

Gateway to Alberta Phase 2

Executive Summary:

The SouthGrow Region provides a key connection along the extensive CANAMEX Highway Trade Corridor that extends from Alaska to Mexico. SouthGrow Regional Initiative's Economic Development and Innovation Committee has explored economic opportunities resulting from the region's strategic location along this Gateway to Alberta. The exploration encompassed two phases. The first phase resulted in an assessment of trade goods moving along the corridor and identified existing transportation practices, patterns and tonnage as well as commodity and transportation modes. The second phase of the project built on this information and further examined opportunities for targeted foreign companies and industries to expand or grow in the area by taking advantage of the unique trade corridor.

Under the guidance of SouthGrow Regional Initiative's Economic Development and Innovation Committee, six concise business cases have been developed, targeted at investment attraction and expansion in the region.

Three of the business cases focus on opportunities for the production and manufacturing in the:

- **Solar Energy Industry** - The SouthGrow region is situated in a very advantageous location for solar installations. It is estimated that this area of solar insolation is in the 5 to 6 GJ/m²a range as compared to countries like Germany and Denmark that are in the 3 to 4 GJ/m²a range.
- **Wind Energy Industry** - SouthGrow is one of the best locations in Canada for generating wind energy. It has excellent wind sources that are land based, and have close proximity to population centres and grid systems. Other areas are either off shore or in northern locations. SouthGrow is also currently the central location for the majority of the wind energy activity in Canada and the Western United States.
- **Biogas Energy Industry** - Bio Gas is the production of energy from waste feedstock, such as manure or municipal garbage. Bio Gas projects have the potential to transform waste into a valuable resource, generating economic, social and environmental benefits in the SouthGrow Region.
 - Combined heat and power can be generated from the high temperature incineration of wood, agricultural wastes and municipal wastes.
 - Ethanol can be created from grain and straw.
 - Biodiesel can be generated from fats and oils.

Three of the business cases explore potential development in the following industries:

- **Intermodal Transportation Systems** - An opportunity exists to provide over-the-road international ISO container services for exporters and importers in the SouthGrow region, directly between the region and the Port of Vancouver independent of inland rail intermodal service, using purpose-built Super B-Train highway container chassis equipment.

- **Confectionary Manufacturing** - Confectionery manufacturers that want to access the Western North American market may be interested in a location in the SouthGrow Region. Major manufacturers, such as Nestles, Cadbury, Mars/Effern/Masterfoods, Ferrero, and Hershey, have recognized Canada's advantages as a location for serving the North American market with plants in Canada. SouthGrow is fortunate to have a mature food processing sector located within its borders, with successful operating models and strong industry associations. This 'cluster' provides a supportive group of like industries that would be beneficial to potential confectionery operations
- **Ready Meals Processing** - Opportunity exists within the SouthGrow region to establish a locally owned and operated 'ready meals and meal components' business. The business would initially supply the regional institutional market from a regional production facility. Advantages for this opportunity in the SouthGrow region include, the region being a major producer and supplier of agricultural and food products, as well as the existence of significant and growing institutional market within its boundaries.