Passenser

Application Guide 7: **Start or Expand an ICB Service**

www.ptboard.bc.ca



Do I need a licence to start or expand an Inter-City Bus Service?

Yes. You need a passenger transportation licence to start a new, commercial inter-city bus (ICB) service. You need an amended licence to expand your current service to add new routes or route points¹. You do not need approval to increase route frequencies.

To operate an <u>inter-city bus</u>, you need a Special Authorization licence with an <u>Inter-City Bus Authorization</u> (ICBA). The Passenger Transportation Board makes decisions on applications for special authorization licences.

To start an inter- city bus route on a highway corridor in BC that does not have commercial, inter-city bus service, use the package for the <u>Simplified ICB Application Process</u>. If want to eliminate a route you operate, or reduce minimum service frequencies on a route, use <u>Application Guide 8: Reduce ICB Service Levels</u>.

Contents

I.	About Inter-City Bus Services		
II.	Exclusions from ICBA Requirements and Exemptions from ICBA Licensing		
III.	Application Process	3	
1.	Branch Receipt of Application	. 3	
2.	Board Decision-Making Process	. 4	
3.	Board Considerations	.6	
4.	Licences Issued by the Branch	. 7	
IV.	Checklist for Applications	7	
V.	More Information About Required Attachments		
VI.	Other Information Available to Applicants10		
VII.	[. Confidentiality10		
	I. Reconsiderations		

¹ You do not need to apply to add route points if your licence has the following term and condition: *The licence holder may pick up or drop off passengers at any location, municipality or unincorporated area that is between the terminating points and on highway corridors of the routes set {in your licence}.*

I. About Inter-City Bus Services

Inter-city buses (ICBs) operate between a defined municipality and another location outside the municipality, or between a location in a defined regional district and another location inside or outside the regional district. ICBs operate:

- (i) on a set time schedule
- (ii) for individual fares,
- (iii) over a regular route, and
- (iv) between fixed terminating points, picking up or dropping off passengers at intermediate points as necessary.

ICB services are private, commercial bus services, not public transit buses operated by a transit authority.

An ICB service may operate year-round or seasonally. It may operate daily, weekly, or on a reservation basis.

Applicants are advised to delay the purchase, lease or rental of vehicles until licence approval is obtained.

Engaged Carriers

An inter-city bus authorization (ICBA) with an *engaged carrier* clause allows the bus company to be engaged by a second ICBA bus company to provide ICB services for its customers on routes in the licence of the second ICBA licence. For example, a charter bus company may apply for an engaged carrier authorization (ICBA) to provide overflow services to a bus company with an ICBA licence operating on three routes. Both carriers require a Special Authorization licence with an inter-city bus authorization.

II. Exclusions from ICBA Requirements and Exemptions from ICBA Licensing

<u>Section 2</u> of the <u>Passenger Transportation Regulation</u> specifies vehicles that are excluded from the definition of inter-city buses. These include: round-trip tours or charters where all passengers go to a common location and are picked up and dropped off in the same municipality; a <u>connector bus</u> operating to or from ports, airports or ferry terminals; and, vehicles operating a scheduled service solely within the Capital Regional District or solely within the Metro Vancouver Regional District.

<u>Section 5</u> of the *Passenger Transportation Regulation* lists exemptions from the Act and regulations. In these cases, no application or licence is required to operate.

III. 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. If the application is approved, you must pay \$100 per vehicle that you activate. 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 & Submissions

When your application is received at the Board office, staff use information in your application to Using information in your application, Board staff will email you an Application Summary that includes proposed <u>terms and conditions</u> for providing the transportation services you seek.

After you confirm that the Application Summary is correct, we publish it in the Board's <u>Bulletin</u>, typically on Wednesdays at the end of the business day. However, the <u>Bulletin</u> also may be published on days other than Wednesday.

Within 10 days of its publication, anyone may send the Board a written submission with the required \$50 submission fee. Local governments and First Nation governments may also comment on an application; however, a submission fee is not required.

You will receive a copy of all submissions and comments, and you will have 7 days to send a reply to the Board.

Further information on submissions can be found on the <u>Making a Submission webpage</u> and in <u>Reference Sheet 8</u>.

After the submission and reply period ends, 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 governments²;
- 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 produces³;
- 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 in section 3 below. 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.

If the Board approves an application, it will set terms and conditions for your Special Authorization: Inter-City Bus Authorization licence. These include routes, route points and minimum service levels. The Board may also require licensees to post notice requirements regarding start dates and schedules.

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

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² 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").

³ You will be able to comment on information that the Board uses or produces.

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.

• 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

The Board consider swhether there is a public need for the service that you propose to provide. You must give the Board information and evidence that shows that people would use your service throughout the area for which you have applied. You should also tell the Board why you are asking for a specific number of vehicles.

The Board may also use records, information, or reports that it has reviewed, produced or obtained to determine public need.

Sound Economic Conditions

The Board considers whether your application, if approved, would promote sound economic conditions in the passenger transportation business in this province. The Board strives to balance public need for available, accessible and reliable commercial passenger transportation services with overall industry viability and competitiveness. The Board considers this issue from a wide-ranging perspective, which includes consideration of harm to other industry participants.

The Board may also use records, information, or reports that it has reviewed produced or obtained to determine if approving your application would promote sound economic conditions in the transportation industry.

<u>Reference Sheet 20</u> provides more information on the type of factual information applicants can provide to demonstrate public need as well as factors that the Board may consider when considering sound economic conditions.

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 you meet 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 *before* your service can start.

Your licence is valid for one year from the date of issue unless otherwise specified by the Board. Renewals are under the authority of the Registrar and licensees must apply to renew their licence every year.

Any changes to legal name, sole proprietor, partners or company CEO & local GM , business mailing address/physical location of records, or signing authorities require submission of forms available on the <u>Branch forms webpage</u> and must be submitted to the Branch.

IV. Checklist for Applications

This section lists information you need to know before you apply for a passenger transportation licence. It also 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 o:

<u>More Information About</u> Required Attachments.

1. Before you apply				
	Obtain a National Safety Code Certificate (NSC) – the Branch will return any applications received that do not have a valid NSC number.	<u>LINK</u>		
	Understand Commercial Vehicle and Safety Information about commercial passenger transportation vehicles	<u>LINK</u>		
2. Bra	nch 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)	ATTACH		
	Identification Documents Business/Organization (required only if located outside British Columbia)	ATTACH		
	Signing Authority form	<u>LINK</u>		
3. Board Forms				
	Inter-City Bus Authorization Summary	<u>LINK</u>		
	ICB Route Worksheet for each route you are applying to add or change	<u>LINK</u>		
	Declarations form	<u>LINK</u>		
4. Atta	achments			
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> .				
	Business Plan	ATTACH		
	Financial Information	ATTACH		
	• All Applicants: Cash Flow Projections			
	• New Companies: Balance Sheet			
	• Established Companies: Balance Sheet & Income Statements			
	 Sole Proprietors or Partnerships: Personal Net Worth Statements 			
	Resumés of sole proprietor, partners or company president and general manager (if applying for a new ICBA)	ATTACH		
	Criminal record check(s) for sole proprietor, partners or company president and general manager (if applying for a new ICBA)	ATTACH		

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Public Need Indicators	ATTACH
Sample ICB Time Schedule	ATTACH

V. 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
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 business plan should show that you understand the passenger transportation business, including the requirements of the <i>Passenger Transportation Act</i> , its regulations and Board policies. • New applicants: See the Board Reference Sheets on Business Plans and Sample Business Plan Outlines. • Licensees with an ICBA: See the Board Reference Sheet on Business Plan Updates.
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> : <u>Financial Information</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> : <u>Financial Information</u> for more information.
Resumés	Resumés are required from sole proprietors, each partner in a partnership involved in management, and for a corporation, the President and the General Manager (head) of the Canadian or BC operations. You should include information that shows you have the knowledge, skills and abilities to operate the service for which you are applying. Resumés outline education, work experience and skills. You do not need to have run a passenger transportation service before. The Board wants to know that you have skills that you can apply to running the

	service. You may have gained these skills through your education, experience or work history.
Criminal Record Checks	Criminal record checks must be provided for sole proprietors, each partner in a partnership involved in management, and for a corporation, the CEO and GM (head) of the Canadian or BC operations.
	NOTE: Individuals who are not residents of Canada must provide either (a) a Police Certificate from their country of residence confirming that a criminal record does not exist; or (b) a copy of the criminal record. Information about obtaining criminal record information from other countries is available on the <u>Government of Canada website</u> .
Public Need Indicators	A "public need indicator" is factual information that shows there is a public need your proposed transportation service in the area you want to serve. The Board wants you to analyze the information you put in your application to show public need. How does this information show public need for: (a) more of the service that you are applying for, and (b) the number of vehicles you are asking for?
	Reference Sheet 20 provides more information on public need indicators.

VI. 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.

VII. 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

VIII. 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</u>: Options after a <u>Decision</u>.

IX. 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>