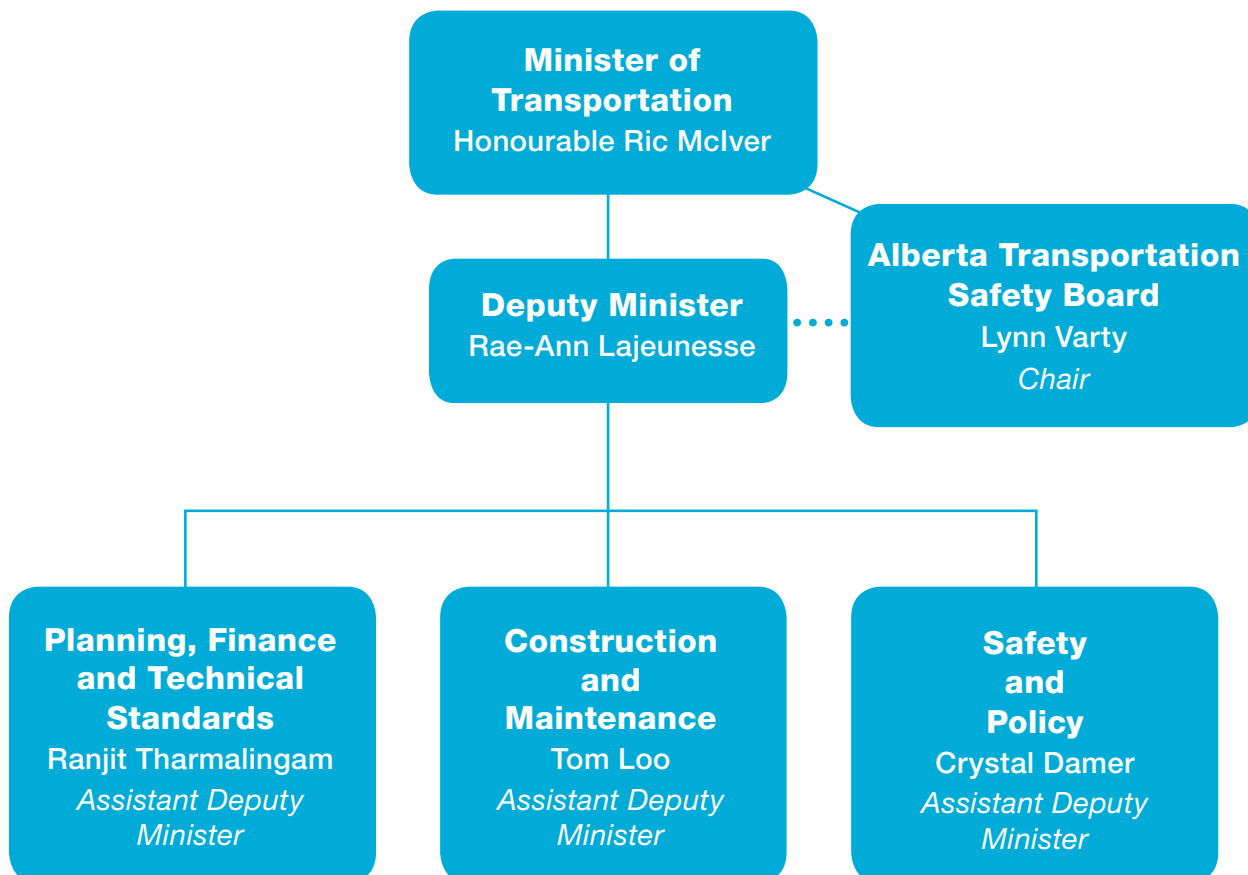
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Ministry Overview

Organizational Structure

Ministry of Transportation Organizational Overview



This division is responsible for: capital investment and long-term planning; program management; traffic monitoring and modelling; financial planning and services; provincial grant programs; administering federal capital grant programs; business planning and reporting; records and information management; contract services; procurement of consulting and construction services; technical standards, including highway operational standards, 511 Alberta and Alberta EDGE, and emergency management and response support.

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. This division is also responsible for the delivery of water management projects on behalf of Environment and Parks.

This division is responsible for traffic safety and transportation policy and legislation, setting standards and managing permitting of loads on the provincial transportation network. It is also responsible for providing safety and compliance services for commercial carriers, dangerous goods and provincial rail systems. This division develops, plans and implements transportation safety programs and strategies, and coordinates driver training and education programs.

Operational Overview

Transportation provides a safe and efficient transportation system to support Alberta's economic, social and environmental vitality.

Alberta's transportation system supports the:

- **Economy:** by connecting Albertans to local and world markets and supporting investment, business, industry, tourism and job creation.
- **Fiscal Framework:** by promoting efficiency and affordability, while making smart investments in strategic infrastructure assets.
- **Community:** by connecting Albertans to family and friends, work, schools, health care, recreation and communities throughout the province.
- **Society:** by providing safe transportation options to meet the needs of Alberta's growing population and promoting safer travel for all users.
- **Innovation:** by adapting to rapidly evolving technologies and systems and making the best use of innovative technology and approaches to achieve outcomes.
- **Environment:** by enhancing the quality of life in our communities by promoting ways to reduce transportation's impact on land, water and air.

Key Responsibilities

The ministry consists of the Department of Transportation and the Alberta Transportation Safety Board, which is an independent, quasi-judicial body. Key responsibilities of the department include:

- Planning, designing and constructing a safe and efficient provincial highway network that enables market access and economic growth.
- Maintaining and operating a sustainable highway network to safely connect Alberta communities.
- Managing grant programs to help municipalities develop and maintain their transportation systems and ensure Albertans have reliable access to clean and safe drinking water and water/wastewater treatment systems.
- Supporting the development of more sustainable, energy-efficient public transit systems in municipalities and across regions to provide Albertans with transportation options.
- Developing and implementing transportation safety strategies to reduce transportation-related serious injuries and fatalities on Alberta's roads and promote safer road users, vehicles and infrastructure.
- Promoting the safety and security of all road users through driver fitness monitoring and overseeing and monitoring safety standards related to dangerous goods, rail, commercial bus and truck carriers, and personal vehicles.
- Designing, building and maintaining Alberta's water management infrastructure for the Ministry of Environment and Parks to enhance and improve water supply and protect Albertans during extreme flood events.
- Promoting Alberta's interests in national and international trade agreements and improvements in harmonizing regulations to all orders of government.
- Representing Alberta's interests with rail, air and marine transportation system providers to ensure transportation systems in the province are developed in a coordinated manner that benefits all Albertans.

The Alberta Transportation Safety Board's key responsibilities are to:

- Conduct driver review hearings and independent appeals of drivers and commercial entities affected by the decisions of the Registrar of Motor Vehicle Services, such as driver conduct hearings and hearings for Alberta Administrative Licence Suspensions (for drivers with an alcohol and/or drug-related impaired driving offence).
- Conduct hearings under the *Railway (Alberta) Act*.
- Conduct all hearings in a fair and timely manner in accordance with the principles of natural justice.

All Alberta Transportation Safety Board decisions are made independently in accordance with governing legislation: the *Traffic Safety Act* and the *Railway (Alberta) Act*.

Discussion and Analysis of Results

Red Tape Reduction

The Ministry of Transportation is committed to the ongoing review of programs and services to ensure that the best possible outcomes are being achieved for Albertans. As part of this ongoing review, the ministry is committed to reducing red tape to make life easier for hard-working Albertans and businesses. This includes reducing regulatory burden and unnecessary processes to encourage economic growth and job creation; and make Alberta one of the freest and fastest moving economies in the world.

Transportation completed four major Red Tape Reduction initiatives in 2019-20:

- After engaging with industry, some of the unnecessary restrictions for oil well service rigs were removed to make it easier to move equipment between job sites.
- The Service Restriction Regulation, which eliminated duplicate regulatory requirements already under the *Traffic Safety Act*, was rescinded.
- An outdated requirement for Operating Authority Certificates that duplicated paperwork for some service providers and did not impact safety was removed.
- The Commercial Vehicle Dimension and Weight Regulation was updated to eliminate the need for roughly 5,600 outdated and unnecessary oversize commercial vehicle permits.

These initiatives will save time and money for the ministry and vehicle operators such as drilling contractors, commercial carriers and farmers, freeing up time and money for industries and supporting job creation for Albertans.

The results of industry and public engagement this past year, in addition to the ongoing internal review of Transportation's policies and processes, will continue to identify future Red Tape Reduction opportunities.

Outcome 1

Competitiveness, Market Access and Economic Growth: Alberta has a safe and efficient multi-modal transportation system that supports the economy

All users have access to a transportation system through a variety of transportation modes to safely transport products and people, from origin to destination, within Alberta, across Canada and around the world.

Key Objectives

1.1 Implement transportation initiatives that promote economic growth in Alberta, and support opportunities in multiple sectors.

Alberta's transportation system supports the flow of industrial, commercial and commuter traffic, contributing to economic development across the province. In 2019-20, \$4.4 billion was invested in the highway network across the province to create jobs, support Alberta's economy, enhance safety for all drivers and improve the flow of traffic. This investment allocated \$2.9 billion for new road and bridge projects across Alberta, including \$1.9 billion toward the Calgary and Edmonton ring roads, and more than \$1.5 billion to rehabilitate Alberta's highways and bridges to extend their lifespan and support safe and efficient travel. Under this Outcome, investment in new and expansion of provincial highways is identified as one of the Initiatives Supporting Key Objectives in the ministry 2019-23 Business Plan. Please refer to page 74 in the Other Financial Information section to review spending for these initiatives.

Capital plan projects are prioritized based on their economic, social and environmental benefits and how they contribute to safety for the travelling public. This ensures the projects included in the Capital Plan enable market access and economic growth, by supporting new investment, diversifying the economy and creating jobs for Albertans. Project highlights in 2019-20 include:

- **Highway 43 Grande Prairie bypass project:** The Highway 43 bypass project around the City of Grande Prairie was completed and opened to traffic in September 2019. Completion of the bypass was the final link in the three-year \$48-million project that included construction of 12 kilometres of four-lane highway and a roundabout at Highway 43 and Range Road 63 – the first one built on a divided highway in Alberta. The Grande Prairie region is a key economic driver for the province of Alberta. The bypass supports the region’s economic growth and development by improving traffic flow and safety for all travellers, including local residents and businesses as well as heavy truck traffic in the region from the forestry, agriculture and oil and gas sectors. Highway 43 is part of the national highway system, providing important links to the British Columbia (B.C.) border. The highway is also a critical part of Alberta’s North-South Trade Corridor, which links local industry to markets in the United States and Mexico through the Alberta/Montana border crossing at Coutts.
- **Highway 37/825/15 improvements to intersections:** Construction work on Highway 37/825/15 intersections was completed and open to traffic in fall 2019. These improvements have enhanced safety for both personal travellers and industry traffic and reduced congestion around these key junctions, particularly during rush hour.
- **Highway 19 twinning between QEII and Highway 60:** The 2.4-kilometre east segment for this \$200-million twinning project between QEII and Range Road 253 was completed in September 2019, and land acquisition and utility relocation for the west segment is ongoing. Highway 19 serves an important commercial and industrial region of Alberta, including several capital region communities and the Edmonton International Airport. The highway is part of Alberta’s oversize overweight (OSOW) corridor and connects to the QEII, the busiest transportation corridor in Alberta. Twinning Highway 19 will help improve traffic flow for commercial and passenger vehicles and enhance safety for all road users.
- **Twinning Peace River Bridge:** Work to build a second bridge north of the existing bridge over the Peace River has been underway since 2017 and is expected to be completed in fall 2020. In 2019-20, \$56 million was allocated to the Peace River Bridge project which will ease travel delays, improve the safety of all travellers and improve access to key resource areas in northern Alberta for the 17,000 vehicles that cross the Peace River Bridge daily.
- **Construction of a second Highway 15 Bridge:** Construction on the second bridge across the North Saskatchewan River was underway 2019-20, and the first phase of the project, twinning three kilometres of Highway 15 between east of Highway 28A and west of Highway 37, was completed in fall 2019. Highway 15 is a key economic corridor for the residents and businesses in the Fort Saskatchewan area, across Alberta’s Industrial Heartland. This critical project, expected to be complete by fall 2022, will reduce traffic congestion, improve travel times and increase safety for road travellers.
- **Southwest and West Calgary Ring Road:** In 2019-20, \$834.4 million was earmarked to continue construction on the Southwest Calgary Ring Road, which began in 2016, and an 11-kilometre section is expected to be open to traffic by fall 2020. The entire project is expected to open fully to traffic in October 2021. Work was also underway on the first and second phases of the West Calgary Ring Road project, with construction on the West Bow River Bridge and the north section expected to be complete in fall 2022. The final south section between Old Banff Coach Road and Highway 8 is targeted for construction to begin summer 2020. Budget 2019 included \$937.9 million over four years for this important project. Once the Calgary Ring Road is complete, approximately 101 kilometres of free flow traffic around the City of Calgary will improve the safe and efficient movement of people and goods,

supporting businesses and economic growth. This will include bringing much needed traffic relief to the highly populated areas of southwest Calgary and to the oil and gas, agriculture and tourism sectors.

- **Edmonton Ring Road widening:** Construction on widening 18 kilometres of Southwest Anthony Henday Drive from four to six lanes began in November 2019. The \$100-million project will increase safety and improve travel time for commuters and all industries that move goods, people and services in and around the City of Edmonton. The expansion will accommodate 120,000 vehicles per day once completed in fall 2022.
- **Highway 1A widening:** An agreement was signed between the Stoney Nakoda First Nation and the Government of Alberta in fall 2019 to transfer land required to upgrade and widen 29 kilometres of Highway 1A through the First Nation between Cochrane and Canmore. Construction on the \$76.5-million project will depend on the land transfer and obtaining the necessary permitting. In addition to improving the safety of all Highway 1A travellers, this project will support economic opportunities for the First Nation and their membership.

Major Capital Projects Underway in 2019-20 – Greater Than \$2 Million Spent and Over 50 Per Cent Complete

(Excludes flood work, rehabilitation and ring road public-private partnerships)

Highway	Description	Work Type	Length (km)	District	Total Estimated Cost (\$Millions)
Various	18 Intersection Improvements (Highways 625, 814, 628 and 2)	Intersection Improvements	17.0	Stony Plain	13.1
873/535	Highway 36 – Park Access Road 103/ Highway 873 – East of Highway 873	Base/Pave	—	Lethbridge	10.5
15	Highway 15 Twinning, Edmonton to Highway 37 (Project A)	Highway Twinning (Road and Bridge)	4.2	Stony Plain	9.5
1	Junction Highway 1/22 Interchange Upgrade	Interchange Improvements	—	Calgary	7.8
22 & 16	Climbing Lanes, Highway 22 North of Highway 624 and Intersection Improvements on Highway 16	Climbing Lanes/ Intersection Improvements	—	Stony Plain	7.3
39	Junction Highway 39/60	Construct Roundabout	—	Stony Plain	6.5
540	10 km East of Village of Longview – Highway 2	Second Stage Paving	18.8	Calgary	6.3
Various	Southern Region, Including Stoney Trail in Calgary	High Tension Cable Barrier	—	Calgary	5.7
63	Prairie Creek Culvert, 9 km South of Fort McMurray	Bridge Replacement	—	Fort McMurray	5.0
40	South of Pinto Creek to South of Berland River	Clearing/Wetland Filling	15.8	Edson	3.9
40	Wildhay River to South of Pinto Creek	Clearing/Wetland Filling	18.0	Edson	3.9
Various	Central Region Seal Coat Program	Chipseal	—	Red Deer	3.8
2	Highway 2 and Township 544, 551, 570, 571 and Highway 642 (Five Locations)	Intersection Improvements	—	North of Edmonton	3.1
Various	Southern Region Seal Coat Program	Chipseal	—	Lethbridge	2.7
2	Baptiste Creek Slide	Slide Repair	—	Athabasca	2.7
757 & 43/22	Junction Highway 43 and 22 (Including Minor Paving on Highway 757)	Intersection Improvement	—	Stony Plain	2.1
722	Diamond Dick Creek Bridge, 30 km Southwest of Beaverlodge	Bridge Replacement	—	Grande Prairie	2.1

Major Capital Projects Underway in 2019-20 – Greater Than \$2 Million Spent, With Less Than 50 Per Cent Complete

(Excludes flood work, rehabilitation and ring road public-private partnerships)

Highway	Description	Work Type	Length (km)	District	Total Estimated Cost (\$Millions)
201	West Calgary Ring Road – Trans-Canada Highway to Old Banff Coach Road	Ring Road Construction (Road and Bridges)	6.0	Calgary	462.3
2	New Peace River Bridge	Bridge/Road Construction	—	Peace River	151.6
201 & 1A	Stoney Trail – Road at Crowchild, New Bridges over Bow River and Scenic Acres/Tuscany	Bridge/Road Construction	—	Calgary	86.1
216	Anthony Henday Drive, East of 111 Street to North of Whitemud Drive	Additional Lanes Construction	16.0	Edmonton	84.1
2 & 2A	Gaetz Avenue at South End of Red Deer	Interchange Reconstruction	—	Red Deer	80.7
15	Highway 15 Twinning (Project B)	Highway Twinning (Road and Bridge)	3.2	Stony Plain	54.7
43X	Grande Prairie Bypass	Bypass Construction (Road and Bridges)	21.2	Grande Prairie	37.1
40	Muskeg Cabins – East of Grande Cache (Selective)	Widening and Passing Lanes	20.5	Grande Prairie	31.0
2	Deerfoot Trail – 212 Avenue Southeast Interchange (Cranston Gate)	Interchange Construction	—	Calgary	24.3
27	Red Deer River Bridge, Near Morrin	Re-align Road, Replace Bridge	1.6	Hanna	21.8
40	North of Grande Cache and South of Grande Prairie	Construct Climbing Lanes/ Passing Lanes	26.5	Grande Prairie	21.5
779	South of Highway 628 – 47 Avenue (Town of Stony Plain)	Road Reconstruction	3.1	Stony Plain	17.5
37/825/15	West of Fort Saskatchewan	Intersection Improvement	—	Edmonton	13.7
876	Highway 1 – Highway 544	Base/Pave	22.3	Lethbridge	11.5
688	McKinney Creek	Slide Repair/ Stabilization	—	Peace River	6.1
857	Vermilion River Bridge, South Boundary of Vegreville	Bridge Replacement	—	Vermilion	5.3
St. Mary Dam	Low Level Outlet Valve Replacement	Valve Installation	—	Cardston	4.5

Highway Rehabilitation Overlay Projects Underway in 2019-20 – Greater Than \$2 Million Spent and Over 80 Per Cent Complete

Highway	Description	Length (km)	District	Total Estimated Cost (\$Millions)
1	North of Drayton Valley – Highway 16	37.8	Stony Plain	12.8
63	1 km South of Highway 663 – Highway 855	49.1	Athabasca	12.3
2	South of Highway 663 – Highway 55 (Athabasca)	31.4	Athabasca	9.7
9	1 km East of Highway 884 – Highway 41	53.6	Hanna	9.3
14	9 km East of Highway 870 – 4 km East of Highway 883	31.2	Vermilion	9.3
679	7 km East of Highway 749 – Highway 750	20.2	Peace River	8.9
23	8 km North of Highway 529 – Highway 24	29.8	Lethbridge	8.3
43	Highway 32 to Mayerthorpe (Selective)	31.1	Edson	7.6
2	Highway 37 – 2 km North of Highway 642	12.4	Stony Plain	7.2
44	Highway 661 – 5 km South of Urban Approach Road 83	22.3	Athabasca	7.2
2	Highway 27 – 2 km North of Town of Bowden	18.3	Red Deer	7.0
663	3 km West of Highway 827 – Highway 63	22.9	Athabasca	6.8
897	Village of Kitscoty – Highway 45	20.5	Vermilion	6.7
3	East of Grassy Lake – West of Highway 885	30.0	Lethbridge	6.5
64	12 km West of Highway 717 – 6 km East of Highway 717	17.9	Grande Prairie	3.1
21	1 km North of Highway 27 – Urban Approach Road 71	13.2	Hanna	4.4
616	3 km East of Highway 822 – Highway 21	14.0	Vermilion	4.4
724	Gas Plant – Highway 677	11.2	Grande Prairie	4.0
16	7 km West of Town of Mundare – 1 km East of Highway 15	9.3	Vermilion	3.7
766	Highway 1A – Highway 567	10.9	Calgary	3.6
41	Highway 9 – 19 km North of Highway 9	19.0	Hanna	3.6
21	Highway 13 – 2 km North of Highway 616	15.3	Vermilion	3.6
3	Town of Taber – 1 km East of Highway 36 (Selective)	14.6	Lethbridge	3.5
56	1 km South of Highway 561 – Highway 564	17.8	Calgary	3.3
840	Highway 561 – Highway 564	19.3	Calgary	3.1

Highway Rehabilitation Overlay Projects Underway in 2019-20 – Greater Than \$2 Million Spent, More Than 50 Per Cent of Work Complete and Less Than 80 Per Cent Complete

Highway	Description	Length (km)	District	Total Estimated Cost (\$Millions)
43	1 km East of Urban Approach Road 68 – 3 km East of Highway 757	12.6	Stony Plain	2.4
827	Highway 663 – Highway 55	11.3	Athabasca	3.0
814	Highway 623 – Highway 625	10.1	Stony Plain	3.4
625	3 km East of Highway 2 – Highway 21	17.0	Stony Plain	6.5
43	Highway 22 – 3 km East of Urban Approach Road 68	10.3	Stony Plain	2.7
2	Highway 5 – 1 km North of Highway 505	16.7	Lethbridge	4.5
986	Highway 743 – 1 km West of Highway 688 (Selective)	17.4	Peace River	6.9
43	5 km West of Highway 49 – Highway 49 (Eastbound Lane and Westbound Lane)	9.6	Grande Prairie	7.5
733	Highway 670 – 10 km North of Highway 674	25.7	Grande Prairie	4.7
668	Highway 40 – 3 km East of Highway 40	3.4	Grande Prairie	2.4

1.2 Enhance access and mobility for transportation users, and support routes connecting major and high-load corridors and hubs.

In 2019-20, Transportation moved forward with crucial work to ensure the safe and efficient travel of industrial, commercial and commuter traffic and support economic development throughout the province. The 2019 Transportation Construction Program included multiple projects on critical trade and industrial corridor routes underway to support load capacity and decrease congestion and delays for commuters and commercial vehicles:

- Capital Maintenance and Renewal projects were underway in 2019-20 at strategic locations to enhance the OSOW Corridor, including two highway rehabilitation projects on Highway 63 (32-kilometre and 19-kilometre sections of repaving) and an intersection improvement at Highway 28 and Highway 831.
- Construction on Highway 15 was also underway to enhance the existing OSOW Corridor and alleviate congestion on the Highway 15 bridge, and support two multi-billion dollar petrochemical facilities planned in Sturgeon and Strathcona counties.
- Design work was underway for the Tofield bypass on Highway 834, part of the OSOW Corridor.
- Preconstruction work toward twinning 19 kilometres of Highway 40 also took place in 2019-20. This project includes a second bridge across the Wapiti River, as well as numerous improvements to bridge structures and intersections. This critical infrastructure improvement will reduce congestion-related safety concerns, and support the increasing industrial development and significant traffic growth in the Grande Prairie region.

The Government of Alberta and the City of Calgary also continued work on a long-term study of Deerfoot Trail, expected to be finalized in 2020. This critical route stretches the entire north-south length of the City of Calgary and is the busiest road in Alberta for moving goods, people and services within the region, with traffic volumes of more than 175,000 vehicles a day. Funding for \$110 million was included in Budget 2019's four-year Capital Plan.

1.3 Streamline and reduce red tape to promote harmonized standards and regulations with jurisdictional partners and clearly communicate objectives to relevant industry, including enhancements to commercial carrier safety regulations and federal transportation legislation.

As part of Transportation's efforts to ensure market access barriers do not negatively affect Alberta's long-term economic growth, key activities undertaken by the ministry in 2019-20 included:

- Collaborating with federal, provincial and territorial counterparts to address key challenges related to market access and other topics of importance, including rail and commercial carrier safety;
- As part of the Council of Ministers meeting in Toronto, Ontario in February 2020, organized a Minister's mission that included meetings with federal ministers, key stakeholders and think-tanks to advance Alberta's priorities and explore potential synergies; and
- Supporting the Ministry of Energy's participation with other provinces and territories in the Pan-Canadian Competitive Trade Corridor initiative, to identify how economic corridors can enhance market access for Canadian goods.

As a landlocked province that depends on other provinces and federal regulation to export its goods, Alberta potentially faces risk as a reliable global supplier. Activities undertaken by the ministry are part of a systemic long-term approach that includes working on national harmonization and provincial red tape reduction

efforts, cooperating with jurisdictional partners to plan and invest in new or existing infrastructure, and engaging with stakeholders to consider financing options of strategic transportation/supply chain projects that have national importance.

Transportation represented the Government of Alberta on the Pacific Gateway Alliance (PGA) in 2019-20, working with partners on many initiatives of shared priority such as market access, particularly from a national perspective. The PGA is a partnership between Alberta, B.C., Saskatchewan, Manitoba, Transport Canada and other transportation stakeholders such as railways and marine ports. The alliance oversees how to best invest and implement policy to ensure the port, road, rail and airport facilities in Canada's western trade corridor continue to support economic growth.

Transportation contributed to federal legislation changes for the implementation of the federal *Transportation Modernization Act* (TMA), the Air Passenger Bill of Rights and Bill C-49 Data Provisions. The ministry continued to monitor funding programs related to the TMA, such as the National Trade Corridors Fund, and proposed changes associated with Transportation 2030, the federal government's strategic plan for the future of Canada's transportation system.

On behalf of the Government of Alberta, Transportation submitted a response to Transport Canada on developing a regulatory proposal for freight rail data reporting requirements. The government's response included inputs on using metrics for monitoring railway performance, enhancing reporting by geographic regions, corridors and terminals, and reporting on a broader range of transported commodities.

Alberta is a signatory to the updated MOU federal-provincial-territorial agreement on vehicle weights and dimensions. The update now allows full weights on 445 mm wide-based single tires. This update further harmonizes standards with jurisdictional partners.

Transportation considered ways to reduce red tape for more than 25,000 Alberta commercial carriers in 2019-20. The ministry consulted with public and industry on a variety of issues, including: hours of service provincial and federal regulations; adoption of electronic logging devices; implementation of National Safety Code standards; and vehicle weights and dimensions.

In addition to the four major Red Tape Reduction initiatives mentioned on page 11, a memorandum of understanding was also signed by the Alberta and Saskatchewan premiers in June 2019 to work together towards harmonization of regulations for oil well service rigs, to make it easier for service rigs to get to job sites in Alberta and across the provincial border. Alberta and Saskatchewan will jointly seek exemptions from federal regulations for service rigs travelling across both provinces. Cutting red tape from unnecessary regulations will improve the efficiency of the province's vital energy industry.

Transportation released an update to the 2013 Roadside Management Classification Map that reflects ministry and municipal planning decisions. The update more closely aligns with the Transportation Association of Canada roadway classifications used in municipal planning, and introduced urban standards. These updates will create more consistency and smoother interaction with developers and municipalities by spending less time negotiating in suburban and urban fringe areas, resulting in less administrative burden and less red tape. Planning, design, and development approvals will be better-informed as the updated map captures prior decisions made through planning studies, municipal consultations, and designs that consider broader network implications.

The ministry also completed an initiative to streamline procurement processes in 2019-20, resulting in clearer project requirements identified in solicitation documents.

1.4 Support sustainable municipal road and bridge infrastructure that contributes to resilient local economies in rural and smaller urban communities.

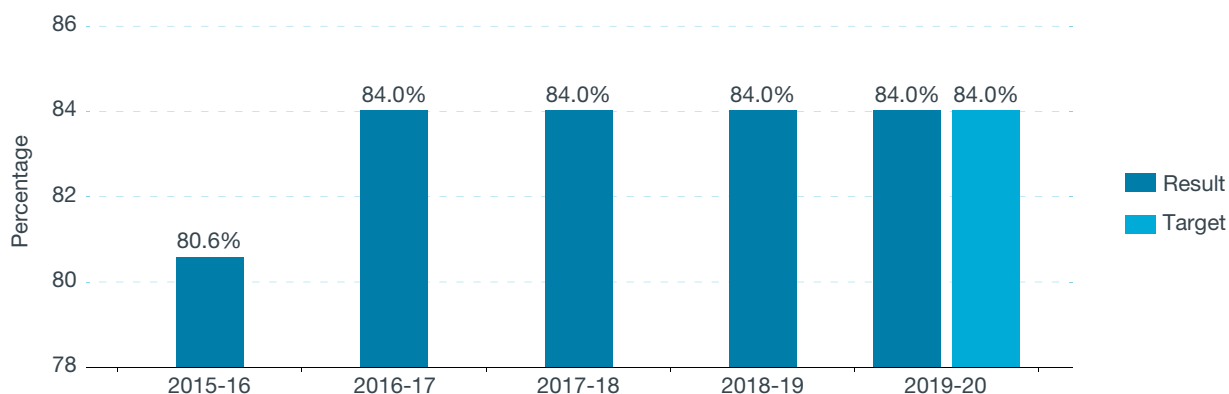
Budget 2019 renewed funding for the Strategic Transportation Infrastructure Program (STIP), which provides grants to municipalities for critical local infrastructure projects. Under this Outcome, STIP is identified as one of the Initiatives Supporting Key Objectives in the ministry 2019-23 Business Plan. Please refer to page 73 in the Other Financial Information section to review spending for this initiative.

Since 2017, 141 municipalities have benefited from STIP, including towns, villages, summer villages, counties, specialized municipalities, municipal districts and Métis Settlements. The program aims to improve accessibility and the movement of goods and people, increase the capacity of municipal transportation infrastructure to support economic growth, enhance safety and efficiency, and extend the life of key roads and bridges.

Financial assistance offered to municipalities through STIP is typically 50 to 75 per cent of the project costs. Funded projects must fall under one of four components: Local Road Bridges Program; Community Airport Program; Resource Road Program; or the Local Municipal Initiative Program, which supports priority municipal transportation infrastructure projects that are not eligible for support under STIP's other components.

Performance Measure 1.a:

Ring roads in Calgary and Edmonton: Percentage of combined ring road kilometres 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 is 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 2019-20, 84 per cent of combined ring road kilometres were open to travel.

Performance Indicator 1.b:**Alberta's exports by mode of transportation (\$ millions)**

Alberta's exports ¹ by mode of transportation ² (\$ millions):	Prior Years' Actuals				2019 Actual
	2015	2016	2017	2018	
Intermodal (rail and marine)	24,155	22,242	27,351	33,930	32,350
Road	8,140	7,141	8,110	9,472	10,259
Air	1,784	1,442	1,694	1,891	2,094
Total exports¹	34,079	30,825	37,155	45,293	44,703

Notes:

¹ Only merchandise exports, excluding commodities transported by pipelines.

² The reported figures are subject to future revisions by Statistics Canada.

Description: This indicator is included to show progress toward achievement of support for long-term economic outcomes beyond the impact of current government activities and is significantly affected by external factors not directly influenced by the ministry.

Rationale: The ministry is helping to support a diversified provincial economy by ensuring all users have access to a transportation system with a variety of modes to safely transport products and people, from origin to destination, within Alberta, across Canada and internationally. While economic recovery was ongoing in 2019-20, the ministry's continued investment in modern transportation infrastructure is crucial to facilitating trade and encouraging and supporting economic activity for years to come.

Performance Indicator 1.c:**Number of commercial vehicle permits issued annually through the Transportation Routing and Vehicle Information Multi-Jurisdictional System**

Number of commercial vehicle permits issued annually through the Transportation Routing and Vehicle Information Multi-Jurisdictional System:	Prior Years' Actuals				2019-20 Actual
	2015-16	2016-17	2017-18	2018-19	
Licensing	30,753	31,094	32,888	32,998	32,078
Overweight	106,992	108,224	115,104	119,483	114,819
Oversize	28,415	26,742	27,657	28,956	26,462

Description: This indicator enables the ministry to assess economic development and make decisions that support routes serving major economic corridors and hubs and enhance mobility for transportation system users. It is included to show the total number of single trip/multi-trip licences, overweight single trip/multi-trip and oversize single trip/annual trip permits issued to the commercial carrier industry in Alberta during a fiscal year. This indicates network use and the level of economic activity within the province. Regulated weight and size limits, as well as configurations for commercial vehicles operating in Alberta, are set out in the Commercial Vehicle Dimension and Weight Regulation under the *Traffic Safety Act (TSA)*. Section 62 of the TSA allows for the permitting of vehicles that do not conform to the TSA and associated regulations.

Rationale: Permit data is used in the ministry to determine travel demands and costs to the provincial highway network. Issuing commercial vehicle permits helps track and facilitate the movement of oversized commodities, minimize damage to the road infrastructure and ensure the safety and efficient travel of the public sharing these roads. Permit fees collected go toward the ministry's general revenue with the exception of oversize overweight corridor (OSOW) fees, which are included in oversize and overweight permit fees for loads exceeding six metres tall and are invested directly back into the OSOW. The province promotes economic development and diversification in Alberta by implementing transportation initiatives that support the safe and efficient movement of large loads and equipment by commercial vehicles.

Outcome 2

Long-term Sustainability and Affordability: Alberta can afford to maintain its existing transportation assets and invest in new strategic infrastructure

Transportation uses asset management principles to make investment decisions on enhancing and maintaining Alberta's transportation network.

Key Objectives

2.1 **Implement an asset management approach to support strategic decision-making on new assets and ensure adequate maintenance of existing assets, taking into account life-cycle costs, and economic, safety, environmental and social impacts.**

Transportation developed an asset management approach that will serve as a guide for future process, investment and policy decisions. Implementation of the approach ensures Albertans receive the best value for their investment while balancing funding between sustaining existing assets and expansion needs. Transportation manages 31,400 kilometres (the equivalent of nearly 64,000 lane kilometres) of roads, including more than 28,000 kilometres paved. Approximately 10,500 kilometres are 20 years old or more (about 37 per cent of paved highways), with 5,100 kilometres five years older than the traditional 20-year design life. In addition to aging infrastructure challenges, demand for infrastructure expansion is growing due to population and traffic growth. Traffic is projected to increase on Alberta's roads, with growth anticipated to be higher around urban areas. Using an asset management approach to guide strategic investment ensures available resources are prudently allocated to enhance and maintain essential transportation corridors.

Transportation is focusing on maintaining assets in the coming years to extend the life of existing infrastructure. This investment is in alignment with a 2019 Mackinnon Report on Alberta's Finances recommendation that government prioritize maintenance of existing infrastructure over new capital projects.

The ministry considers the results of long-term planning studies to set priorities for projects based on costs and benefits, while also ensuring emerging regional priorities are addressed and municipal stakeholder needs are considered. In 2019, the ministry completed studies for Highway 3 from east of Coleman to north of Pincher Creek and from Taber to west of Burdett, and Highway 28 from Edmonton to Cold Lake. Transportation will review the results and work with municipalities in all regions to prioritize projects for consideration in the future capital planning process.

The ministry identifies gaps and needs in Alberta's highway network by:

- assessing road roughness, to help determine paving needs;
- inspecting bridges, to determine bridge rehabilitation and replacement needs;
- analyzing collisions, to indicate where safety improvements may be required; and
- collecting traffic data in evaluating highway operation efficiency, to determine twinning, widening and intersection reconfiguration needs.

In addition to the above, many other factors in alignment with government capital planning criteria are also considered when prioritizing highway projects, including economic, social, safety and environmental impacts, construction readiness and cost-sharing opportunities. As an example, a cost-share agreement to twin Highway 40 south of Grande Prairie was reached in 2019-20 between the Alberta government, the Municipal District of Greenview and the County of Grande Prairie in February 2020. The cost-sharing solution for this infrastructure expansion will help accelerate the construction start date. The Government of Alberta continues to examine ways to work with other orders of government, industry and non-profit groups on alternative ways to finance infrastructure expansion needed to support economic growth.

2.2 Partner with the federal government to fund transportation infrastructure.

Transportation continued to administer the Investing in Canada Infrastructure Program (ICIP) on behalf of the federal government in 2019-20. This included working with stakeholders, including municipalities, water commissions and Indigenous communities to identify and put forward potential eligible projects for funding consideration. In January 2020, 31 water projects worth \$88.7 million over three years received provincial endorsement and funding to move forward with the federal application for federal funding.

In addition to water projects, the ICIP provides funding for eligible transit projects, such as the Calgary Green Line LRT and Edmonton LRT. Over the term of the agreement, the Government of Alberta is matching the federal contribution, which will result in the City of Calgary and the City of Edmonton receiving a total of \$3 billion over the next 10 years.

ICIP funding is based on the April 3, 2018 Integrated Bilateral Agreement (IBA) signed by Alberta and Canada to govern an allocation of just under \$3.7 billion in ICIP funding. ICIP funding is distributed across four streams:

- Public Transit (\$2.1 billion);
- Green Infrastructure (just under \$1.3 billion) – Includes a water component and funds projects supporting climate change mitigation, environmental quality, and adaptation, resilience and disaster mitigation;
- Community, Culture and Recreation (\$140.6 million); and
- Rural and Northern Communities (\$159.7 million).

For all funding streams, the province is required to contribute at least one third of total project costs to municipal projects and at least 50 per cent to provincial projects.

In addition to ICIP funding, the Government of Alberta also collaborated with partners to fund improvements at 50 Street and the Canadian Pacific Railway rail crossing in Edmonton. The provincial government provided a \$14.2-million grant in Budget 2019 to the City of Edmonton toward the project, and the federal government provided \$39.8 million through the National Trade Corridors Fund. An underpass will be built at the rail tracks north of the Sherwood Park freeway on 50 Street, and additional work will include two new traffic lanes, realigning and reconstructing the 82 Avenue intersection, and building new sidewalks and shared-use paths. The project is expected to create nearly 900 jobs during construction and will ease congestion in the area by separating commuter traffic from train traffic, eliminating delays and frustrations from frequent train crossings in the area, and improving the efficiency of railway operations.

The ministry is also collaborating with the Government of Saskatchewan and the federal government to provide funding for a new mechanical wastewater treatment facility in the City of Lloydminster. The Alberta Municipal Water/Wastewater Partnership fund is providing \$9.7 million, along with \$3 million in matching provincial funding from Alberta Municipal Affairs for the Small Communities Fund under the New Building Canada Fund. The Province of Saskatchewan is providing \$12.1 million in funding through the Provincial-Territorial Infrastructure Component – National and Regional Projects.

2.3 Implement approaches to ensure highway operations and maintenance programs achieve the best value for investment and the most effective results for Albertans.

Transportation's operating budget for Provincial Highway Maintenance and Preservation was \$258.5 million in 2019-20. In addition, there was \$68.8 million for P3 Maintenance and \$50 million allocated for the purchase of salt, sand and gravel. Effective management of the provincial highway network requires careful balance between funding challenges and important maintenance activities that extend the life of pavement and preserve Albertans' investment. To support fiscal restraint, the ministry reduced some non-essential maintenance activities and preservation work on the provincial highway network that were not related to safety. Public safety remains top priority when managing provincial roads, and no repair deferrals will impact the safety or integrity of our bridges or roads.

Winter maintenance activities such as snow removal and ice control were not impacted. Transportation closely monitors highway conditions, identifying and repairing roads and bridges and controlling vegetation that could create safety issues. Routine patrols and inspections by highway maintenance contractors and Transportation staff occur regularly.

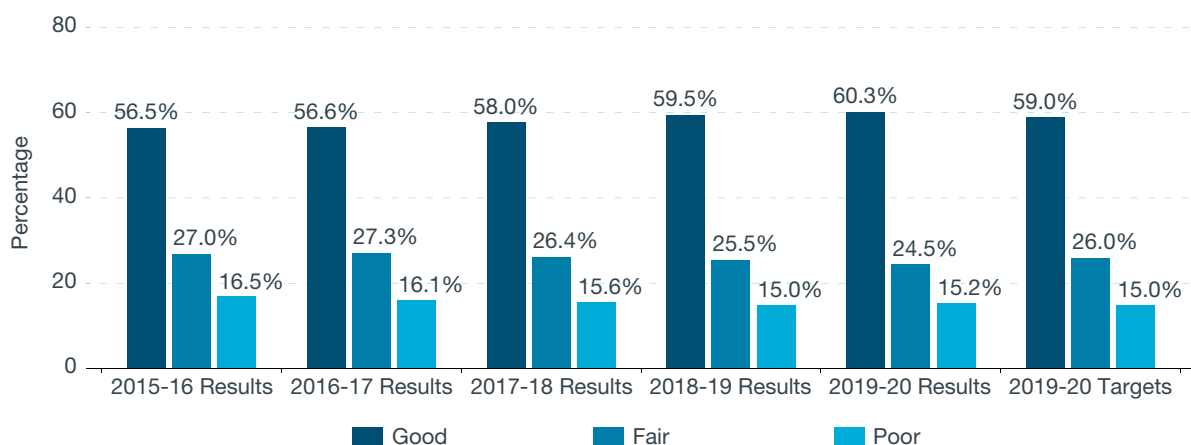
In August 2019, the ministry initiated changes to realign contract maintenance area (CMA) boundaries and reduce the number of CMAs from 30 to 25. Once implementation is complete in several years, these changes will balance and optimize the length of road to be maintained in areas and ensure individual municipalities only work with a single contractor. Deerfoot Trail remains a separate CMA.

Changes were also made in 2019-20 to how new highway maintenance contracts are procured. New maintenance contracts were updated to reflect current best practices, promote innovation, increase efficiencies and ensure compliance with environmental management policies and regulations. Eight new contracts using new specifications to increase value for money and outcomes came into effect on August 1, 2019.

2.4 Implement capital investments that support economic development and social needs of Albertans.

Budget 2019 allocated \$1.5 billion over four years to Capital Maintenance and Renewal to support smaller bridge construction projects, major highway and bridge rehabilitation projects, including slide repairs, and other major maintenance activities such as short-length paving and culvert replacements. Rehabilitation work on the provincial highway network ensures the safe and efficient travel for Albertans and industry, and extends the life of the province's assets, protecting Albertans' investment. Under this Outcome, Capital Maintenance and Renewal is identified as one of the Initiatives Supporting Key Objectives in the ministry 2019-23 Business Plan. Please refer to page 74 in the Other Financial Information section to review spending for this initiative.

Ministry staff strategically scope and prioritize projects based on costs and benefits, while also ensuring emerging regional priorities are addressed and municipal stakeholder needs are considered. Criteria including safety, economic, social, cost-benefit and environmental impacts are used to assess the value and benefits of proposed new transportation capital investments. Transportation also assesses projects with consideration to construction readiness, removal of barriers to trade, cost-sharing opportunities and emerging stakeholder priorities.

Performance Measure 2.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 to comply with minimum codes or standards and deterioration has reached the point where major repairs or replacement are necessary.

Description: This measure defines the percentage of the paved highway network that is in good, fair or poor condition. The International Roughness Index (IRI) is used to measure the roughness of roads and is the only measurement to categorize overall physical condition. Highways in poor and fair condition are those that require work now or in the future.

Rationale: The measure is used to assess the quality of the paved highway network, in support of efficient movement of commuter, business, personal and commercial traffic. The preservation of pavement quality through regular rehabilitation reduces the total life-cycle cost of the highway system, improving return on investment for Albertans.

Results: Capital pavement rehabilitation and operating maintenance improvements completed through the year continued to invest in sustaining provincial highway surface condition and prolonging the life of pavement. The 2019-20 results have been mainly consistent with the previous year. The performance results have stayed fairly stable for the past few years and show a steady overall increase in highways in good condition and decline in poor condition, as the ministry continues to explore and implement innovative approaches such as improved pavement condition assessment and pavement patching to maintain the highways under increased traffic flow. The new improved process for assessing pavement distress helps the ministry to better identify highways with highest needs for repair. The combined percentage of highways in good and fair condition (adequate for intended use and expected to require average maintenance) decreased slightly to 84.8 per cent, below the combined targets for highway in good and fair condition by 0.2 per cent. The amount of poor highway surfaces (those that have reached the point that major repairs or replacement is necessary) has increased slightly, from 15.0 per cent last year to 15.2 per cent and slightly below the 2019-20 target of 15.0 per cent. This decrease from the target is marginal and may be attributed more to a statistical variance than any other factor.

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

Outcome 3

Connected and Active Communities: Albertans have inclusive and accessible transportation options in and between communities

Alberta's public transportation system will provide seamless, integrated connections between transportation modes and communities, including regional, urban, rural and Indigenous communities.

Key Objectives

3.1 Promote safe, affordable, accessible and environmentally sustainable public transportation options for Albertans.

In 2019-20, Transportation continued to administer the provincial Green Transit Incentives Program (GreenTRIP) and the federal Public Transit Infrastructure Fund (PTIF). Under this Outcome, GreenTRIP is identified as one of the Initiatives Supporting Key Objectives in the ministry 2019-23 Business Plan. Please refer to page 73 in the Other Financial Information section to review spending for this initiative.

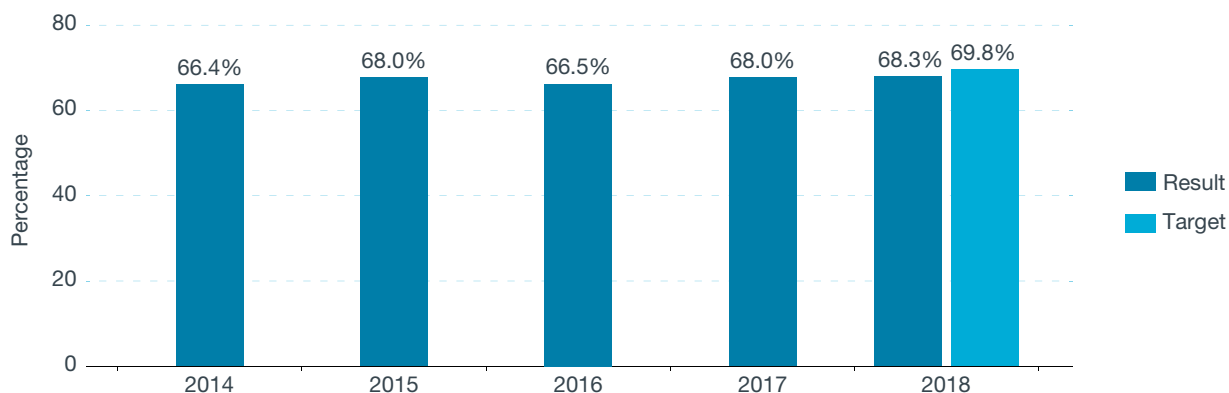
Some of the key projects funded under GreenTRIP and PTIF include just over \$85 million for the 17 Avenue SE bus rapid transit project in the City of Calgary and the \$27 million Heritage Valley Transit Centre Park and Ride in the City of Edmonton. With the exception of projects that received extensions, the PTIF program ended on March 31, 2020 and GreenTRIP funding has been fully allocated.

The Government of Alberta remains committed to providing \$3 billion for LRT expansion over 10 years. In 2019-20, the Government of Alberta reconfirmed its commitment of just over \$1.5 billion for the Calgary Green Line and nearly \$1.5 billion commitment for Edmonton's LRT projects, including for the West Valley Line and Metro Line Expansion projects.

3.2 Work with partners to support innovative, cost-effective transportation options that better connect Albertans to critical services and each other, and support access to modern transportation services in rural and urban communities.

In 2019-20, Transportation continued to administer the Rural Transportation Pilot Program, which was first launched in 2018 with the goal of improving public transportation to rural areas. The program invests \$3.6 million in six projects in five regions across the province, including in and around Grande Prairie, Camrose, Red Deer, Medicine Hat and Lethbridge. The ministry will individually review pilots as they end, with the first one ending September 2020. Program evaluation and effectiveness will inform future funding decisions, and the effectiveness of the program will be evaluated in 2021.

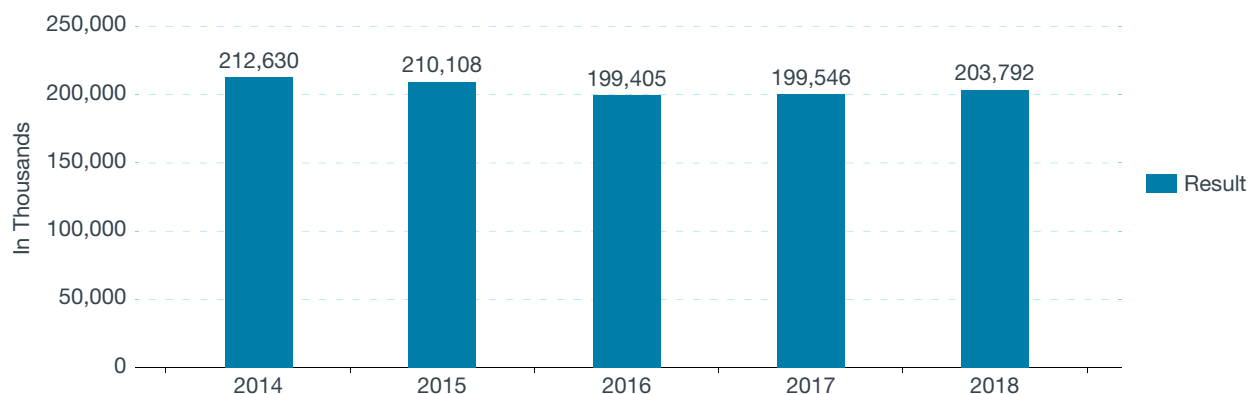
Transportation also partnered with the federal government and the other provinces and territories to identify options for addressing public ground transportation challenges in Canada. This work will be used to inform future policy decisions on intercity busing in Alberta. A key recommendation of the working group is for provinces and territories to reduce red tape to improve the ability of the private sector to quickly respond to new opportunities.

Performance Measure 3.a:**Transit access in Alberta: Percentage of Albertans that have access to transit service**

Description: The population of the municipalities with access to regular conventional transit services, divided by the total population of the province.

Rationale: Albertans use transit services every day to get to work, go shopping and access critical services like health care. Some of the people that rely on transit are among the most vulnerable, including seniors, low-income families and people with disabilities. The ministry supports a variety of projects, programs and policies that aim to increase the number of Albertans who have access to transit services. Programs such as GreenTRIP and support for LRT expansion in Edmonton and Calgary provide funding for municipalities to expand and improve their transit systems.

Results: The percentage of Albertans who had access to transit services was 68.3 per cent, which is 1.5 per cent below the 2019-20 target of 69.8 per cent. Although the performance remains as improving over time the 2019-20 decrease from the target can be attributed to there being an increase in Alberta's population compared to previous forecasted numbers, as the service area for population with access to transit remained consistent with estimates. The result shows an increase of 0.3 per cent compared to the previous year result. In 2018 (most recent data available) this is the first year where some of the results of our new programs and initiatives begin to show an impact. This includes the Public Transit Infrastructure Fund introduced in 2016. Going forward, the ministry will continue to watch over the overall progress of measure results to ensure support implemented will best reflect a positive impact on transit access. Results are collected by calendar year and the latest data set is from 2018 and validated in 2019. The Government of Alberta's investments in public transportation helped municipalities expand their transit service into new service areas. Some Albertans also gained access to transit services by moving into communities that have transit systems.

Performance Indicator 3.b:**Transit ridership in Alberta (in thousands): Number of passenger trips taken on regularly scheduled service in Alberta's transit system**

Description: The total number of passenger trips taken on transit systems across Alberta during regularly scheduled service. Trips requiring transferring from one vehicle to another are only counted once.

Rationale: More people using transit in Alberta can create more economic opportunities and reduce traffic congestion, air pollution and greenhouse gas emissions. The ministry supports a variety of projects, programs and policies that aim to increase public transit ridership in Alberta, including GreenTRIP and the expansion of LRT in Edmonton and Calgary. These programs are helping to fund projects that once complete, will improve customer experience and increase transit ridership. Results are collected by calendar year and the latest data set is from 2018 and validated in 2019. There are a number of factors that affect transit ridership in Alberta, including vehicle ownership, parking availability and the quality of bus service. Improving accessibility and providing more public transportation options leads to greater transit ridership.

Outcome 4

Safety and Security: Transportation safety and security is enhanced through educational, regulatory, technological and infrastructure improvements

The transportation system is safe and secure, protecting Albertans and working toward zero transportation-related serious injuries and fatalities.

Pandemic Response

Toward the end of 2019-20, Transportation contributed to the Government of Alberta's overall response to the COVID-19 crisis.

To ensure the viability and safety of essential transportation supply chains, Transportation worked closely with federal and local partners to support Alberta's industry and economy, and also with the commercial sector to address urgent needs and support essential services wherever possible. Some commercial carrier and railway operator regulations were temporarily modified to ensure Albertans could access essential medical supplies, groceries and fuel, while ensuring safety conditions were met.

To comply with orders of the Chief Medical Officer of Health, the ministry temporarily suspended driver road tests until the end of the public health emergency, with the exception of commercial carrier testing, and identified and procured appropriate personal protective equipment to ensure safe working conditions were maintained across ministry operations.

Key Objectives

4.1 Continue to implement transportation safety strategies to prevent transportation-related deaths and serious injuries on Alberta's roads, including those in Indigenous communities.

Traffic safety remains the ministry's top priority. Transportation worked with municipalities, advocacy and community groups in 2019-20 to promote public awareness of the traffic safety issues that included impaired driving, occupant restraints, speed and intersection safety.

One of the ministry's key tools in promoting a province-wide coordinated approach to improving traffic safety is the Traffic Safety Calendar. The calendar helps to align enforcement activities with educational initiatives on specific issues during specific months. In 2019-20, the Traffic Safety Calendar focused on issues such as impaired driving and school zone safety.

Transportation continued to provide grants to support traffic safety programs in 2019-20. The ministry focused on addressing impaired driving and awarded grants to three organizations:

- **Students Against Drinking and Driving (SADD)**, to provide guidance, resources and activities for high school students to learn about and educate peers about the dangers of drinking, drugs and distractions;
- **Mothers Against Drunk Driving (MADD)**, to deliver MADD Canada's School Assembly Program; and
- **The University of British Columbia School of Medicine**, to research cannabis use among Alberta drivers injured in collisions.

Transportation also continued to maintain front-line traffic safety services in remote areas and regions with the Community Mobilization Program, supporting local stakeholders in addressing their traffic safety priorities. In 2019-20 Transportation's community mobility consultants worked with 28 stakeholders to put on 30 impaired driving awareness events and initiatives in 23 communities. Key stakeholders included not-for-profit organizations, traffic safety committees, municipalities, enforcement and emergency services and companies such as tow truck companies, fast food businesses and funeral homes.

Community mobilization consultants also worked with Indigenous communities to provide Class 7 learner licence workshops to local youth and car seat clinics and information sessions to families.

Changes to speed limits through construction zones were implemented to improve traffic flow and construction worker and driver safety during the 2019 construction season, following a review with industry and safety stakeholders. These changes included a more gradual reduction in speed limits, clear and consistent signage leading to the construction zone, longer transition zones for motorists to slow down, and the restriction of lane closures to less than three kilometres in most cases. Compliance monitoring and penalty enforcement were maintained, with fines still doubled and two to four demerit points issued for speeding when construction workers are present.

In 2019-20, Transportation introduced safety improvements to highways and intersections, such as installing high-tension cable barriers, constructing roundabouts, and adding turning lanes. This work is part of Transportation's focus on the Safe System Approach, to strategically reduce the number of serious injuries and fatalities on Alberta's roads by ensuring safe speeds, safe road users, safe vehicles and safe infrastructure.

The Alberta Wildlife Watch, an innovative program that is the first of its kind in Canada and among the leading programs in North America, continued in 2019-20. More than 13,000 reports of Animal-Vehicle Collisions (AVCs) were submitted via a smartphone application, including just under 800 from highway maintenance staff, to help Transportation identify collision hot spots throughout the province. This data has helped the ministry to identify 45 AVC hot spots province-wide and develop mitigation approaches, such as installing wildlife fences and overpasses. For example, work began on a "Banff-style" wildlife overpass on Highway 1 east of Canmore, the first in Alberta to be built outside of the National Parks. Construction of the wildlife overpass in the Bow Valley is expected to begin in late 2020 or early 2021.

Work continues on implementing infrastructure to ensure the safety of road users and to minimize the impact of highways on wildlife, such as wildlife fencing, wildlife overpasses/underpasses and researching animal detection systems similar to those being implemented in B.C. On average, four to five Albertans are killed annually in AVCs. These collisions account for 43 per cent of all collisions on rural provincial highways, with substantial direct and indirect costs.

Design work began in 2019-20 on a wildlife underpass at Highway 3 Rock Creek. A wildlife underpass and associated fencing at this location will help protect all forms of wildlife by allowing safe passage for animals under Highway 3. This location is one of the highest wildlife-vehicle collision areas in southern Alberta.

4.2 Review the driver examiner model to ensure high standards for safe, reliable and cost-effective services across Alberta, including improved access.

Transportation continues to review the driver examiner model and work with key stakeholders, including registry agents, driver examiners and the Alberta Union of Provincial Employees, to determine ways to improve wait times and service delivery.

In late fall 2019, Albertans were invited to provide feedback about their experiences with road testing through an online survey. Survey results will be used to develop options in fall 2020 to improve the system. In the meantime, the ministry worked to reduce road test wait times by licensing private driver examiners from outside government.

Improvements to the online scheduling system, also reducing wait times in 2019-20, include:

- a rolling day schedule up to 90 days in advance to ensure new appointments come online every week;
- automation to optimize road test scheduling to ensure resources are being used as effectively as possible;
- enhanced system analytics, allowing the ministry to redeploy driver examiners to higher demand areas; and
- access to more data to identify and address trends and remotely monitor test duration to ensure consistency across the province.

4.3 Continue to provide oversight and monitoring, including mandatory entry-level training for Class 1 and Class 2 driver's licence applicants and pre-entry requirements to support carrier safety, to ensure Alberta's highway network remains one of the safest in the country.

The Pre-Entry Program for new National Safety Code carriers, first implemented in March 2019, continues to ensure that new trucking companies understand all safety requirements and undergo a review of operations within the first year of business. Existing carriers are now required to renew their previously non-expiring Safety Fitness Certificates every three years. Carriers may face administrative penalties for non-compliance, which typically range from \$1,500 - \$5,000 per offence. In 2019-20, 159 formal complaints were received, 228 investigations were conducted, and 888 third party audits were conducted. There were \$675,950 in administrative penalties assessed to non-compliant commercial carriers. Carriers remaining non-compliant within specific timelines are suspended as of the next business day.

Mandatory Entry-Level Training (MELT) came into force in Alberta for new Class 1 (tractor-trailer) and Class 2 (bus) drivers taught at driver training schools and organizations across the province in March 2019. Transportation provided support to driver training schools and industry stakeholders implementing MELT through standardized curriculums, student workbooks, practice tests and instructor guides.

Alberta co-leads the national working group that set a national MELT program standard at the request of the Council of Ministers. The province continues to lead the country in promoting safety through MELT standards for multiple vehicle classes and is working toward Class 1 commercial licence equivalence with jurisdictions in the United States.

In response to the photo radar review released in early 2019 and in consultation with Justice and Solicitor General, Transportation implemented key changes between February 2019 and March 2020 to provincial rules that govern municipal photo radar, including:

- banning photo radar use in speed transition zones (which are defined more clearly in the new guidelines);
- banning photo radar use on high-speed multi-lane corridors unless there is a documented traffic safety issue; and
- requiring municipalities to post all upcoming photo radar locations and update the information monthly.

Justice and Solicitor General and Transportation have been engaging with the 27 municipalities and police services in Alberta currently employing photo radar programs to implement the revised guidelines and enhance data collection and reporting requirements to maximize transportation safety outcomes.

4.4 Continue to improve legislation and regulations to align with best practices, to enhance the safety of transportation users, and support federal impaired driving legislation.

The Driver Training and Driver Examination Regulation was amended to legislate the auditing, monitoring, training and licensing of driver examiners. The amendments provided support and oversight of road test quality and driver examiner functions and professionalism in road test service provision throughout the province.

The Operator Licensing and Vehicle Control Regulation was amended to reflect the MELT standards required of transition drivers. This regulation was also amended to reflect a revised definition of school buses, which requires drivers to now obtain professional driver training through the School Bus Driver Improvement Program.

Amendments to the Vehicle Inspection Regulation and the Commercial Vehicle Certificate and Insurance Regulation came into force June 28, 2019 to cut red tape in the province's oil and gas sector. Given the service rigs spend most of their time on site, vehicles equipped with permanently mounted mobile service rigs were exempted from Safety Fitness Certificate requirements, and the period of time inspection

certificates and decals issued to such vehicles remain valid was extended. Finally, the Service Restriction Regulation, rendered redundant and unnecessary by amendments to the *Traffic Safety Act* in 2016, was repealed on September 27, 2019.

In 2019-20, the ministry continued to work on the Transportation Network Company (TNC) Regulatory Framework that prioritizes passenger safety, while creating a level playing field for all companies in the ride-for-hire industry, such as taxis. This work builds on a previous 2018 evaluation of the Transportation Network Companies Regulation's impact on desired outcomes.

In 2018-19, changes to the *Traffic Safety Act* introduced new impaired driving laws to prepare for the legalization of cannabis. The ministry updated programs and regulations to reflect the new cannabis-related provisions, and extended the Alberta Zero Tolerance Program to include cannabis. This work continued in 2019-20 as the ministry monitors the impact of these programs following this change to legislation to inform future impaired driving approaches.

4.5 Increase resiliency of critical infrastructure, including the Springbank Off-Stream Reservoir and consultation project, to reduce impacts of potential emergencies such as floods.

The Alberta government is committed to advancing the \$432 million Springbank Off-Stream Reservoir (SR1) project through the required regulatory approvals process to construction. The ministry has consulted with landowners, Indigenous groups, municipalities including the City of Calgary and Rocky View County, community groups and other stakeholders on this project, and appointed an independent expert to review progress. Following regulatory approval, SR1 will take two years to build to partial capacity, and three years to build to full completion. Approximately 25 per cent of the land needed for the project has been acquired by the province.

The project will contribute to Alberta's integrated flood mitigation approach and protect Albertans and communities in Calgary and southern Alberta. When complete, SR1 will work with the Glenmore Reservoir in Calgary in order to be able to contain the same volume of water from the Elbow River that resulted in the 2013 flood.

Under this Outcome, investment in water management infrastructure is identified as one of the Initiatives Supporting Key Objectives in the ministry 2019-23 Business Plan. Please refer to page 74 in the Other Financial Information section to review spending for this initiative.

To mitigate the impact of potential future emergencies, such as wildfires, the Regional Municipality of Wood Buffalo (RMWB) has advocated for the construction of the East Clearwater Highway, which could improve regional access and provide an alternate route out of Fort McMurray. Together with RMWB, Transportation is conducting an East Clearwater Highway benefits study that is expected to be completed in 2020. The ministry has shared the preliminary draft report with RMWB and the Oil Sands Community Alliance for their initial review and feedback. Transportation will continue to work with RMWB to finalize the report in the year ahead and assess the overall value of the project.

4.6 Continue to work with industry partners to ensure the safe and secure transportation of dangerous goods through communities.

Transportation continues to work closely with industry, municipalities, fire departments and Indigenous communities to coordinate and deliver the ministry's Dangerous Goods program, with a focus on commercial carrier enforcement and compliance issues.

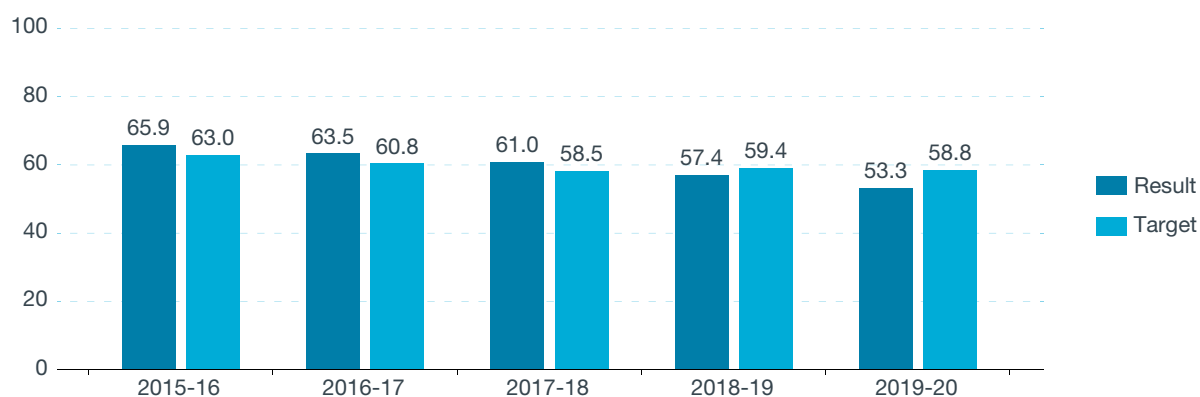
The ministry coordinated the Transport Canada-led Transportation of Dangerous Goods National Blitz for Alberta in 2019-20, during which commercial vehicle road checks were carried out with partner enforcement officers. This resulted in 241 inspections completed with 219 violations identified.

Transportation also continued to operate Alberta Environmental and Dangerous Goods Emergencies, or Alberta EDGE, a cross-ministry hazard-specific emergency response centre acting as a single point of contact for spills and dangerous goods emergencies. In 2019-20, the ministry responded to nearly 27,000 telephone inquiries, with over 14,000 related to Environment and Parks.

Transportation continues to identify efficiencies through collaboration with the provincial and federal governments. Transport Canada is looking to establish new provincial agreements across Canada that will more closely resemble Alberta's model. This will help with effective oversight of all aspects of handling, transporting, and/or importing dangerous goods in Canada.

Performance Measure 4.a:

Combined fatal and major injury collision rate¹ per 100,000 population



Note:

¹ Actual rate is calculated as a three-year rolling average.

Description: This measure describes the three-year rolling average number 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 three-year average combined fatal and major injury collision rate per 100,000 population was 53.3, which is 5.5 below the target of 58.8. This variance of 5.5 collisions per 100,000 population is largely due to many contributing factors that have the potential to impact achieving targets for this measure, including enforcement, engineering initiatives, community mobilization, strategic communication and education initiatives, and the level of support for these strategic initiatives. Many traffic safety initiatives, such as reducing impaired driving or increasing occupant restraint use, are about changing attitudes and behaviours and these types of changes can take several years, if not decades to achieve. When determining the targets, longer-term goals are taken into consideration and targets follow those outlined in the ministry's transportation safety strategies. Transportation safety strategies and programs continue to be a focus for the ministry. The strong result for 2019-20 is an indication that these initiatives are working to improve transportation safety overall. Taking into account these continuing enhancements to safety and improving results since 2018, the ministry has continued to set aggressive targets to further reduce casualties and collisions in the 2020-23 Transportation Business Plan.

Other contributing factors that have the potential to impact achieving targets for this measure include changing population demographics, economic activity in the province, and increases in the number of drivers and registered vehicles, as well as traffic volumes on provincial roads. Continued growth in Alberta also affects the outcomes. For example, traffic volumes for 2019 increased by 3.9 per cent from 2015, as recorded by Alberta's 387 Automated Traffic Recorder sites throughout the province. Alberta's population as of July 1, 2019, as reported by Statistics Canada, was 4,371,316 (Statistics Canada. Table 17-10-0005-01 Population estimates).

The 2019-20 collision rate is based on the best information currently available and is preliminary and subject to change as more information becomes available.

Outcome 5

Innovation and Technology Integration: Alberta's transportation system adapts to new innovations and technologies

The transportation system is flexible and adaptable to rapidly evolving technologies and systems that will improve transportation safety, sustain the lifetime of transportation infrastructure and provide timely information to Albertans.

Key Objectives

5.1 Continue to enhance the transportation management centre to strategically support improved mobility and efficient use of the transportation network, and provide reliable and timely travel condition information to road users and partners.

A number of enhancements have been made to the 511 Alberta platform in recent years. An option to display snowplow locations on the mobile phone app and web site was added, and a mobile phone app to enable highway maintenance contractors to collect and report road condition data was also released.

To support the increasing number of Albertans using tablets, and in addition to an Android app already available, Transportation released a dedicated iPad application in June 2020. Currently, more than 60 per cent (931,342) of 511 Alberta users are using a mobile device.

Technical enhancements to 511 Alberta, such as providing more data on weather events, construction or accidents that disrupt traffic flow, have resulted in providing better information to road users and improving the safe and efficient movement of people and goods within the province. The road reporting service continues to be widely used by the general public, commercial drivers and visitors to Alberta, receiving 69,440 calls in 2019-20.

5.2 Work with partners to investigate and implement innovative technologies and approaches, including new modern urban transportation modes such as e-scooters, automated and connected vehicles and Intelligent Transportation Systems, to promote economic development and support the safety and mobility of travellers.

Transportation monitored the development of emerging transportation technologies such as connected vehicles and automated vehicles to identify potential opportunities and impacts to Alberta's transportation system in 2019-20. This included working with academic institutions, industry leaders and municipalities to prepare for emerging technologies and disruptive innovations.

Transportation granted permit exemptions under the *Traffic Safety Act* to allow the use of e-scooters in Calgary and Edmonton. The ministry is monitoring issues arising from these pilot projects to determine the best approach for future legislation. The pilot permit exemptions expire in 2020 and Transportation will work with the cities on issuing any new exemption permits.

Transportation also oversees the approval of permits and exemptions enabling connected and automated vehicle testing, to ensure driverless vehicle technology is introduced to Alberta roads in the safest way possible. The ministry continues to lead the way in the development and testing of automated vehicle technologies while ensuring these new technologies are safely tested in highly controlled and closely monitored environments.

Exemptions require periodic reports on safety incidents and other relevant data, to ensure the safe operation of these vehicles. In 2019-20, Transportation provided a permit exemption to Pacific Western Transportation to conduct a Highly Automated Vehicle pilot in Beaumont, a continuation of similar

pilots in Calgary, Edmonton and Wetaskiwin in 2018-19. The autonomous vehicle operated within a mixed traffic and pedestrian environment and enabled Albertans to experience this leading edge driverless technology firsthand.

Under this Outcome, the Strategic Services program is identified as one of the Initiatives Supporting Key Objectives in the ministry 2019-23 Business Plan. Please refer to page 73 in the Other Financial Information section to review spending for this initiative.

5.3 Investigate and implement innovative technologies, standards and approaches, including Dynamic Message Signs and unmanned aerial vehicles, to reduce costs and promote the long-term affordability and efficiency of the transportation system.

In 2019, the ministry started reviewing opportunities to leverage and integrate artificial intelligence and business intelligence tools and practices within the transportation information technology application landscape. Potential system enhancements may increase efficiencies through automation and support evidence-based decisions.

More cameras and dynamic message systems were added to the provincial highway network in 2019-20, with five of each coming online along Stoney Trail in Calgary. This expansion is part of recent enhancements to the 511 Alberta platform.

Transportation's Motor Transport Information System (MOTRIS) database was rebuilt in 2019-20 to improve system performance and data integration, and is expected to reduce long-term maintenance and overhead costs. The database manages information safety fitness certificates, safety fitness ratings and on-road safety performance data on truck and bus carriers operating under the National Safety Code program in Alberta. Modernization of MOTRIS also supports expansion of online client services such as self-service access to documents online, allowing clients to receive notification by email for documents generated in MOTRIS.

The light emitting diode (LED) retrofit project continued in 2019-20, with 123 lights converted to LED on provincial highways in Alberta. Another 1,670 lights were tendered, with work scheduled for 2020. LED highway lighting reduces energy consumption and long-term maintenance costs, as well as greenhouse gas emissions. Retrofitting all provincial highway lighting to LEDs improves road user safety as well, by improving line of sight and reducing glare.

Transportation continued to work with Transport Canada to support rapidly changing policies and regulations related to Remotely Piloted Aircraft Systems (RPAS), or drones. This technology falls under the jurisdiction of the Canadian Aviation Regulations, with standards, guidelines and circulars related to RPAS registration, training and operational requirements issued by Transport Canada.

5.4 Continue to work with municipalities for full participation in the Transportation Routing and Vehicle Information Multi-Jurisdictional permitting system.

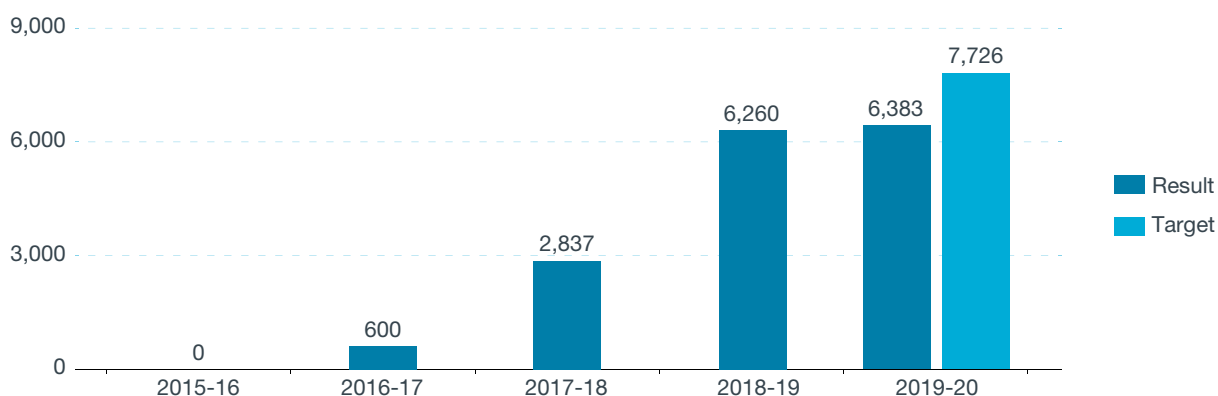
In 2019-20, Transportation worked closely with municipalities to bring them onboard the centralized permitting system known as Transportation Routing and Vehicle Information System-Multi-Jurisdictional, or TRAVIS-MJ. As of March 2020, over 90 per cent of Alberta municipalities hold agreements with the province to use TRAVIS-MJ. Transportation continues to work with onboarding the remaining 29 municipalities, to reduce red tape and streamline permitting for industry.

TRAVIS-MJ manages approvals, fee collection and fee distribution of provincial and municipal permits, and significantly reduces administrative burden for the trucking industry, an important sector of Alberta's economy. Permits may be issued for vehicles and/or loads that exceed allowable dimensions and weight limits for commercial vehicles.

Municipalities using TRAVIS-MJ have the authority to charge a service fee for a permit. The municipal fee is collected by the province on behalf of the municipality, and revenue to help pay for road maintenance is proportionally shared between the province and the municipality based on vehicle weight and distance travelled.

Performance Measure 5.a:

Light Emitting Diode (LED) lighting on provincial highways in Alberta: Cumulative number of lights converted to LED technology along provincial highways



Description: The number of lights on the provincial highway network converted to LED.

Rationale: Transportation continued work to convert lights on the provincial highway network to LED. Installation of LED lights in place of traditional high-pressure sodium (HPS) lights reduces the amount of electricity needed to power Alberta's highway lighting systems and lowers electricity costs from reduced energy consumption. LED lights also have a longer operational lifespan than HPS lights. Significant maintenance savings are anticipated once the conversion project is complete.

Results: This measure had a result of 6,383 cumulative number of lights in 2019-20, with 123 highway lights converted to LED. This is 1,343 below the target of 7,726 lights converted and a variance of about 17 per cent from the target.

The results are most useful when looked at over a period of time, as some of planned project work may span a multi-year time frame. The result this year was influenced by an impact on the scheduling for procurement activities. In 2019-20, further LED lighting projects retrofitting about 1,670 more lights were advanced and tendered. This work is scheduled to be delivered in 2020-21.

In addition, rapidly changing technology and improvements in luminaires resulted in fewer lights required than originally planned to achieve very efficient brightness on highways. Also, the majority of retrofits have been installed on multi-lane divided highways using larger luminaires as opposed to smaller two-lane highways. These luminaires cost about 20 per cent more than the smaller luminaires originally considered when developing program estimates but because they are larger less of them are required to provide the same lighting. They will also reduce long-range costs and represent a good long-range investment. Larger luminaires also have a benefit of saving more greenhouse gas emissions than smaller luminaires. Future targets for this measure were adjusted in the 2020-23 Transportation Business Plan to reflect these recent factors impacting project implementation.

Outcome 6

Environmental Stewardship: Alberta has a transportation system that is managed in an environmentally responsible and sustainable manner

Alberta's transportation system supports economic growth while balancing the need to reduce negative environmental impacts, including identifying barriers and opportunities to reduce passenger and freight-related emissions.

Key Objectives

6.1 Advance clean transportation technologies to support environmental stewardship and economic development.

Transportation took significant measures in 2019-20 to reduce the environmental impact of construction on the Southwest Calgary Ring Road project. These efforts included installing wildlife fencing to mitigate wildlife-related collisions at Elbow River and Fish Creek Valley, developing a planting design to assist wildlife and songbird passage over the highway, developing a 10-year monitoring program at Beaver Pond and committing to limit work hours during construction in environmentally sensitive areas.

In 2019-20, Transportation replaced 123 Alberta highway light fixtures with LED technology and tendered another 1,670 lights to be retrofitted in 2020, as part of a multi-year retrofit project. LED highway lighting reduces energy consumption and long-term maintenance costs, lowering associated greenhouse gas emissions. Retrofitting all provincial highway lighting also improves road user safety, due to improved line of sight and reduced glare from bulbs.

Preparations were underway by the ministry to initiate two-year pilot project in summer 2020 to allow all-terrain mobile cranes to operate without a boom dolly (a trailer on which the long arm of the crane rests) based on size and season. The two-year pilot project will allow all-terrain mobile cranes to travel with the boom extended beyond the front of the vehicle and is expected to reduce fuel consumption and create efficiencies for industry in the movement of equipment.

6.2 Investigate opportunities and partnerships to develop and promote public transportation systems through grant funding programs that support more sustainable, energy-efficient forms of transportation.

In 2019-20, Transportation continued to administer Alberta and Canada's public transportation programs to help support more sustainable, energy-efficient forms of transportation. Under the Public Transit Infrastructure Fund (PTIF), the Government of Alberta is providing \$10.8 million to support the purchase of up to 36 electric buses for the City of Edmonton and \$6.3 million to support the purchase of six light rail vehicles for the City of Calgary. With the exception of projects that received extensions, PTIF ended on March 31, 2020 and GreenTRIP funding has been fully allocated to projects that will be completed by 2022-23. Transportation also oversaw the coordination of provincial and LRT funding for Edmonton and Calgary's major LRT projects.

6.3 Work with partners to ensure all Albertans, including Indigenous communities, have reliable access to clean and safe drinking water and water/wastewater treatment systems by providing funding through the Alberta Municipal Water/Wastewater Partnership, Water for Life and the First Nations Water Tie-In Program.

In 2019-20, the Alberta Municipal Water/Wastewater Partnership (AMWWP) provided \$17 million to municipalities to build facilities for water supply and treatment, and wastewater treatment and disposal. Work on a \$28.2-million upgrade for the Town of Devon wastewater treatment plant and a \$16.2-million upgrade for the Town of St. Paul wastewater treatment plant began in 2019.

Transportation's Water for Life (W4L) provided \$52.3 million to regional commissions or groups of two or more municipalities to help build new regional water systems or expand existing systems to ensure reliable access to clean and safe drinking water. Some of the key projects underway in 2019 include construction of a \$9-million potable waterline from Westlock to the surrounding hamlets and construction of a water supply line from Cold Lake to Bonnyville.

The ministry also continued to administer the Clean Water Wastewater Fund (CWWF) on behalf of the federal government, as part of the \$196.7 million provided to Alberta by the federal government in 2016-17. The CWWF supports the rehabilitation of water and wastewater treatment systems. Under this program, the federal government funds up to 50 per cent of eligible costs and the province funds up to 40 per cent under the W4L Program.

Under this Outcome, the provincial W4L and AMWWP programs and the federal CWWF are identified as Initiatives Supporting Key Objectives in the ministry 2019-23 Business Plan. Please refer to page 73 in the Other Financial Information section to review spending for these initiatives.

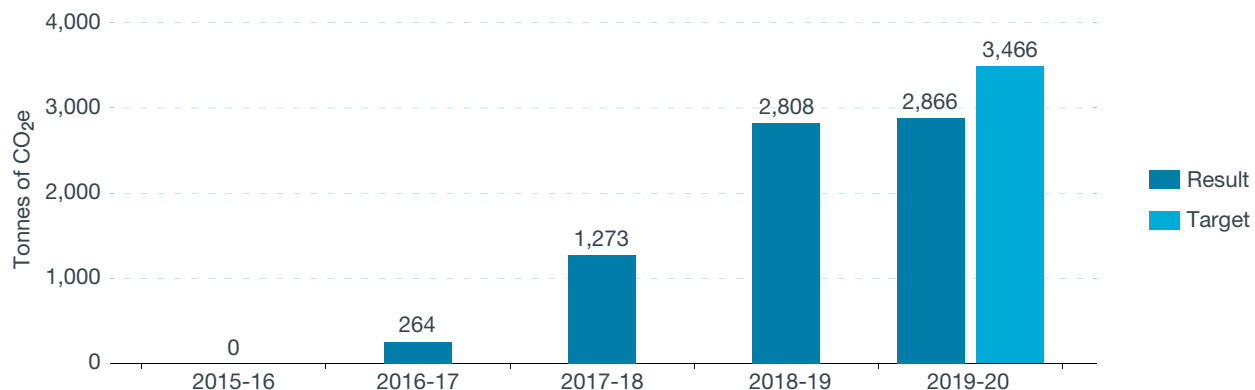
Budget 2019 provided \$53 million over four years for the First Nations Regional Drinking Water Tie-In Program. This funding is part of the Government of Alberta's commitment to the United Nations Declaration on the Rights of Indigenous Peoples. Key project updates in 2019 include continued construction of a \$25-million regional tie-in from the Highway 28/63 Regional Water Services network to the border of the Whitefish First Nation, and work on an expansion to the Capital Region Parkland Water Services network to better serve Paul and Alexis First Nations. The Bonnyville-Cold Lake water supply line project, funded through W4L and the CWWF, is also being provided funds to include Cold Lake First Nation.

The First Nations Water Tie-In Program is also identified under this Outcome as one of the Initiatives Supporting Key Objectives in the ministry 2019-23 Business Plan. Please refer to page 73 in the Other Financial Information section to review spending for this initiative.

6.4 Increase the number of municipalities with capital replacement plans and encourage investigation of new technology for water and wastewater systems to improve efficiency.

In 2019-20, Transportation initiated a review of Alberta's water grant programs to ensure that Alberta's water programs encourage municipalities to develop asset management plans and enable municipalities to adopt new approaches and technologies when designing and building their water assets. Innovation and technology will help to reduce capital and long-term costs of Alberta's water system while maintaining safe water for all Albertans.

Work with Municipal Affairs and Infrastructure is underway to help municipalities develop water infrastructure management plans. These plans will identify and pay for maintenance and upkeep of their water infrastructure, such as metering water usage and future capital replacement.

Performance Measure 6.a:**Greenhouse gas emissions (tonnes of CO₂e) reduced annually with support from green transportation initiatives**

Description: The annual reduction in greenhouse gas (GHG) emissions measured in tonnes of carbon dioxide equivalent (CO₂e) that result from the ministry's projects, programs and policies which support environmental stewardship.

Rationale: Alberta's transportation system supports economic growth while balancing the need to reduce negative environmental impacts. The ministry identified and undertook initiatives to advance energy efficiencies and reduce greenhouse gas emissions, including exploring the use of green transportation infrastructure and environmentally sustainable ways to plan, develop and maintain the transportation network. Currently this measure includes reduced emissions resulting from the conversion to LED lighting project on provincial highways. Other initiatives will be added as applicable data becomes available.

Results: A total of 2,866 tonnes of CO₂e were reduced by the end of 2019-20, 600 below the target of 3,466. This result is in alignment with the number of LEDs retrofitted for the highway network. As discussed in measure 5.a, a cumulative total of 6,383 highway lights have been converted to LED by 2019-20, 1,343 below the target of 7,726. The amount of LED installations completed this year was impacted by the scheduling for procurement-related activities. Further LED lighting projects were advanced and tendered in 2019-20, with work planned to be delivered in 2020-21.

In some cases, the ministry has retrofitted LEDs that are larger than those originally considered when developing the program. This is due to both the rapid advancement in technology and retrofits being completed on larger multi-lane divided highways. Larger LEDs also have a benefit of saving more emissions compared to smaller ones. It is likely that when taking into account the size of LED actually installed in the completed projects that the cumulative reduction is more than the reported 2,866 tonnes of CO₂e for 2019-20. Future targets for this measure were adjusted in the 2020-23 Transportation Business Plan to reflect these factors.

Performance Measure and Indicator Methodology

Performance Measure 1.a:

Ring roads in Calgary and Edmonton: Percentage of combined ring road kilometres open to travel

Methodology: 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 multi-lane roadway opened to travel versus the total kilometres of ring road (179 kilometres). 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%) and Calgary is completed except for Southwest and West Calgary Ring Road. Southwest Calgary Ring Road Contractor — Mountain View Partners provides a monthly report which is averaged into the completed total.

Completion length of the project is based on contract or data in Transportation Infrastructure Management System, Ministry of Transportation.

Performance Indicator 1.b:

Alberta's exports by mode of transportation

Methodology: The data presented by this indicator is sourced from Statistics Canada's International Merchandise Trade Database. Only the value of merchandise trade is captured by these statistics, the service sector exports are not included in the presented figures. The data is expressed in million Canadian dollars and is based on a calendar year. Transportation mode includes air, marine, rail and road; the pipelines mode is not captured by this indicator. The data reflects the transportation mode by which the international boundary is crossed. The reported figures are subject to future revisions by Statistics Canada.

Source: Statistics Canada. Canadian International Merchandise Trade Database.

Performance Indicator 1.c:**Number of commercial vehicle permits issued annually through the Transportation Routing and Vehicle Information Multi-Jurisdictional System**

Methodology: Commercial vehicle permits data is collected in the Transportation Routing and Vehicle Information System (TRAVIS), a software system used for managing the business of issuing and maintaining permits.

Type of Permit	Duration	Description
Licensing	30/60/90 Days or Single Trip	Licensing is also referred to as a Single Trip Licensing Permit or Multi-Trip Licensing Permit. <ul style="list-style-type: none"> Issued to Alberta carriers or out of province carriers not part of prorate to increase their registered weight within legal limits (up to their Gross Vehicle Weight, or maximum operating weight including cab, accessories, passengers, fuel and cargo but excluding trailers). Issued to Alberta carriers with plates restricted to the radius of a city to travel throughout the province. Issued to prorate carriers to exceed the vehicle weight permitted as a prorate vehicle.
Overweight	Single Trip or Multi-Trip (Annual)	Issued to carriers for loads that exceed regulated (legal) weights. Annual overweight permits can be issued to permanently mounted equipment such as service rigs and cranes.
Oversize	Single Trip or Annual Trip	Issued to carriers for loads that exceed regulated length, width, and/or height.

Permits may be issued annually, monthly, for a single trip or for multiple trips (multi-trip). Single trip permits are for one load to go from one location to another (route specific) and do not include return trips. Multi-trip permits are valid province-wide, are not route specific and are issued for a specific duration of time (30/60/90 days or annually). Every individual permit issued in TRAVIS is counted as one permit.

Occasionally a municipal permit may extend for a time period greater than one year.

A vehicle may need to apply for multiple permits for any given trip (e.g. a large load may require a licensing, overweight and oversize permit).

The number of commercial vehicle permits for each type of permit in a fiscal year is obtained by a Senior Application Developer/Support Analyst who runs a TRAVIS report.

Source: Transportation Routing and Vehicle Information Multi-Jurisdictional Permitting System, Ministry of Transportation.

Performance Measure 2.a:**Physical condition of provincial highway surfaces**

Methodology: The ministry ensures the objectivity of results by hiring an external consultant to collect IRI data. Highway condition categories are established from 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 Corridor			Other Highway Group		
Good		Average IRI	<1.5m/km		Average IRI	<1.5m/km
Fair	≥1.5m/km	Average IRI	<1.9m/km	≥1.5m/km	Average IRI	<2.1m/km
Poor	≥1.9m/km	Average IRI		≥2.1m/km	Average IRI	

Future performance targets are estimated using planned construction 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 and provides the condition assessment over one-kilometre to create longer segments that are more sensitive and relevant to capital improvement projects. Detailed explanation of the one-kilometre segmentation is provided in the 2002 University of Calgary study.

Source: Tetra Tech Inc. collects 50 m International Roughness Index data. Ministry of Transportation averages these 50 m records into 1 km segments.

Highway network, length and construction data, Transportation Infrastructure Management System, Ministry of Transportation.

Performance Measure 3.a:**Transit access in Alberta: Percentage of Albertans that have access to transit service**

Methodology: Transit ridership is reported by the Canadian Urban Transit Association (CUTA).

CUTA is a member-based association that supports the public transit industry by providing resources, network, training, events, data, research and advocacy.

CUTA membership includes transit agencies from across Canada.

CUTA is a third party organization, and transit agency membership and statistical reporting is voluntary. Data collection varies by transit agency and the technologies available to them, as no specific methodology is prescribed.

The following calculation is used to determine the transit access percentage for each year: total population within municipalities receiving regular conventional transit service / Alberta total population.

All major transit agencies who serve the largest segments of Alberta's population are members of CUTA and report on conventional transit ridership. A few smaller transit agencies in Alberta are not members of CUTA. The impact on not including their ridership in the performance measure is small.

Data for this measure pertains to conventional transit only and does not include specialized services (i.e. Handi-bus, Paratransit). Alberta CUTA members have reported that nearly all conventional transit routes are designated low-floor accessible. The expansion of conventional transit services combined with capital investments in accessible transit infrastructure is a cost-effective approach to providing freedom of mobility for all Albertans.

CUTA obtains the operating data directly from the member municipalities and the Fact Book is typically released during the last quarter of the calendar year, detailing the preceding calendar year's data.

Data for population estimates for Alberta for this measure is obtained from the Alberta Treasury Board and Finance Office of Statistics and Information, data source: Statistics Canada.

CUTA based data by calendar year for results reporting is first made available for reporting in two years following. Performance results reflect the impact of programs and initiatives introduced three years prior to the reporting period.

Source: Canadian Urban Transit Association (CUTA) Fact Book (annual).

Population for Alberta: Treasury Board and Finance Office of Statistics and Information, data source: Statistics Canada.

Performance Indicator 3.b:

Transit ridership in Alberta (in thousands): Number of passenger trips taken on regularly scheduled service in Alberta's transit system

Methodology: Transit ridership is reported by the Canadian Urban Transit Association (CUTA). CUTA is a member-based association that supports the public transit industry by providing resources, network, training, events, data, research and advocacy.

CUTA membership includes transit agencies from across Canada.

CUTA is a third party organization, and transit agency membership and statistical reporting is voluntary. Data collection varies by transit agency and the technologies available to them, as no specific methodology is prescribed.

All major transit agencies who serve the largest segments of Alberta's population are members of CUTA and report on conventional transit ridership. A few smaller transit agencies in Alberta are not members of CUTA. The impact on not including their ridership in the performance indicator is small.

Data for this indicator pertains to conventional transit only and does not include specialized services (i.e. Handi-bus, Paratransit). Alberta CUTA members have reported that nearly all conventional transit routes are designated low-floor accessible. The expansion of conventional transit services combined with capital investments in accessible transit infrastructure is a cost-effective approach to providing freedom of mobility for all Albertans.

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CUTA based data by calendar year for results reporting is first made available for reporting in two years following. Performance results reflect the impact of programs and initiatives introduced three years prior to the reporting period.

Source: Canadian Urban Transit Association (CUTA) Fact Book (annual).

Performance Measure 4.a:**Combined fatal and major injury collision rate per 100,000 population**

Methodology: 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 in a major injury (persons with injuries or complaint of pain that went to the hospital and were subsequently admitted even if for observation only) to at least one person involved in the collision. 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 collision rate reported is based on a rolling three-year average. The following calculation is used to determine the individual 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.

Annual population for Alberta: Statistics Canada. Table 17-10-0005-01 Population estimates on July 1st, by age and sex.

Performance Measure 5.a:**Light Emitting Diode (LED) lighting on provincial highways in Alberta: Cumulative number of lights converted to LED technology along provincial highways**

Methodology: This performance measure represents the total number of HPS lights converted to LED as reported by the external contractors tasked with this work.

This information was verified by Operational Managers in each Contract Maintenance Area (CMA) and reported to Transportation's project manager.

Source: Data was verified by Operational Managers in each Contract Maintenance Area (CMA) and reported to the project manager, Ministry of Transportation.

Performance Measure 6.a:**Greenhouse gas emissions (tonnes of CO₂e) reduced annually with support from green transportation initiatives**

Methodology: The result data for this measure is taken from estimates for emissions reduction prepared by Transportation.

Green transportation initiatives include those that are identified in the Transportation business plan that link to the result year. Other initiatives will be added to Transportation business plans in the future, as applicable data becomes available.

Data from all identified green transportation initiatives is compiled and summed as a total annually, based on fiscal year.

Source: Data was verified by Operational Managers in each Contract Maintenance Area (CMA) and reported to the project manager, Ministry of Transportation.

Energy consumption data, ENMAX.

Data is taken from estimates for emissions reduction prepared by the Ministry of Transportation.

Financial Information

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Reporting Entity and Method of Consolidation

The financial information is prepared in accordance with government's stated accounting policies, which are based on Canadian Public Sector Accounting Standards.

The reporting entity is the ministry for which the Minister is accountable. The accounts of the ministry, which includes the department and the entities making up the ministry, are fully consolidated using the line-by-line method, except for government business enterprises (GBEs).

Under this method, accounting policies of the consolidated entities are adjusted to conform to government accounting policies and the results of each line item in their financial statements (revenue, expense, assets, and liabilities) are included in government's results. Revenue and expense, capital, investing and financing transactions and related asset and liability balances between the consolidated entities have been eliminated.

GBEs are reported on a modified equity basis, with the equity being computed in accordance with the accounting standards applicable to those entities. Under the modified equity method, the accounting policies of the GBEs are not adjusted to conform to those of the other government organizations. Inter-entity revenue and expense transactions and related asset and liability balances are not eliminated.

A list of the individual entities making up the ministry are shown on the "Management's Responsibility for Reporting" statement included in this annual report.

Ministry Financial Highlights

Statement of Revenues and Expenses (unaudited)

	2020		2019	Change from	
	Budget	Actual	Actual (Restated)	Budget	2019 Actual
<i>(in thousands)</i>					
Revenues					
Government Transfers - Federal Grants	\$ 397,348	\$ 192,068	\$ 138,453	\$ (205,280)	\$ 53,615
Premiums, Fees and Licences	46,030	43,432	27,986	(2,598)	15,446
Other Revenue	25,088	26,099	26,059	1,011	40
Ministry Total	468,466	261,599	192,498	(206,867)	69,101
Inter-ministry consolidation adjustments	-	(92)	(65)	(92)	(27)
Adjusted Ministry Total	468,466	261,507	192,433	(206,959)	69,074
Expenses					
Program					
Ministry Support Services	11,054	10,612	12,314	(442)	(1,702)
Program Services and Support	24,833	22,037	25,799	(2,796)	(3,762)
Traffic Safety Services	45,737	46,704	32,344	967	14,360
Alberta Transportation Safety Board	1,989	2,209	1,559	220	650
Provincial Highway Maintenance and Preservation	1,011,710	1,024,149	1,016,724	12,439	7,425
Municipal Transit and Transportation Grant Programs	147,611	118,864	231,944	(28,747)	(113,080)
Municipal Water Infrastructure Grant Programs	94,039	72,054	145,561	(21,985)	(73,507)
Federal Grant Programs	366,315	166,947	113,942	(199,368)	53,005
Debt Servicing	90,149	90,149	92,131	-	(1,982)
Transfer of Capital Asset to Other Ministries	32,284	39,665	116,886	7,381	(77,221)
Ministry Total	1,825,721	1,593,390	1,789,204	(232,331)	(195,814)
Inter-ministry consolidation adjustments	(32,284)	(39,806)	(117,284)	(7,522)	77,478
Adjusted Ministry Total	1,793,437	1,553,584	1,671,920	(239,853)	(118,336)
Annual Deficit	\$ (1,324,971)	\$ (1,292,077)	\$ (1,479,485)	\$ 32,894	\$ 187,408

Revenue and Expense Highlights

Revenues

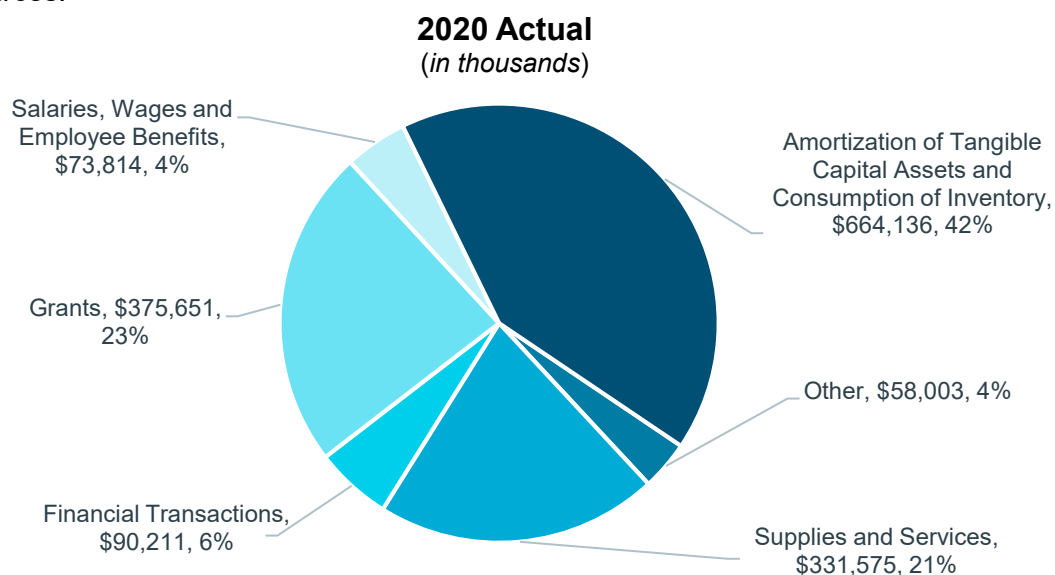
- Revenue was \$206.9 million lower than budget. The primary reason for the variance was the City of Calgary working to address the federal requirements under the Investing in Canada Infrastructure Program. In addition, there was slower than anticipated progress on projects under the Canada-Alberta Bilateral Agreement for the Public Transit Infrastructure Fund and Clean Water Wastewater Fund.
- Revenue totaled \$261.6 million in 2019-20, an increase of \$69.1 million from 2018-19 actual. There were more federal government transfers received from the Public Transit Infrastructure Fund and Clean Water Wastewater Fund in 2019-20 due to more progress by municipalities on projects under the Canada-Alberta Bilateral Agreement.
- Premiums, Fees and Licences totaled \$43.4 million in 2019-20, representing an increase of \$15.4 million from 2018-19. This was primarily due to the collection of fees over twelve months for the Driver Examiner Road Test Model, Mandatory Entry Level Commercial Training and the Pre-Entry Program for New National Safety Code Carriers. The 2018-19 actual reflected approximately one month of program revenue for these programs.

Expenses

- Consistent with the previous year, \$1.02 billion was spent in 2019-20 for Provincial Highway Maintenance and Preservation that includes the structural and operating maintenance of all provincial highways, bridges, and ring roads. Amortization of tangible capital assets is also included in this amount.
- Expense was \$232.3 million lower than budget. This was primarily due to slower than anticipated progress on projects under Federal Grant Programs (as the City of Calgary works to address federal requirements) as well as under Municipal Transportation and Municipal Water Infrastructure. Under these grant programs, \$357.9 million was provided to municipalities to assist in the construction of high priority municipal water supply and treatment projects; and the development and rehabilitation of local, regional and inter-municipal public transit.
- Expense totaled \$1.6 billion, reflecting a decrease of \$195.8 million from 2018-19 primarily in Municipal Transportation and Municipal Water Infrastructure Grant Programs. This reduced spending was due to the gradual conclusion of the Green Transit Incentives Program as approved funding for this program has been fully allocated and aligning with anticipated cash flow requirements of municipalities.
- In addition, expense for the Transfer of Capital Assets to Other Ministries were lower than 2018-19 Actuals by \$77.2 million as a result of fewer dams and water management structures being transferred to Ministry of Environment and Parks.

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 2019-20 expense was amortization and consumption of inventory, which made up 41.7 per cent of total operating expense. Amortization of \$610.6 million was recorded for tangible capital assets consisting of provincial highways, roads and bridges owned by the Ministry, and consumption of inventory of \$53.5 million was recorded for the salt, sand and gravel used in maintenance activities.
- Salaries, wages and employee benefit expenses totaled \$73.8 million, or 4.6 per cent, and supported Corporate Support Services, administration of the Traffic Safety and Rural Initiatives program, including a full year of costs for the Driver Safety Initiatives, and management of construction and maintenance projects.
- Grants, comprising \$375.7 million or 23.6 per cent, includes municipal infrastructure support through provincial and federal transit and water capital grants totalling \$357.9 million. Grant funding was also provided for traffic safety projects and initiatives and for supporting the safety of provincial highways and bridges.
- Supplies and services of \$331.6 million, or 20.8 per cent, was mainly for provincial highway maintenance and preservation, 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).
- The remainder of ministry expenses of \$148.2 million or 9.3 per cent are 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 dams/water management structures transferred to Ministry of Environment and Parks.

Supplemental Financial Information

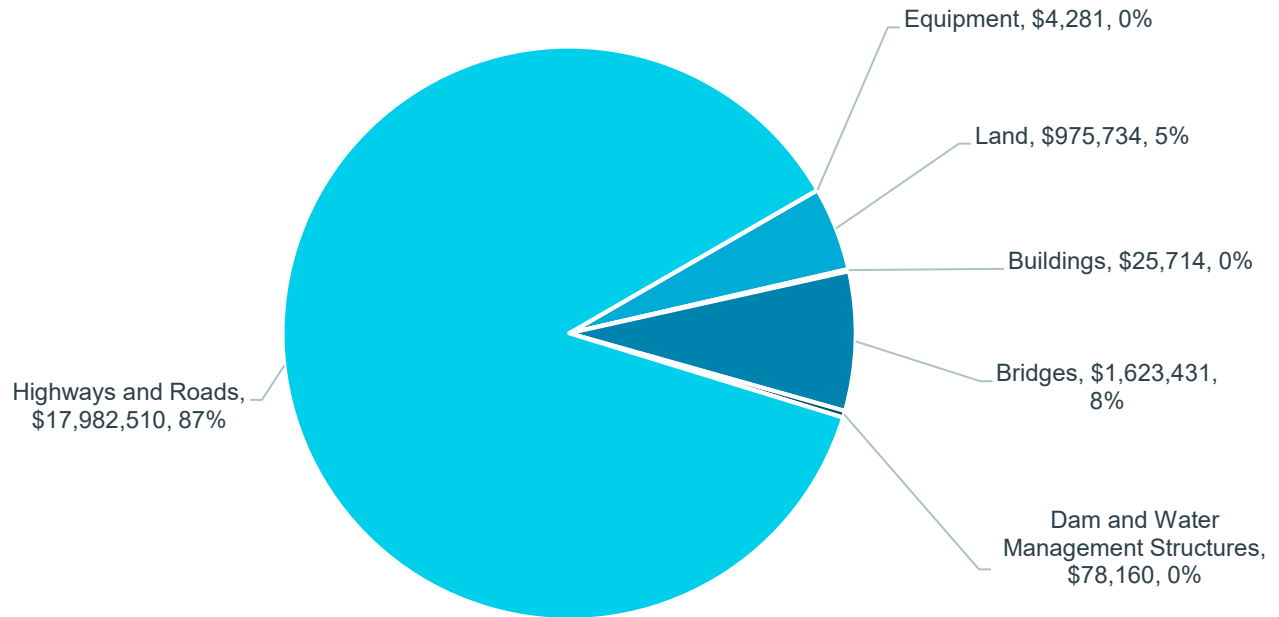
Tangible Capital Assets (unaudited) (in thousands)

	Land	Buildings	Equipment	Highways and Roads	Bridges	Dams	2020 Total	2019 Total
Estimated Useful Life	Indefinite	40 years	5-40 years	20-50 years	50-75 years	20-80 years		
Historical Cost								
Beginning of Year	\$ 950,155	\$ 60,394	\$ 11,206	\$ 24,482,955	\$ 2,387,104	\$ 98,097	\$ 27,989,911	\$ 26,862,538
Additions	33,290	-	7	1,076,043	53,507	12,144	1,174,991	1,245,259
Disposals, Adjustments, and Write-downs	(7,711)	-	-	(5,164)	(485)	(32,081)	(45,441)	(117,886)
	\$ 975,734	\$ 60,394	\$ 11,213	\$ 25,553,834	\$ 2,440,126	\$ 78,160	\$ 29,119,461	\$ 27,989,911
Accumulated Amortization								
Beginning of Year	\$ -	\$ 32,943	\$ 6,278	\$ 7,026,051	\$ 756,596	\$ -	\$ 7,821,868	\$ 7,238,791
Amortization Expense	-	1,737	654	547,932	60,292	-	610,615	583,078
Effect of Disposals	-	-	-	(2,659)	(193)	-	(2,852)	-
	\$ -	\$ 34,680	\$ 6,932	\$ 7,571,324	\$ 816,695	\$ -	\$ 8,429,631	\$ 7,821,869
Net Book Value March 31, 2020	\$ 975,734	\$ 25,714	\$ 4,281	\$ 17,982,510	\$ 1,623,431	\$ 78,160	\$ 20,689,830	
Net Book Value March 31, 2019	\$ 950,155	\$ 27,451	\$ 4,928	\$ 17,456,904	\$ 1,630,508	\$ 98,097		\$ 20,168,042

- Included in the cost of land, buildings, equipment, provincial highways and roads, bridges and dams is work in progress amounting to \$2,350,282 (2019 - \$1,855,516).
- Highways include original pavement and repaving overlays that represent improvements, roadbed, drainage works, and traffic control devices. Includes \$2,765,305 historical cost (2019 - \$2,606,627) and \$336,753 accumulated amortization (2019 - \$290,880) in alternatively financed capital assets. The additions to work in progress related to new highway construction under Public Private Partnerships (P3) is \$270,887 (2019 - \$275,484).
- Non cash disposals include transfers of tangible capital assets to other government departments and nominal sum disposals. There were transfers to the Ministry of Infrastructure of \$7,584 (2019-\$0) and to the Ministry of Environment and Parks of \$32,081 (2019-\$115,250). There were nominal sum disposals to various Alberta municipalities resulting in grants in kind of \$2,796 (2019-\$0).
- Dams and water management structures are constructed by the ministry and transferred to the Ministry of Environment and Parks upon their completion. The Ministry of Transportation does not amortize these assets. Tangible assets held for transfer include land of \$9 (2019 - \$9).

Tangible Capital Assets (unaudited)

Net Book Value as of March 31, 2020
(in thousands)



Financial Statements of Other Reporting Entities

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Alberta Transportation Safety Board Financial Statements

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Independent Auditor's Report

To the Minister of Transportation and the Chair of the Alberta Transportation Safety Board

Report on the Financial Statements

Opinion

I have audited the financial statements of the Alberta Transportation Safety Board, which comprise the statement of financial position as at March 31, 2020, and the statements of operations, change in net debt, and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Alberta Transportation Safety Board as at March 31, 2020, and the results of its operations, its changes in net debt, and its cash flows for the year then ended in accordance with Canadian public sector accounting standards.

Basis for opinion

I conducted my audit in accordance with Canadian generally accepted auditing standards. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Alberta Transportation Safety Board in accordance with the ethical requirements that are relevant to my audit of the financial statements in Canada, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Other information

Management is responsible for the other information. The other information comprises the information included in the *Alberta Transportation Safety Board 2019-20 Annual Report*, but does not include the financial statements and my auditor's report thereon. The *Alberta Transportation Safety Board 2019-20 Annual Report* is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work I will perform on this other information, I conclude that there is a material misstatement of this other information, I am required to communicate the matter to those charged with governance.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Canadian public sector accounting standards, and for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Alberta Transportation Safety Board's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless an intention exists to liquidate or to cease operations, or there is no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Alberta Transportation Safety Board's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Alberta Transportation Safety Board's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Alberta Transportation Safety Board's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Alberta Transportation Safety Board to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

[Original signed by W. Doug Wylie FCPA, FCMA, ICD.D]
Auditor General

June 24, 2020
Edmonton, Alberta

ALBERTA TRANSPORTATION SAFETY BOARD
STATEMENT OF OPERATIONS
Year ended March 31, 2020

	2020		2019
	Budget	Actual	Actual
	<i>(in thousands)</i>		
Revenues			
Transfer from Department of Transportation	\$ 1,989	\$ 1,989	\$ 2,226
	1,989	1,989	2,226
Expenses			
Administration	1,407	1,769	1,234
Community Board Members	582	440	325
	1,989	2,209	1,559
Annual (Deficit) Surplus	\$ -	\$ (220)	\$ 667

ALBERTA TRANSPORTATION SAFETY BOARD
STATEMENT OF FINANCIAL POSITION
As at March 31, 2020

	2020	2019
	<i>(in thousands)</i>	
Financial Assets	\$ -	\$ -
Liabilities		
Accounts Payable and Accrued Liabilities	272	179
Net Debt	<u>(272)</u>	<u>(179)</u>
Net Liabilities	<u>\$ (272)</u>	<u>\$ (179)</u>
Net Liabilities		
Accumulated Net Liability (Note 6)	\$ (272)	\$ (179)
	<u>\$ (272)</u>	<u>\$ (179)</u>

The accompanying notes and schedules are part of these financial statements.

ALBERTA TRANSPORTATION SAFETY BOARD
STATEMENT OF CHANGE IN NET DEBT
 Year ended March 31, 2020

	2020		2019	
	Budget	Actual	Actual	Actual
	<i>(in thousands)</i>			
Annual (Deficit) Surplus	\$ -	\$ (220)	\$ 667	
Net Financing Provided from Department of Transportation			127	(688)
(Increase) in Net Debt in the Year			(93)	(21)
Net Debt, Beginning of Year			(179)	(158)
Net Debt, End of Year			\$ (272)	\$ (179)

The accompanying notes and schedules are part of these financial statements.

ALBERTA TRANSPORTATION SAFETY BOARD
STATEMENT OF CASH FLOWS
Year ended March 31, 2020

	2020	2019
	<i>(in thousands)</i>	
Operating Transactions		
Annual (Deficit) Surplus	\$ (220)	\$ 667
Non-cash items included in Net Operating Results:		
Valuation Adjustments	26	22
	(194)	689
Increase (Decrease) in Accounts Payable and Accrued Liabilities	67	(1)
Cash (Applied to) Provided by Operating Transactions	<u>(127)</u>	<u>688</u>
Financing Transactions		
Net Financing Provided from Department of Transportation	127	(688)
Cash Provided by (Applied to) Financing Transactions	<u>127</u>	<u>(688)</u>
Increase (Decrease) in Cash and Cash Equivalents	-	-
Cash and Cash Equivalents, Beginning of Year	-	-
Cash and Cash Equivalents, End of Year	<u>\$ -</u>	<u>\$ -</u>

The accompanying notes and schedules are part of these financial statements.

**ALBERTA TRANSPORTATION SAFETY BOARD
NOTES TO THE FINANCIAL STATEMENTS
MARCH 31, 2020**

NOTE 1 AUTHORITY AND PURPOSE

The Alberta Transportation Safety Board (Board) is a Provincial Agency established in 2003 pursuant to Section 22 of the *Traffic Safety Act*.

The Alberta Transportation Safety Board:

- is established under Part 2 of the *Traffic Safety Act*;
- conducts driver review hearings and independent appeals of drivers and commercial entities affected by decisions of the Registrar of Motor Vehicle Services (Transportation);
- conducts hearings under the *Railway (Alberta) Act*; and
- conducts all hearings in a fair and timely manner in accordance with the principles of natural justice.

All decisions of the Alberta Transportation Safety Board are made independently in accordance with governing legislation: the *Traffic Safety Act* and the *Railway (Alberta) Act*.

The Board is exempt from income taxes under the *Income Tax Act*.

NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND REPORTING PRACTICES

These financial statements are prepared in accordance with Canadian Public Sector Accounting Standards.

(a) Reporting Entity

The reporting entity is Alberta Transportation Safety Board, which is part of the Ministry of Transportation and for which the Minister of Transportation is accountable. The other entity reporting to the Minister is the Department of Transportation. The activities of the Department are not included in these financial statements.

(b) Basis of Financial Reporting

Revenues

All revenues are reported on the accrual basis of accounting. Cash received for which goods or services have not been provided by year end is recognized as unearned revenue and recorded in accounts payable and other accrued liabilities.

Government Transfers

Transfers from all governments are referred to as government transfers.

All other government transfers, without stipulations for the use of the transfer, are recognized as revenue when the Board is eligible to receive the funds.

**ALBERTA TRANSPORTATION SAFETY BOARD
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
MARCH 31, 2020****NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES (continued)****(b) Basis of Financial Reporting (continued)****Expenses**

Expenses are reported on an accrual basis. The cost of all goods consumed and services received during the year are expensed.

Directly Incurred

Directly incurred expenses are those costs the Board has primary responsibility and accountability for.

In addition to program operating expenses such as salaries, supplies, etc., directly incurred expenses also include:

- pension costs, which are the cost of employer contributions for current service of employees during the year, and
- valuation adjustments which include changes in the valuation allowances used to reflect financial assets at their net recoverable or other appropriate value. Valuation adjustments also represent the change in management's estimate of future payments arising from obligations relating to vacation pay, guarantees and indemnities.

Incurred by Others

Services contributed by related other entities in support of the Board operations are not recognized and are disclosed in Schedule 3.

Valuation of Financial Assets and Liabilities

Fair value is the amount of consideration agreed upon in an arm's length transaction between knowledgeable, willing parties who are under no compulsion to act.

The fair values of accounts payable and accrued liabilities are estimated to approximate their carrying values because of the short term nature of these instruments.

Financial Assets

Financial assets are the Board's financial claims on external organizations and individuals.

Liabilities

Liabilities represent present obligations of the Board to external organizations and individuals arising from past transactions or events occurring before year end, the settlement of which is expected to result in the future sacrifice of economic benefits. They are recognized when there is an appropriate basis of measurement and management can reasonably estimate the amount.

**ALBERTA TRANSPORTATION SAFETY BOARD
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
MARCH 31, 2020**

**NOTE 2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES AND
REPORTING PRACTICES (continued)**

(b) Basis of Financial Reporting (continued)

Liabilities (continued)

Liabilities also include:

- all financial claims payable by the Board at the year end and
- accrued employee vacation entitlements.

Statement of Remeasurement Gains and Losses

As the Board does not have any transactions involving financial instruments that are classified in the fair value category and has no foreign currency transactions, there are no re-measurement gains and losses and therefore a statement of re-measurement gains and losses has not been presented.

NOTE 3 FUTURE ACCOUNTING CHANGES

The Public Sector Accounting Board has issued the following accounting standards:

- **PS 3280 Asset Retirement Obligations (effective April 1, 2021)**
Effective April 1, 2021, this standard provides guidance on how to account for and report liabilities for retirement of tangible capital assets.
- **PS 3400 Revenue (effective April 1, 2022)**
This standard provides guidance on how to account for and report on revenue, and specifically, it addresses revenue arising from exchange transactions and unilateral transactions.

Management is currently assessing the impact of these standards on the financial statements.

NOTE 4 BUDGET
(in thousands)

A preliminary budget with a surplus of \$0 was approved by the Chair of Alberta Transportation Safety Board on October 3, 2019 and the financial plan was submitted to the Minister of Transportation. The budget reported in the Statement of Operations reflects the original 2019 annual surplus and additional reclassifications required for more consistent presentation with current and prior year results.

ALBERTA TRANSPORTATION SAFETY BOARD
NOTES TO THE FINANCIAL STATEMENTS (Cont'd)
MARCH 31, 2020

NOTE 5 BENEFIT PLANS
(in thousands)

The Board participates in the multi-employer pension plans: Management Employee Pension Plan (MEPP), Public Service Pension Plan (PSPP) and Supplementary Retirement Plan (SRP) for Public Service Managers. The expense of these pension plans is equivalent to the annual contributions of \$64 for the year ended March 31, 2020 (2019 - \$101). Participating organizations are not responsible for future funding of the plan deficit other than through contribution increases.

At December 31, 2019, the Management Employees Pension Plan reported a surplus of \$1,008,135 (2018: surplus \$670,700), the Local Authority Pension Plan reported a surplus of \$7,913,261 (2018: surplus of \$3,469,347), the Public Service Pension Plan reported a surplus of \$2,759,320 (2018: surplus \$519,218) and the Supplementary Retirement Plan for Public Service Managers reported a deficiency of \$44,698 (2018 - deficiency \$70,310).

The Board also participates in two multi-employer Long Term Disability Income Continuance Plans. At March 31, 2020, the Bargaining Unit Plan reported a surplus of \$63,706 (2019 – surplus \$110,320) and the Management, Opted Out and Excluded Plan a surplus of \$11,635 (2019 – surplus \$24,642). The expense for these two plans is limited to the employer's annual contributions for the year.

The fair value of the pension plans are subject to significant market volatility due to the economic crisis stemming from the global pandemic COVID-19 virus. To the extent that the pension plans may not recover market-losses during the remainder of 2020, the funded status of the plans would experience a correlated decline. The financial market impact of the outbreak has been rapidly evolving, which precludes a reasonable estimate of the impact.

NOTE 6 ACCUMULATED NET LIABILITIES
(in thousands)

Accumulated net liabilities are comprised of the following:

	2020	2019
Balance Beginning of Year	\$ (179)	\$ (158)
Annual (Deficit) Surplus	(220)	667
Net Financing Provided from Department of Transportation	127	(688)
Balance End of Year	<u>\$ (272)</u>	<u>\$ (179)</u>

NOTE 7 APPROVAL OF FINANCIAL STATEMENTS

The senior financial officer and the Chair of the Board approved the financial statements of the Alberta Transportation Safety Board.

ALBERTA TRANSPORTATION SAFETY BOARD
SCHEDULE TO FINANCIAL STATEMENTS
EXPENSES - DIRECTLY INCURRED DETAILED BY OBJECT
Year ended March 31, 2020

Schedule 1

	2020		2019
	Budget	Actual	Actual
	<i>(in thousands)</i>		
Salaries, Wages and Employee Benefits	\$ 1,074	\$ 1,057	\$ 939
Supplies and Services	915	1,152	620
	<u>\$ 1,989</u>	<u>\$ 2,209</u>	<u>\$ 1,559</u>

ALBERTA TRANSPORTATION SAFETY BOARD
SCHEDULE TO FINANCIAL STATEMENTS
SALARY AND BENEFITS DISCLOSURE
Year Ended March 31, 2020

Schedule 2

	2020			2019	
	Base Salary ⁽¹⁾	Other Cash Benefits ⁽²⁾	Other Non-cash Benefits ⁽³⁾	Total	Total
Chair, Alberta Transportation Safety Board ⁽⁴⁾	\$ 201,762	\$ 20,819	\$ 13,694	\$ 236,275	\$ 237,908

- (1) Base salary includes regular salary and earnings such as acting pay.
- (2) Other cash benefits include vacation payouts and lump sum payments. There were no bonuses paid in 2020.
- (3) Other non-cash benefits include government's share of all employee benefits and contributions or payments made on behalf of employees including pension, supplementary retirement plans, health care, dental coverage, group life insurance, short and long term disability plans, professional memberships, tuition fees, and parking.
- (4) The position was occupied by two individuals during the year. The occupancy changed on April 9, 2019.

ALBERTA TRANSPORTATION SAFETY BOARD
SCHEDULE TO FINANCIAL STATEMENTS
RELATED PARTY TRANSACTIONS
Year ended March 31, 2020
(in thousands)

Schedule 3

Related parties are those entities consolidated or accounted for on the modified equity basis in the Government of Alberta consolidated financial statements. Related parties also include management of the Board and close family members of those individuals of the Board.

The Board and its employees paid or collected certain taxes and fees set by regulation for premiums, licenses and other charges. These amounts were incurred in the normal course of business, reflect charges applicable to all users, and have been excluded from this schedule.

The Board had the following transactions with related parties recorded on the Statement of Operations and the Statement of Financial Position at the amount of consideration agreed upon between the related parties:

	Entities in the Ministry	
	2020	2019
Revenue		
Grant from Department of Transportation	\$ 1,989	\$ 2,226
	<u> </u>	<u> </u>
	Other Entities	
	2020	2019
Expenses - Directly Incurred		
Business and Technology Services	\$ 26	\$ 26
	<u> </u>	<u> </u>

The Board also had the following transactions with related parties for which no consideration was exchanged. The amounts for these related party transactions are estimated based on the costs incurred by the service provider to provide the service. These expense amounts are not recorded in the financial statements.

	Entities in the Ministry	
	2020	2019
Expenses - Incurred by Department of Transportation		
Financial Services	\$ 170	\$ 170
	<u> </u>	<u> </u>
	Other Entities	
	2020	2019
Expenses - Incurred by Other Entity		
Accommodation	\$ 124	\$ 105
	<u> </u>	<u> </u>

Other Financial Information

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Statement of Credit or Recovery (unaudited)**Department of Transportation****For the year ended March 31, 2020***In thousands*The following has been prepared pursuant to Section 24(3) of the *Financial Administration Act*.

	Authorized	Actual Revenue Recognized	Deferred Revenue	Actual Cash/ Donation Received/ Receivable	(Shortfall)/ Excess
Operational					
Motor Transport Permits and Licences	\$ 21,640	\$ 20,320	-	\$ 20,320	\$ (1,320)
National Safety Code	426	426	-	426	-
Commercial Vehicle Decals	480	51	-	51	(429)
	<u>\$ 22,546</u>	<u>\$ 20,797</u>	<u>\$ -</u>	<u>\$ 20,797</u>	<u>\$ (1,749)</u> ⁽¹⁾
Capital - Voted					
Highway Rehabilitation Projects	\$ 3,000	\$ 44	\$ -	\$ 44	\$ (2,956)
Tourism Highway Signage Initiative	1,000	430	-	430	(570)
	<u>\$ 4,000</u>	<u>\$ 473</u>	<u>\$ -</u>	<u>\$ 474</u>	<u>\$ (3,526)</u> ⁽¹⁾

(1) Shortfall is deducted from current year's authorized spending, as disclosed in Lapse/Encumbrance schedule.

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 for New National Safety Code Carriers.

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.

Commercial Vehicle Decals

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

Highway Rehabilitation Projects

Various agreements exist whereby the private sector and municipalities make contributions towards capital maintenance and renewal projects.

Tourism Highway Signage Initiative

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

LAPSE/ENCUMBRANCE (unaudited)**Department of Transportation
For the year ended March 31, 2020***In thousands*

	Voted Estimates ⁽¹⁾	Supplementary Estimate ⁽²⁾	Adjustments ⁽³⁾	Adjusted Voted Estimates	Actuals ⁽⁴⁾	Unexpended (Over Expended) ⁽⁵⁾
Expense Vote by Program						
1 Ministry Support Services						
1.1 Minister's Office	\$ 933	\$ -	\$ -	\$ 933	\$ 1,073	\$ (140)
1.2 Deputy Minister's Office	725	-	-	725	868	(143)
1.3 Strategic Services	9,396	-	-	9,396	8,972	424
	<u>11,054</u>	<u>-</u>	<u>-</u>	<u>11,054</u>	<u>10,913</u>	<u>141</u>
2 Program Services and Support	24,833	-	-	24,833	22,383	2,450
3 Traffic Safety Services	45,737	-	-	45,737	46,642	(905)
4 Grant to Alberta Transportation Safety Board	1,989	-	-	1,989	1,989	-
5 Provincial Highway Maintenance and Preservation						
5.1 Maintenance	247,050	-	-	247,050	248,295	(1,245)
5.2 P3 Maintenance	68,761	-	-	68,761	66,405	2,356
5.3 Preservation	5,725	-	-	5,725	2,563	3,162
5.4 Assessment and Support Systems	25,273	-	-	25,273	21,056	4,217
	<u>346,809</u>	<u>-</u>	<u>-</u>	<u>346,809</u>	<u>338,319</u>	<u>8,490</u>
6 Municipal Transit and Transportation Grant Programs						
6.1 Strategic Transportation Infrastructure Program	22,265	-	-	22,265	32,265	(10,000)
6.2 Green Transit Incentives Program (GreenTRIP)	125,346	-	-	125,346	86,599	38,747
	<u>147,611</u>	<u>-</u>	<u>-</u>	<u>147,611</u>	<u>118,864</u>	<u>28,747</u>
7 Municipal Water Infrastructure Grant Programs						
7.1 Municipal Water Wastewater Program	32,259	-	-	32,259	16,984	15,275
7.2 Water for Life	43,386	-	-	43,386	52,278	(8,892)
7.3 First Nations Water Tie-In Program	18,394	-	-	18,394	2,792	15,602
	<u>94,039</u>	<u>-</u>	<u>-</u>	<u>94,039</u>	<u>72,054</u>	<u>21,985</u>
8 Federal Grant Programs						
8.1 Public Transit Infrastructure Fund	138,138	-	-	138,138	108,540	29,598
8.2 Clean Water Wastewater Fund	76,932	-	-	76,932	58,407	18,525
8.3 Investing in Canada Infrastructure - Public Transit	150,791	-	-	150,791	-	150,791
8.4 Investing in Canada Infrastructure - Green Infrastructure	454	-	-	454	-	454
	<u>366,315</u>	<u>-</u>	<u>-</u>	<u>366,315</u>	<u>166,947</u>	<u>199,368</u>
9 Ring Roads						
9.3 Debt Servicing	90,149	-	-	90,149	90,149	-
Credit or Recovery Shortfall	-	-	(1,749)	(1,749)	-	(1,749)
Total	<u>\$ 1,128,536</u>	<u>\$ -</u>	<u>\$ (1,749)</u>	<u>\$ 1,126,787</u>	<u>\$ 868,260</u>	<u>\$ 258,527</u>
Lapse						<u>\$ 258,527</u>

Lapse/Encumbrance (unaudited)... Continued

	Voted Estimates ⁽¹⁾	Supplementary Estimate ⁽²⁾	Adjustments ⁽³⁾	Adjusted Voted Estimates	Actuals ⁽⁴⁾	Unexpended (Over Expended) ⁽⁵⁾
	(in thousands)					
Capital investment Vote by Program						
1 Ministry Support Services						
1.3 Strategic Services	\$ 687	\$ -	\$ -	\$ 687	\$ 8	\$ 679
9 Ring Roads						
9.1 Edmonton Ring Road	28,404	-	-	28,404	13,173	15,231
9.2 Calgary Ring Road	310,667	-	-	310,667	357,088	(46,421)
	<u>339,071</u>	<u>-</u>	<u>-</u>	<u>339,071</u>	<u>370,261</u>	<u>(31,190)</u>
10 Northeast Alberta Strategic Projects						
10.1 Highway 63 Twinning	-	-	-	-	1,531	(1,531)
11 Provincial Highway Construction Projects						
11.1 Highway Twinning, Widening and Expansion	151,384	-	-	151,384	183,928	(32,544)
11.2 Interchanges, Intersections and Safety Upgrades	5,000	-	-	5,000	9,454	(4,454)
	<u>156,384</u>	<u>-</u>	<u>-</u>	<u>156,384</u>	<u>193,382</u>	<u>(36,998)</u>
12 Bridge Construction Projects	60,000	-	-	60,000	48,563	11,437
13 Provincial Highway Rehabilitation						
13.1 Highway Rehabilitation Projects	302,179	-	-	302,179	351,394	(49,215)
13.2 P3 Rehabilitation	9,186	-	-	9,186	7,729	1,457
13.3 Major Maintenance	25,000	-	-	25,000	13,121	11,879
	<u>336,365</u>	<u>-</u>	<u>-</u>	<u>336,365</u>	<u>372,244</u>	<u>(35,879)</u>
14 Water Management Projects						
14.1 Water Management Infrastructure	29,000	-	-	29,000	11,715	17,285
14.2 Springbank Off-Stream Reservoir	92,000	-	-	92,000	11,502	80,498
	<u>121,000</u>	<u>-</u>	<u>-</u>	<u>121,000</u>	<u>23,217</u>	<u>97,783</u>
15 2013 Alberta Flooding						
15.1 Highways and Bridges Infrastructure Recovery	-	-	-	-	1,357	(1,357)
15.2 Water and Wastewater Infrastructure Recovery	-	-	-	-	670	(670)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,027</u>	<u>(2,027)</u>
Credit or Recovery Shortfall	-	-	(3,526)	(3,526)	-	(3,526)
Total (Encumbrance)	<u>\$ 1,013,507</u>	<u>\$ -</u>	<u>\$ (3,526)</u>	<u>\$ 1,009,981</u>	<u>\$ 1,011,233</u>	<u>\$ (1,252)</u>
						<u>\$ (1,252)</u>
Financial Transactions Vote by Program						
5 Provincial Highway Maintenance and Preservation						
5.5 Salt, Sand and Gravel	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ 50,896	\$ (896)
9 Ring Roads						
9.4 Debt Repayment	49,939	-	-	49,939	49,939	-
Total (Encumbrance)	<u>\$ 99,939</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 99,939</u>	<u>\$ 100,835</u>	<u>\$ (896)</u>
						<u>\$ (896)</u>

(1) As per "Expense Vote by Program", "Capital Investment Vote by Program" and "Financial Transactions Vote by Program" pages 197-198 of 2019-2020 Government Estimates.

(2) No Supplementary Estimates for fiscal year 2019-20.

(3) Adjustments include encumbrances, capital carry forward 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.

(4) Actuals exclude non-voted amounts such as amortization and valuation adjustments.

(5) The over expenditure of capital investment is due to budgeted credit recovery that did not materialize.

The over expenditure of financial transactions is due to transition to new highway maintenance contracts and fixed fee pricing.

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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 the Public Interest Disclosure Office for Alberta Transportation between April 1, 2019 and March 31, 2020.

