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BCR Cariboo Chilcotin Line: Project Introduction

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Background:

In July 2025, CN Rail announced plans to terminate its lease on the Squamish–100 Mile House rail corridor, returning control to BC Rail, a provincial Crown corporation. Starting July 2026, interested parties may assume operations for existing or new train services. Should no party come forward, the corridor could be sold for net salvage value.

Northern Development Initiative Trust heard from multiple communities that the railway is an essential transportation corridor for the region. Enhanced passenger and freight service is critical for economic growth, and rail access provides small and medium businesses with significant competitive advantages over trucking or other transportation alternatives.

In response, Northern Development Initiative Trust has been asked by local governments to lead a consulting project. The consultant will mitigate political risk, advocate as a unified municipal voice, and coordinate initial steps toward a First Nations-led corporate structure.

What Success Looks Like

- A credible railway investment partner actively engaged in due diligence and business planning.
- A letter of interest from all or most First Nations confirming their interest in future involvement, ownership and management of a new railway organization.
- Common understanding among communities and senior governments of the railway's strategic and economic importance.
- Discussions about dismantling the railway for salvage have ended.

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Project Phases:

The project is being completed over five months (January–May 2026) to align with CN's lease termination in July 2026.

- Phase 1 – Project Mobilization (Month 1):
 - Consultants' scope and workplan confirmed with Northern Development to support early-phase coordination of all communities along the corridor (complete).
 - Create contact list of all First Nations, municipal and industry partners impacted by CN Rail's July 2025 announcement and establish working committee (nearing completion).
 - Liaise with CN Rail, BC Rail and Transport Canada to gather technical and financial data.
 - Request meetings with all First Nations governments in proximity to the rail corridor
 - Outreach to multiple short-haul rail operators (underway).
- Phase 2 – Local Government and First Nation Engagement (Months 1–3)
 - Explore frameworks for a Multi-Nation Rail Governance and Ownership Model, drawing on proven precedents.
 - Request meetings with 24+ Nations and five Tribal Councils, led by an Elder.
 - Coordinate with local governments to confirm regional priorities
 - High-level assessment of freight and passenger demand scenarios.
- Phase 3 – Market Sounding and Investment Readiness (Months 2–4)
 - Summarize opportunities for joint use of corridor rights-of-way for walking, cycling or utility co-location.
 - Identify potential funding opportunities
 - Advance discussions among First Nations toward a letter of interest outlining principles for future participation, governance and ownership.
- Phase 4 – Preliminary Business Case and Next Steps (Months 5–6)
 - Synthesize findings into a short-form business case covering infrastructure condition and risk profile, market opportunity assessment, First Nation governance and ownership proposal and recommended funding, corporate structure and transaction pathway.
 - Present findings to participating local governments and First Nations.
 - Deliver a final report and data package suitable for provincial and federal funding applications and operator negotiations.