Application Guide 8: **Reduce ICB Service Levels**

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Do I need Board Approval to Reduce Service Levels or to Eliminate Routes or Route Points?

Yes. You need approval from the Passenger Transportation Board to reduce the minimum route frequencies in your licence, or to eliminate routes or route points.

If you want to add a route or expand an existing inter-city bus (ICB) service, use <u>Application Guide 7: Start or Expand an ICB Service</u>.

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I. About Reducing Inter-City Bus (ICB) Services

Inter-city bus licensees provide bus services that meet or exceed the minimum route frequencies that are set out in their passenger transportation licence. To reduce service levels below the minimum, or to eliminate a route, the licensee must first apply to the Board and obtain approval to amend its licence.

Unlike an application to start an ICB service, or to add a route or route points, applicants seeking to eliminate or reduce ICB services must:

- provide a public rationale document that the Board publishes with their application summary, and
- must meet Board requirements to provide public notice to affected communities and people accessing the service.

Operators may not implement service reductions before they are approved by the Passenger Transportation Board. If the Board approves a service change, operators must first meet requirements that are set out in the Board decision to notify the public of service changes.

This guide provides details about these and other application requirements and process steps.

II. Application Process

The <u>Passenger Transportation Board</u> (Board) and the Registrar of Passenger Transportation (Registrar) are separate entities with distinct responsibilities under the *Passenger Transportation Act*. The roles of each in the application process are explained below.

1. Branch Receipt of Application

Through the <u>Passenger Transportation Branch</u> (Branch) office, the Registrar accepts all applications (including those which require Board approval) and ensures that the applications are complete.

- You pay a fee of \$200 when submitting an application to the Branch office. The Branch will advise you of payment processes.
- The Registrar verifies safety requirements and issues all licences. The Registrar is also responsible for initiating compliance and enforcement actions against both licensed and unlicensed operators.
- The Branch screens submitted applications prior to forwarding them to the Board in Victoria.
- If an incomplete application is received, the Branch will contact the applicant and request that missing information be provided within a specified time frame. If the

due date is missed, the application fee will not be processed, and the application will not be forwarded to the Board for a decision. You will need to resubmit a complete package.

The filing of an application does not confer any permission or authority to operate a passenger transportation service.

Sending Your Application

Send your application to the <u>Passenger Transportation Branch in Coquitlam</u>.

200 – 1500 Woolridge Street, Coquitlam BC V3K oB8

Phone: 604-527-2198 Fax: 604-527-2205 Toll Free: Call Enquiry BC at 1-800-663-7867 Email: passengertransportationbr@gov.bc.ca

Web: Registrar & Passenger Transportation Branch

2. Board Decision-Making Process

The Board is an independent tribunal in British Columbia established under the *Passenger Transportation Act*. The Board's primary responsibility is to make decisions on applications relating to the licensing of passenger directed vehicles (e.g. taxis, limousines, shuttle vans, transportation network services) and inter-city buses in British Columbia. The Board also sets the terms and conditions of licence that will apply to your operations.

Publication, Public Notice & Submissions

Using information in your application, Board staff draft and email you an Application Summary that includes proposed <u>terms and conditions</u> for providing the transportation services you seek. At the same time, staff clarify your obligations to meet requirements in Board <u>Rule 39</u> to provide public notice of your application at stops along your route, on your website and with emails to affected local governments (including municipalities, regional districts and first nations councils).

You will be asked to confirm that the Application Summary is correct, and to agree on a date for your public notices to be posted, the same day we publish the Summary in the Board's *Bulletin*, typically on Wednesdays at the end of the business day.

At publication, the Board will set a timeline for a comment period. Generally, this period is at least 14 days. The Board waives requirements for a submission fee to be paid when submitting comments to the Board on proposals to reduce or eliminate ICB service levels.

Comments are forwarded to you for review with 7 days to send a reply to the Board. Before forwarding any comments, the Board will require that you take a privacy and confidentiality undertaking as set out in the Board's <u>Rule 41</u>.

After the comment and reply periods end, the Chair of the Board appoints a panel of one or more Board members to review and decide the application.

Information & Evidence

Board members make decisions based on information and evidence that relate to your application. This information and evidence may include:

- information you submit with your application;
- written submissions from other people, first nation councils/nations or local governments¹;
- information that is available to the public (e.g. information on your website, information on the Board or Branch website, etc.) as well as other records, information or reports that the Board reviews, obtains or produces²;
- data collected from taxis, transportation network services, limousines and other passenger directed vehicle operators in an area;
- information from a public hearing;
- your replies to submissions and comments on records, information or reports;
- compliance information received from the Registrar of Passenger Transportation;
- investigation reports from the Registrar of Passenger; and
- information available through the provincial court registry (Court Services Online).
- The information referred to in the last three bullets will be used by the Board to assess "fit, proper and capable" under section 28(1)(a) of the *Passenger Transportation Act*.

Decisions

Application decisions are made by Board members. Staff do not make decisions on applications.

The Board makes its decision according to its mandate as set out in section 28(1) of the <u>Passenger Transportation Act</u>, as outlined below in section 3. The Board decides each case on its own merits. The Board also seeks to have consistency in its decisions.

To approve an application, the Board must also be satisfied that applicants have shown that as licensees they would meet the requirements of the Passenger Transportation Act and regulations.

¹ You will be able to see information from submitters or another person, unless it is confidential business information. If it is confidential business information, you will receive a summary of the information as set out in Board Rule 18 ("Confidential Information from a Submitter").

² You will be able to comment on information that the Board uses or produces.

If the Board approves an application, it will set amended terms and conditions for your Special Authorization: Inter-City Bus Authorization licence. The Board will also require licensees to follow public notice requirements regarding start dates for service reductions.

Decisions are emailed to applicants and the Branch, then published in the *Bulletin*.

3. Board Considerations

When making a decision on your application, the Board must consider the factors set out in <u>section 28(1)</u> of the <u>Passenger Transportation Act</u>. These are set out below.

• Applicant Fitness

The Board considers applicant fitness matters in two parts:

- (i) Are you a "fit and proper person" to provide the proposed service?
- (ii) Are you capable of providing that service?

<u>Reference Sheet 19</u> provides detailed information about the factors and information the Board considers regarding the above questions. The reference sheet informs applicants of obligations and requirements they are assessed on and with which operators must comply after a Special Authorization licence has been approved and issued.

When an applicant proposes to reduce or eliminate an existing service, the Board applies the logic that the licensee is a fit and proper person to provide the service proposed unless there is compelling evidence to the contrary.

• Public Need & Sound Economic Conditions

If you meet the threshold test of fitness, the Board will consider:

- (i) whether there is a public need for the service, and
- (ii) whether the application, if granted, would promote sound economic conditions in the passenger transportation industry in British Columbia.

Public Need

In reviewing public need, the Board considers what, if any, level of service meets the public need. Does ridership on a route demonstrate sufficient public demand or need to maintain minimum service levels, and what transportation alternatives are available?

Sound Economic Conditions

In reviewing sound economic conditions in the context of service reduction applications, the Board examines the following:

- ridership and financial performance on each ICB route where the applicant is proposing a change in service;
- competitive factors on each route and how these affect the financial viability of the applicant's service on the route; and
- financial viability of the applicant's ICB business overall.

4. Licences Issued by the Branch

If your application is approved in whole or in part by the Board, and the Registrar is satisfied that the applicant meets the requirements set out in s. 29(1) of the *Passenger Transportation Act*, the Registrar will issue a passenger transportation licence with a "Special Authorization: Inter-City Bus Authorization". The service you provide must comply with the Board's terms and conditions of this licence. The Registrar must issue a licence <u>before</u> your service can start.

III. Checklist for Applications

This section lists the forms and documents that you must provide with your application. More details about application requirements are provided in the forms themselves, and in Section IV: More Information About Required Attachments.

| 1. Branch Forms (no electronic signatures permitted) and Fees | | |
|---|---|-------------|
| | Special Authorization Licence Application form | <u>LINK</u> |
| | Fee: Non-refundable fee of \$200 payable to the Minister of Finance by cheque, money order or credit card (the Branch will contact you by telephone for authorization if using a credit card) | АТТАСН |
| | Identification Documents Business/Organization (required only if located outside British Columbia) | ATTACH |
| | Signing Authority form | <u>LINK</u> |
| 2. Board Forms | | |
| | Inter-City Bus Authorization Summary | <u>LINK</u> |
| | ICB Route Worksheet for <i>each</i> proposed or amended route | <u>LINK</u> |
| | Disclosure of Unlawful Activity & Bankruptcy form | <u>LINK</u> |
| | Declarations form | <u>LINK</u> |

| 3. Attachments | | |
|----------------|--|--|
| | | |

| The following documents are also required and will assist the Board in its consideration of the three factors set out in <u>section 28(1)</u> of the <u>Passenger Transportation Act</u> . | | |
|--|---|--------|
| | Rationale for Service Reductions | ATTACH |
| | Business Plan | ATTACH |
| | Financial Information | ATTACH |
| | • All Applicants: Cash Flow Projections & Income Statements | |
| | • Established Companies: Balance Sheet | |
| | Sole Proprietors or Partnerships: Personal Net Worth Statements | |
| | Public Need Indicators | ATTACH |
| | Sample ICB Time Schedules (for each route you are changing but still running) | ATTACH |

IV. More Information About Required Attachments

This section provides more detailed information on "Application Attachments" that are listed in the checklist in the previous section.

| Attached Document | Requirements |
|--|---|
| Rationale for Service Reductions | The rationale is a public document posted on the Board's website along with the application summary. Requirements for this rationale are detailed in Rule 40 of the Board's Rules of Practice and Procedure |
| Business Plan | Business plans give the Board a clear, detailed picture of your operation. You need to provide enough information to the Board to enable it to review and understand how you will set up and run your business. Your <u>business plan</u> or <u>business plan update</u> should show that you understand the passenger transportation business, including the requirements of the <i>Passenger Transportation Act</i> , its regulations and Board policies. |
| Cash Flow Projections | Provide month-by-month cash flow projections for 36 months . Break projections down to the main expense and revenue categories for your operation. See <u>Reference Sheet 4</u> for more information. |
| Balance Sheets or Personal Net Worth Statements | If you are a company, submit a balance sheet. If you are sole proprietor or partnership, submit a personal net worth statement. See Reference Sheet 4: Financial Information for more information. |

| Income Statements | If you operate a passenger transportation business, you must submit income statements for the past 2 years . If you have not operated for 2 years, then submit income statements that include the months you |
|----------------------|--|
| | have operated. See <u>Reference Sheet 4</u> for more information. |

V. Other Information Available to Applicants

The Board's <u>website</u> has additional information available to applicants. This includes information on legislation and Board policies and rules, applications and reference sheets, rates, industry specific matters and rates.

VI. Confidentiality

The Board keeps the following types of information confidential:

- private financial information (e.g. personal net worth statements);
- private business details (e.g. contracts, customer account information, detailed expansion processes); and
- information from criminal record checks that is not public and other personal information (e.g. "Disclosure of Unlawful Activity and Bankruptcy" form)

Other information submitted with an application may be made public. Board decisions are public. The *Freedom of Information and Protection of Privacy Act* may apply to information

in your application package

VII. Reconsiderations

There is no right to appeal Board decisions. The Board may reconsider, vary or rescind a decision in only two circumstances:

- a. information has become available that was not available at the time the decision was made; or
- b. there has been an error in procedure.

For further information, see <u>Reference Sheet 14: Options after a Decision.</u>

VIII. Contacts

For further information or questions on the Board's process contact the Board at the following link:

Passenger Transportation Board

P.O. Box 9857 STN PROV GOVT, Victoria BC V8W 9T5
Phone: 250-953-3777 Fax: 250-953-3783 Email: <u>ptboard@gov.bc.ca</u>