



**PORT**   
**OF THUNDER BAY**  
THE SUPERIOR WAY WEST

**THUNDER BAY PORT AUTHORITY**  
2020 ANNUAL REPORT

Canada





# MESSAGE FROM THE CHAIR

The year 2020 was marked by the onset of the COVID-19 pandemic, which impacted supply chains globally due to both supply and demand discord and unprecedented health and safety challenges. The Port of Thunder Bay played a key role in meeting increased demand for Western Canadian grain, engaging available capacity and efficiently increasing year-over-year throughput by 1.3 million metric tonnes. The rise in grain shipments more than offset decreases in bulk coal and potash, and the overall cargo volume of 10.2 million metric tonnes was the port's highest since 1997.

Thunder Bay Port Authority (TBPA) employs an asset-based strategy to increase ship supply and enhance the port's competitiveness, a critical supply chain success factor. Success in attracting cargo to the Seaway from alternative routes can take considerable time and effort. The first shipment of import phosphate fertilizer at Keefer Terminal in 2020 is a product of these efforts. This cargo represents an opportunity to increase long-term inbound shipments in Thunder Bay, providing two-way traffic for ocean vessels visiting the port.

Marine cargo activity at Keefer also included steel rail, structural steel, and wind energy components. Several major project cargo shipments were delayed as construction was impacted by pandemic restrictions.

TBPA completed a multi-modal terminal reconfiguration project at Keefer Terminal in 2020, which has greatly enhanced this significant Northern Ontario transportation asset. TBPA partnered on the \$14 million dollar project with the Federal National Trade Corridors Fund (\$6.5 million dollars) and the Northern Ontario Heritage Fund Corporation (\$1.0 million dollars). Shippers will benefit from increased heated storage capacity, reconfigured rail and laydown assets, including 3,000 feet of rail upgrades and 6 acres of new asphalt laydown for cargo staging and storage.

We are encouraged by the port's regained prominence on the Seaway as the #1 Canadian Great Lakes Port in terms of cargo tonnage.

The port is a strategic supply chain link benefitting the Canadian transportation sector, shippers in Western Canada using the East-West trade corridor, and the community of Thunder Bay. The port is a key driver of the economy and a major employer in our municipality.

On behalf of the Board I would like to express our sincere appreciation and extend our thanks to each member of the staff for their dedication and hard work throughout 2020 and we look forward to working together to chart a successful 2021 for the Port of Thunder Bay.



**Bonny Skene**  
Chair of the Board

*Cover photo: Jack Hamlin, winner of the Sea it Your Way contest for "Best Sunrise or Sunset photo of the Port"*



# BOARD OF DIRECTORS

The ongoing success of the Port of Thunder Bay benefits Thunder Bay and the region. Industry leaders bring decades of experience to the Thunder Bay Port Authority Board of Directors. Each level of government—federal, provincial and municipal—names a director for a term of three years. The federal Transport Minister, on the recommendation of port users, names the remaining four directors. There is currently one vacancy on the Board.

The Port plays a strategic role as Western Canada's second largest grain port. Thunder Bay Port Authority provides harbour administration and supports economic development through promotion of the Port and its capabilities, advocating for key issues and investing in port infrastructure.

## PORT USER DIRECTORS



**Bonny Skene**  
Chair



**Tracy Buckler**



**Charla Robinson**

## MANAGEMENT

**Timothy V. Heney**  
Chief Executive Officer

**Melvin H. Parker**  
Comptroller & Corporate Secretary

**Guy P. Jarvis**  
Director of Engineering & Harbour Master

## FEDERAL DIRECTOR



**Dianne Miller**

## PROVINCIAL DIRECTOR



**Wade Robertson**

## MUNICIPAL DIRECTOR



**Patrick Bushby**





# STRATEGY

## MISSION STATEMENT

To promote and invest in the efficient integration of marine, rail, and road transportation systems and improve competitiveness of the Thunder Bay marine route, to advance economic growth.

## VISION STATEMENT

The Port of Thunder Bay and the Seaway is the preferred gateway for European trade with Western Canada, and Thunder Bay Port Authority is an important facilitator of this commerce.





The Port of Thunder Bay is situated on the western terminus of the Great Lakes – St. Lawrence Seaway System. As Canada’s gateway to the western provinces, the Port is ideally positioned to handle cargo destined for Western Canada and for movements from the west into the Seaway system and through to Europe. Thunder Bay Port Authority (TBPA) is an important facilitator of commerce in Northwestern Ontario and administers the only major port in the region.

TBPA has aligned its business plan with its strategic objectives which are broadly defined as follows:

- **Diversify and increase marine cargo;**
- **Invest in strategic infrastructure;**
- **Promote partnerships and public engagement.**

TBPA satisfies its mandate largely through the operation of a premier multi-modal facility, Keefer Terminal, which has become a hub for Western-Canadian bound project and general cargo shipments. Ongoing initiatives for expanding the volume and variety of marine cargo in the Port of Thunder Bay include growth and diversification of shipments via Keefer.

There has been considerable success in this initiative, and TBPA has garnered a strong reputation and customer base. Shippers value capability and reliability when shipping their high-value cargoes; relationship-building is a critical component in the process of earning shipper trust and securing cargo.

TBPA also promotes its strategic waterfront property, Intercity Site, and advances initiatives to increase bulk cargo volumes through other port terminals.

Keefer Terminal’s multi-modal reconfiguration was completed in 2020, resulting in expansion of capacity and upgrades to capability. This significant Northern Ontario transportation asset is enhanced to the economic benefit of:

- the Canadian transportation sector,
- shippers in Western Canada using the East-West trade corridor, and
- the local economy in Thunder Bay, through job creation and a net inflow of spending in the region.

The Port’s profile is maintained locally, nationally, and internationally through public relations and partnerships. A strong marketing budget indicates TBPA’s commitment to further enhance stakeholder and customer relationships to achieve overall objectives.



# 2020 YEAR IN REVIEW

## BY THE NUMBERS

The 2020 shipping season was the Port’s most successful in over two decades. Annual cargo volumes tallied 10.2 million metric tonnes (MMT), exceeding the ten million mark for the first time since 1997.

Much of the success in 2020 is attributable to the port’s strategic position as Western Canada’s gateway to Eastern markets for grain. Thunder Bay is the western terminus of the Great Lakes – St. Lawrence Seaway System, a 3,700-kilometre marine highway for shipping bulk cargo to and from North America via the Atlantic Ocean. Overseas grain demand drew 157 foreign ‘saltie’ vessels to Thunder Bay for grain in 2020 – the second-highest tally at the Port since the Seaway opened in 1959.

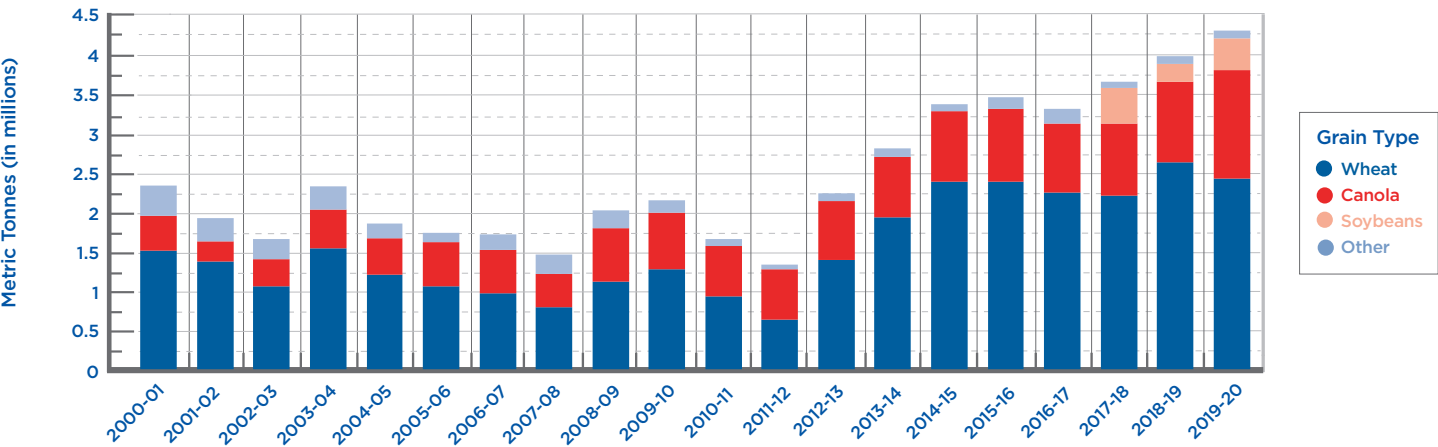
Several factors contributed to the grain surge, including significant carryover of grain stock from the large 2019 harvest, and worldwide stockpiling of staple foods during the first waves of the COVID-19 pandemic.

Greater diversification of crops, particularly in Manitoba, is having an impact in Thunder Bay as well, as markets demand more variety. Canola and soybean orders in Europe, for instance, have grown at a higher rate than those for traditional durum wheat. The grain story bucks the downward trend of virtually every other cargo on the Seaway in 2020, signaling the important role the Port and Western farmers play on the System.

## MANITOBA’S GRAIN PORT

Nearly three quarters of Manitoba’s marine-exported grain transits the Port of Thunder Bay. Larger output and a diversified crop base have led to greater shipments in recent years.

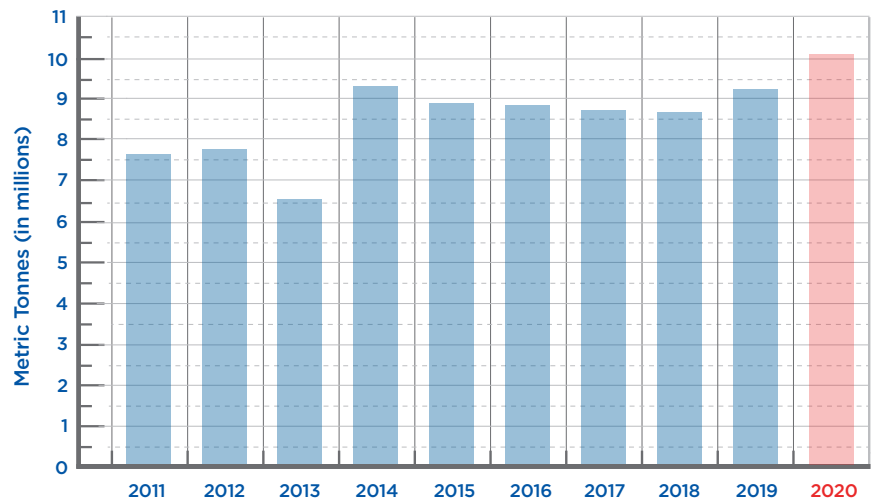
MANITOBA GRAIN VOLUMES SHIPPED VIA THUNDER BAY





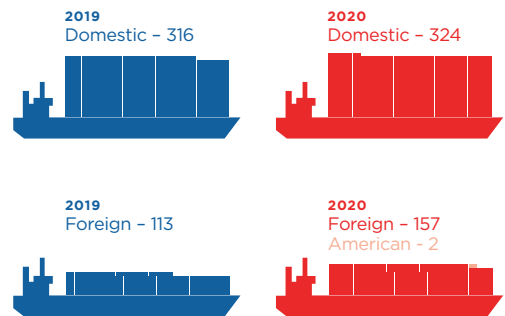
# CARGO STATISTICS

THUNDER BAY CARGO SHIPMENTS, 2011-2020



YEAR	METRIC TONNES
2011	7,608,692
2012	7,842,625
2013	6,530,204
2014	9,341,250
2015	8,909,499
2016	8,830,414
2017	8,817,884
2018	8,733,330
2019	9,279,373
2020	10,195,605

## VESSEL VISITS



## CARGO BREAKDOWN

FREIGHT	2019	2020
Grain	7,900,365	9,210,240
Coal	779,893	434,021
Potash	400,700	316,499
Other	216,415	234,845
Total:	9,297,373	10,195,605

CARGO VARIANCES (VS. 5-YEAR AVERAGE):

Grain ↑21% | Coal ↓36% | Potash ↓20%

## SEASON TIMELINE

### Opening of Navigation, Domestic:

Barge Huron Spirit and Tug Sharon M1  
March 26, 2020

### Opening of Navigation, Foreign:

MV Tufty  
April 10, 2020

### Closing of Navigation:

MV Saginaw  
January 12, 2021





Steel staged in newly paved laydown area



Phosphate fertilizer in covered storage



Handling of wind energy cargo

## DIVERSIFY AND INCREASE MARINE CARGO

Growing and diversifying marine cargo handled at Keefer Terminal is a longstanding objective. TBPA's fulsome approach to attracting cargo from competing supply chains includes investing in critical infrastructure, fostering logistics relationships, focusing on reliability and competitiveness, and promoting the secure, efficient, and customer-centric Port of Thunder Bay shipping experience.

The Port of Thunder Bay is a seamless intermodal hub for dimensional cargo. Thunder Bay connects directly to the West with superior cargo clearance through CN and CP railways and the TransCanada Highway. Wind turbines, mining equipment, structural steel, and electrical infrastructure, among other diverse cargoes, are regularly handled at Keefer.

Late in the 2020 season, Keefer received the Port's first import shipment of phosphate fertilizer. The fertilizer was stored inside and railed to Prairie farms to cultivate the grain that will be exported from Thunder Bay elevators in the next harvest. This shipment required considerable planning between the freight forwarder, TBPA, and Logistec Stevedoring who was responsible for the safe and efficient discharge and handling of the fertilizer at the terminal.

Given the success of the arrangement, forwarders are planning to send further shipments in 2021. This cargo represents an opportunity to increase inbound shipments in Thunder Bay, capitalizing on the large volume of outbound shipments and available capacity, improving the bottom line for shippers. TBPA has invested heavily in infrastructure and marketed a two-way route that adds value for businesses shipping to and from the West. This cargo fits the model and affirms the organizational strategy.





## INVEST IN STRATEGIC INFRASTRUCTURE

TBPA reinvests its earnings in capital infrastructure to maintain and improve the capabilities of the port. A \$13.1-million-dollar, multi-modal reconfiguration project was completed at Keefer Terminal in 2020 to:

- accommodate growing demand;
- improve cargo handling efficiency; and
- expand storage and staging options for shippers.

Project outcomes included:

- a 50,000 sq. ft. clear-span, heated storage facility;
- reconfigured rail and cargo handling yard;
- 3,000 feet of upgraded railtrack; and
- expansion of both asphalt-paved and granular laydown areas.

Reconfiguration of the general cargo terminal has increased TBPA's capability to handle future marine-related opportunities and attract new business to Thunder Bay.

TBPA is proud to partner on this capital investment with the National Trade Corridors Fund (\$6.5 million dollar contribution) and the Northern Ontario Heritage Fund Corporation (\$1.0 million dollar contribution). The project complements previous investments in the terminal including a Liebherr Mobile Harbour Crane and adjacent intermodal yard.



# PARTNERSHIPS & PUBLIC ENGAGEMENT

Partnerships are critical to effective port operations and supply chain success. TBPA maintains partnerships across borders and industries, from shippers and suppliers to policy makers. Outreach efforts include panel participation and presentations to a wide variety of industry and stakeholder groups.

The Port of Thunder Bay's success is directly tied to the effectiveness and efficiency of the Great Lakes – St. Lawrence Seaway System. TBPA advocates for Seaway competitiveness, among other issues.

Stakeholder engagement required evolution and improvisation to overcome the challenges posed by pandemic restrictions. To increase public engagement, TBPA expanded social media presence to new platforms, garnering a significant following. Virtual participation in conferences and seminars improved the Port's visibility and reach.

## LET'S SEA IT YOUR WAY PHOTO CHALLENGE

The contest was launched in October and invited both amateur and professional photographers to participate by entering their favourite camerawork for judging. Over 300 images were posted for submission, capturing Thunder Bay's vibrant maritime industry and the harbour landscape in its most vivid forms.

A panel of judges comprised of local, well-known, and experienced photographers selected the winning photo submissions. Challenge winner Michael Hull's interest in the industry was recently reignited while taking photos for fun during the pandemic.

"The port is a huge part of our history and every day there is something new and unique happening. Whether it be the tugs working to get a ship in or out of a dock, a bald eagle, a seaplane taking off or a majestic sunset, there is always something going on at the port," says Hull. His winning submission features the Saginaw arriving to the port with assistance from a tugboat.

Each winning photographer received a Superior Prize Pack sponsored by the Thunder Bay Community Economic Development Commission, George's Market and Thunder Bay Hydraulics. The prize included a painting of each winning photograph by local artist Vik Wilen.







TBPA's Chris Heikkinen and photographer Michael Hull hold the painting rendition and photograph print, respectively, of Hull's winning submission in the "Best Laker" category. Other winners (photograph prints left to right) are Jack Hamlin, "Best Superior Port Sunrise/Sunset", Jon Nelson, "Best Saltie", and Mike Hanchar, "Best Ship with the Sleeping Giant".



Stakeholders from Western Canada mingle with the TBPA team at the Port of Thunder Bay reception in Calgary, held in February 2020.





# PORT FACTS

  
**900**  
DIRECT JOBS

  
**\$370**  
MILLION  
ANNUAL ECONOMIC  
CONTRIBUTION

**#1**  
EXPORT  
PORT  
ON THE  
SEAWAY

**#2**  
GRAIN  
STORAGE  
CAPACITY  
IN CANADA

**#1**  
CANADIAN  
PORT  
ON THE  
GREAT LAKES

## PORT COMMODITIES

**Grain** (Wheat, canola, oats,  
pulse crops & seed crops)

**Dry Bulk**  
(Coal, potash, phosphate  
fertilizer, stone, sand, salt)

**Liquid Bulk**  
(Petroleum, liquid chemicals)

**General Cargo** (Steel, rail, wind  
turbines, machinery & equipment,  
electrical infrastructure)

## SERVICE OFFERINGS

CN & CP Railways  
Trucking Companies  
Tug Operators  
Vessel Agents  
Stevedoring  
Grain Inspection  
Fabrication  
Shipyard: Ship Repair  
& Shipbuilding  
Diving Services  
...and more

Largest Industrial Tax Base in Thunder Bay

WESTERN CANADA'S  
MOST EFFICIENT  
GRAIN PORT



**Shortest**  
Railcar Cycle Time  
(to and from the  
Prairies)

**Fastest**  
Vessel Turnaround  
Time



# FINANCIAL REPORT 2020

Thunder Bay Port Authority is mandated by the Canada Marine Act to be financially self-sufficient. TBPA's revenues are comprised of Keefer Terminal revenue, Intercity Site revenue, harbour dues and lease revenues from lands under its administration. Keefer Terminal revenues represented 69% of TBPA's operating revenues in 2020. Earnings for the year were \$681,920. These results reflect a continuing commitment to effectively manage operating costs and maximize return on the Authority's assets.





# STATEMENT OF FINANCIAL POSITION

As at December 31 (expressed in CAD \$)

**2020**

2019

## ASSETS

### Current

Cash	<b>\$ 588,007</b>	\$ 665,926
Accounts receivable	<b>759,874</b>	2,143,599
Prepaid expenses	<b>80,243</b>	52,026
	<b>1,428,124</b>	2,861,551

### Non-current

Long term investments	<b>15,829,947</b>	16,393,492
Property, plant and equipment	<b>27,755,245</b>	25,983,022

**\$ 45,013,316**      \$ 45,238,065

## LIABILITIES AND EQUITY

### Current

Accounts payable and accrued liabilities	<b>\$ 659,866</b>	\$ 1,586,999
Deferred rental income	<b>36,376</b>	15,912
	<b>696,242</b>	1,602,911

### Equity

Contributed surplus	<b>27,711,964</b>	27,711,964
Retained earnings	<b>16,605,110</b>	15,923,190
	<b>44,317,074</b>	43,635,154

**\$ 45,013,316**      \$ 45,238,065



# STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended December 31  
(expressed in CAD \$)

	2020	2019
<b>Revenue</b>		
Terminal	\$ 2,254,190	\$ 2,184,201
Harbour and Harbour Park	946,266	890,683
Intercity	70,989	72,475
	<b>3,271,445</b>	<b>3,147,359</b>
<b>Expenses</b>		
Terminal	721,938	745,496
Harbour and Harbour Park	139,550	96,983
Intercity	50,081	41,913
Administrative and Marketing	1,086,592	1,257,458
	<b>1,998,161</b>	<b>2,141,850</b>
<b>Earnings from operations before the following</b>	<b>1,273,284</b>	<b>1,005,509</b>
Gain on sale of equipment	19,705	31,870
Payments in lieu of municipal taxes	(259,502)	(275,064)
Gross revenue charge	(73,528)	(73,640)
Depreciation	(679,501)	(620,295)
<b>Earnings from operations</b>	<b>280,458</b>	<b>68,380</b>
Investment income	401,462	508,499
<b>Comprehensive Income for the year</b>	<b>\$ 681,920</b>	<b>\$ 576,879</b>



