



**THUNDER BAY
PORT AUTHORITY
2022 ANNUAL REPORT**

PORT 
OF THUNDER BAY
THE SUPERIOR WAY WEST

MESSAGE FROM CHAIR

The 2022 shipping season proved to be another excellent year in the Port of Thunder Bay. Challenging grain shortfalls early in the shipping season were overcome by cargo diversification, and global market adaptation. In 2022, Canada's furthest inland port demonstrated resilience and flexibility, with port terminals shipping a total annual cargo volume of 8.2 million metric tons due to rebounding grain movement, record breaking potash shipments, and general cargo imports at Keefer Terminal.

The Port of Thunder Bay is a critical supply chain link for cargo transiting to and from Western Canada via the Great Lakes – St. Lawrence Seaway System. Cargo opportunities are influenced by a variety of factors including global markets and the trade objectives of Canadian importers and exporters.

Early season grain shipment was well below average; a continuing impact from the severe drought and heat that impacted the Prairie harvest in 2021. Grain shipments through the end of May decreased by 1 million metric tons year-over-year. In contrast to the 2021 grain harvest, the 2022 harvest was the third largest in Canadian history. Grain cargo volumes rebounded in the fall as the new harvest started to move its way through the supply chain.

A significant increase in shipments of Western Canadian potash helped to offset slower grain shipments. Potash shipments in the port reached a 30-year high, the result of national and global supply chain issues, including market disruptions

resulting from the war in the Ukraine. The ability of the Port and Seaway System to adapt and meet the increased market demand for potash led to a significant increase in potash exports. Total annual potash volumes were nearly double the volume the port saw in 2021.

Another highlight of the shipping season was marine cargo activity at Keefer Terminal, which surpassed the previous year's modern record volume. Import shipments of project and general cargo included European pipe, rail, and wind turbine components, and Moroccan phosphate fertilizer. Increasing marine cargo shipments at Keefer Terminal provides revenue for infrastructure investment and enables low harbour dues for all port shipments.

Port of Thunder Bay is well positioned for another successful season ahead as we focus on service excellence and expansion, capital upgrades, and engagement with partners and stakeholders throughout the supply chain and our community.

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 2022.



Bonny Skene
Chair of the Board

“TBPA’s activities promote regional economic development, and we are proud of the progress we have made in expanding our services.”

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.

MANAGEMENT

Timothy V. Heney
Chief Executive Officer

Melvin H. Parker
Comptroller & Corporate Secretary

Guy P. Jarvis
Director of Engineering & Harbour Master
Retired September 30, 2022

Chris Heikkinen
Director of Business Development
& Terminal Operations

PORT USER DIRECTORS



Bonny Skene
Chair



Tracy Buckler



Charla Robinson

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.



Situated 3,700km inland, the Port of Thunder Bay is Canada's western terminus on 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 employs an asset-based strategy, investing its earnings in capital improvements that add value for shippers. TBPA leverages its core asset, Keefer Terminal, to attract inbound cargo to the Seaway route. This increases the number of vessels available for backhaul of bulk cargo. The 2022 season was the most successful to date for this two-way cargo initiative; TBPA has garnered a strong reputation and customer base.

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

Raising the port's profile locally, nationally, and internationally is achieved through public relations and partnership initiatives. A strong marketing budget indicates TBPA's commitment to further enhance stakeholder and customer relationships to achieve overall objectives.

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

(Potash, coal, 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



2022 YEAR IN REVIEW

BY THE NUMBERS

The 2022 shipping season was heavily influenced by global factors including the poor 2021 prairie grain harvest and the war in the Ukraine. Such influences created contrasting results in the port: low grain shipments and record high volumes of potash exports and general cargo imports.

Just under 8.2 million metric tons (MMT) of cargo transited the port in 2022, 6% below the 10-year average. During the previous 10 years, grain shipments have accounted for approximately 86% of the port's total cargo. During the first few months of this shipping season, reduced grain supply led to a 1 MMT deficit in grain shipments, and yearly total grain volumes decreased to 6.2 MMT. Grain thus accounted for only 76% of the port's total annual cargo. This was offset by record-breaking potash exports from bulk terminals and general cargo imports at Keefe Terminal.

Shipments of potash hit a 30-year high in 2022, tallying just over 1.2 MMT for the season. This record-breaking volume represents 2.6 times the 5-year average. The last time potash shipments exceeded this volume was in 1990. Thunder Bay, the only

export port on the Seaway for potash, handles shipments moving to Europe, North Africa, and South America.

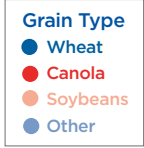
Keefe Terminal topped its 2021 record for general and project cargo, moving close to 50,000 metric tons of imports into Port of Thunder Bay primarily destined for Western Canada. Cargo included European pipe, steel rail, wind turbine components, and phosphate fertilizer.

MV Captain Henry Jackman set the record for the largest shipment in the 2022 season with 31,277 MT of wheat, exported from Thunder Bay on May 28th, 2022. This falls just short of the 2021 record set by the CSL Welland on November 5th, 2021, at 31,362 MT. Both vessels are part of the multi-billion-dollar investment by shipowners that has modernized the Canadian Great Lakes-Seaway fleet over the past decade.

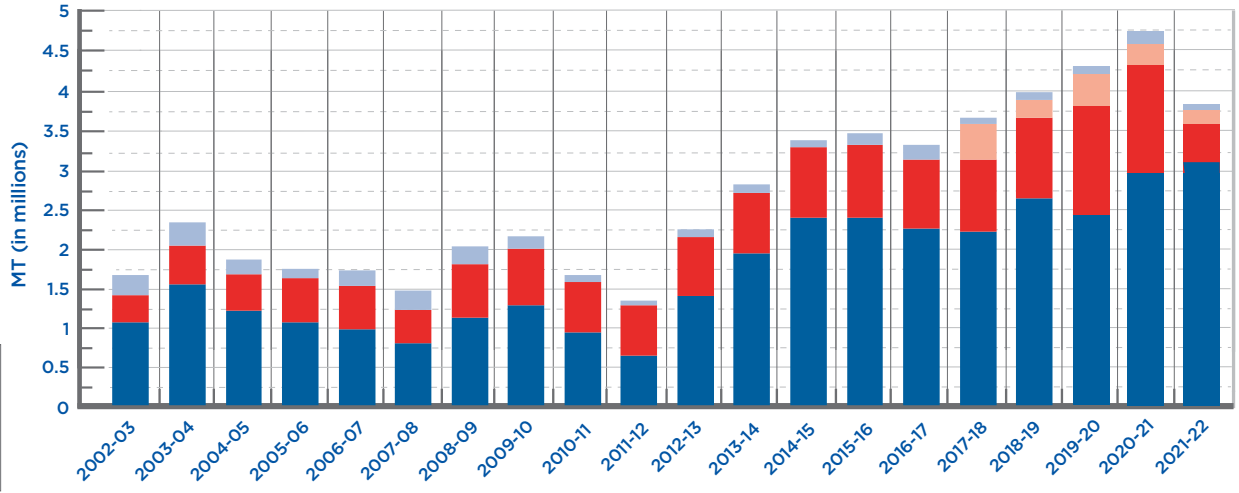


MANITOBA'S GRAIN PORT

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.

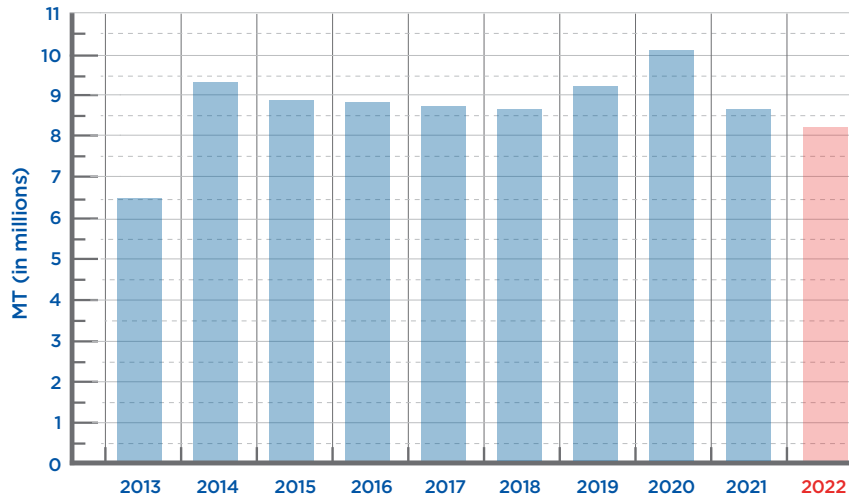


MANITOBA GRAIN VOLUMES SHIPPED VIA THUNDER BAY



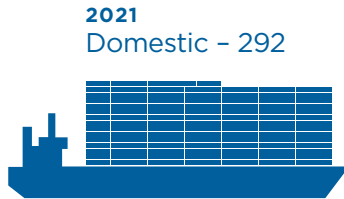
CARGO STATISTICS

THUNDER BAY CARGO SHIPMENTS, 2013-2022



YEAR	METRIC TONS
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
2021	8,650,077
2022	8,195,104

VESSEL VISITS



CARGO BREAKDOWN

COMMODITY	2021	2022
Grain	7,311,726	6,234,144
Coal	493,336	505,725
Potash	611,013	1,204,876
Other	234,002	250,359
Total:	8,650,077	8,195,104

CARGO VARIANCES (VS. 5-YEAR AVERAGE):

Grain ↓20%

Coal ↓19%

Potash ↑164%

General Cargo ↑68%

SEASON TIMELINE

**Opening of
Navigation,
Domestic:**
Michipicoten
March 30, 2022

**Opening of
Navigation,
Foreign:**
Blacky
April 18, 2022

**Closing of
Navigation,
Domestic:**
Manitoulin
January 13, 2023

**Closing of
Navigation,
Foreign:**
Strandja
December 22, 2022



DIVERSIFY AND INCREASE MARINE CARGO

TBPA's 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.

Growing and diversifying marine cargo handled at Keefer Terminal is TBPA's core objective. Keefer marine cargo volumes in 2022 surpassed the 20-year high volume set just a year prior. TBPA acknowledges its partnership with cargo operations partner Logistec Stevedoring as key to its success in growing marine business at Keefer.

Highlights of the 2022 season included a series of wind turbine tower shipments, record volumes of steel products (rail, pipe, and structural steel) and continued movement and storage of phosphate fertilizer bound for Western Canadian Farms.

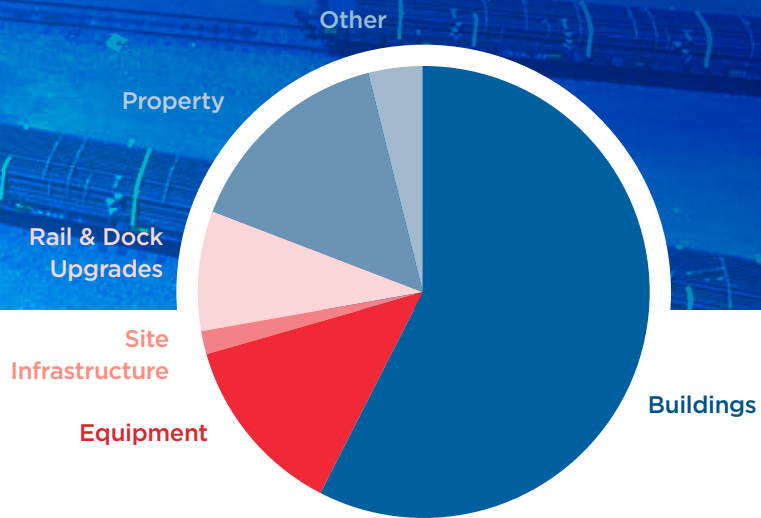
Attracting inbound shipments to Thunder Bay from other supply chain routes improves competitiveness of the Seaway System, enabling two-way cargo for vessels. Matching inbound cargoes with export grain for saltwater vessels (Salties) reduces the overall cost and environmental impact of shipping, while ensuring a consistent volume of vessels available in Thunder Bay for grain and potash exports.

Success in transporting general cargo, particularly valuable dimensional pieces, depends on safe and secure handling. Reliability of the operation is critical. Thunder Bay has developed a reputation as a trustworthy Port, helping to generate new and repeat business.





2004 TO PRESENT CAPITAL INVESTMENTS:
\$31.0 MILLION DOLLARS



INVEST IN STRATEGIC INFRASTRUCTURE

TBPA is committed to investing in the efficient integration of marine, rail, and road transportation systems to function as Western Canada’s preferred gateway for cargo transiting the Great Lakes – St. Lawrence Seaway System.

Since 2004, expenditures for capital have totalled \$31.0 million dollars. Included in this figure is capital project funding of \$8.7 million dollars received from Federal and Provincial government grants through the National Trade Corridors Fund and the Northern Ontario Heritage Fund Corporation.

**including partner project funding of \$8.7 million dollars*

Upgrading and reconfiguring Keefer Terminal has increased the port’s capability to handle marine-related opportunities and attract new business to Thunder Bay. Strategic capital investments over the past two decades include the acquisition of a mobile harbour crane, construction of two - 50,000 sq. ft. heated warehouses, major expansion of cargo laydown and staging areas, rail upgrades, and acquisition of an intermodal yard adjacent to the terminal.



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 loosening of pandemic restrictions in 2022 enabled more opportunities to engage in-person, including our first in-person Top Hat ceremony since 2019, honouring the vessel opening the ocean-going shipping season in Thunder Bay.

Our public Open of Navigation event was held virtually for a second year and was therefore open to a wider audience. We had many participants from Western Canada, a positive reflection on the partnerships we have built

through business and past marketing events in the West. A highlight of our local engagement initiatives was the Doors Open Thunder Bay event in which we facilitated the participation of Superior Elevator and Keefer Terminal as virtual sites.

Our efforts in Western Canada involved continued participation in WESTAC (Western Transportation Advisory Committee) including an opportunity to present at a roundtable with the Manitoba Minister of Transportation and Infrastructure.



FINANCIAL REPORT 2022

Thunder Bay Port Authority is mandated by the Canada Marine Act to be financially self-sufficient. TBPA's revenues are comprised of Keefe Terminal revenue, Intercity Site revenue, harbour dues and lease revenues from lands under its administration. Keefe Terminal revenues represented 74% of TBPA's operating revenues in 2022. Earnings for the year were \$282,056. 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 \$)	2022	2021
ASSETS		
Current		
Cash	\$ 3,592,313	\$ 5,948,226
Accounts receivable	409,420	401,147
Short term investments	6,456,618	3,659,849
Prepaid expenses	102,002	129,197
	10,560,353	10,138,419
Non-current		
Long term investments	7,788,930	7,808,067
Property, plant and equipment	27,384,281	27,466,499
	\$ 45,733,564	\$ 45,412,985
LIABILITIES AND EQUITY		
Current		
Accounts payable and accrued liabilities	\$ 910,806	\$ 862,243
Deferred rental income	19,713	29,753
	930,519	891,996
Equity		
Contributed surplus	27,711,964	27,711,964
Retained earnings	17,091,081	16,809,025
	44,803,045	44,520,989
	\$ 45,733,564	\$ 45,412,985

STATEMENT OF COMPREHENSIVE INCOME

For the Year Ended December 31 (expressed in CAD \$)	2022	2021
Revenue		
Terminal	\$ 2,726,181	\$ 2,497,699
Harbour and Harbour Park	815,321	837,858
Intercity	121,259	80,423
	3,662,761	3,415,980
Expenses		
Terminal	1,067,825	778,469
Harbour and Harbour Park	105,227	98,122
Intercity	43,990	61,118
Administrative and Marketing	1,370,159	1,246,213
	2,587,201	2,183,922
Earnings from operations before the following	1,075,560	1,232,058
Payments in lieu of municipal taxes	(372,747)	(512,350)
Gross revenue charge	(81,777)	(74,212)
Depreciation	(745,071)	(758,658)
Earnings (loss) from operations	(124,035)	(113,162)
Investment income	406,091	317,077
Comprehensive Income for the year	\$ 282,056	\$ 203,915



PORT 
OF THUNDER BAY
 THE SUPERIOR WAY WEST

**THUNDER BAY PORT
 AUTHORITY**

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