# Licence Application Decision
## Taxi - Rates

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<tr>
<th>Application #</th>
<th>Applicant</th>
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<tbody>
<tr>
<td>T270-15</td>
<td>Prince George Taxi Ltd.</td>
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### Principals
- ATWAL, Harmanpreet Singh
- KUULUVAINEN, Sam
- SESLIJA, Sasa
- BHULLAR, Harinderpal
- SINGH, Amandeep

### Address
331 1st Ave, Prince George BC, V2L 2Y1

### Current PT Licence
Special Authorization, PT #70216

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<tr>
<th>Application #</th>
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<tr>
<td>T272-15</td>
<td>MIHALJEVIC, Djuro Milana</td>
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### Trade Name (s)
Prince George Taxi Association

### Address
4207 Craig Drive, Prince George BC, V2K 1E4

### Current PT Licence
Special Authorization, PT #70224

### Application Summary
**Rates**
(Section 24 of the Passenger Transportation Act)
Requested increase in flag rate, additional distance rate, and waiting time rate.

### Date Published in Weekly Bulletin
August 19, 2015

### Submitters (and representatives)
None

### Related Applications:
(For cross reference only)
- T275-15
- Emerald Taxi Change of Rates Application

### Board Decision
**Rates sought by the applicant are approved as set out in the application summary.**

### Decision Date
September 16, 2015

### Panel Chair
Don Zurowski
I. Introduction and Rationale

- Prince George Taxi Ltd. is licensed to operate 69 taxis, including 2 accessible taxis, in the Prince George area. It currently consists of 59 shares owned by 41 shareholders. Each shareholder is entitled to operate one taxi in the fleet or more, based on the number of shares owned.

- Djuro Milana Mihaljevic operates 1 conventional taxi in the Prince George area and is dispatched by Prince George Taxi Ltd. The two applicants submitted common supporting information.

- The applicant is proposing to increase its rates, with taxes included, as follows:

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<th>Current</th>
<th>Proposed</th>
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<tr>
<td>Initial “flag” (for first 50.01 metres)</td>
<td>3.30</td>
<td>3.40</td>
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<tr>
<td>Additional distance (per kilometre)</td>
<td>1.66</td>
<td>2.00</td>
</tr>
<tr>
<td>Waiting time (per hour)</td>
<td>35.59</td>
<td>39.00</td>
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- The applicants submit that according to their statistics:

  ...approximately 88% of our business takes place in the “Bowl” area of Prince George (roughly a five kilometer by six kilometer area between the Nechako and Fraser rivers and Cranbrook hill). Most of our senior’s housing and low rent apartment complexes are in this area and are generally with a kilometer of a major grocery store or mall. By keeping the increase of our flag nominal, we will minimize the effect of our meter increase on those with lower incomes as they generally travel shorter distances. Currently many of our drivers do not like to accept trips outside of the bowl area as many of these trips do not come back into the bowl and require more deadheading. By bringing our rates closer to the provincial average we hope to correct this issue.

II. Background
The rates of the three Prince George taxi licensees - Prince George Taxi Ltd., Djuro M. Mihaljevic (doing business as PG Taxi) and Emerald Taxi Ltd., - are established pursuant to the Board Rule Respecting Prince George Taxicab Rates, effective March 31, 2013. Each licensee has submitted a rate change application.

The taxi companies have applied for, and received, various rate increases available through the Board’s Taxi Cost Index (TCI). Emerald Taxi Ltd. has not applied for a rate increase independent of the TCI. Prince George Taxi Ltd. and its independent operators applied for a rate increase in 2008, which was refused by the Board.

III. Procedural Matters

Combined Proceedings

As noted previously 3 Prince George taxi licensees are applying for a common rate increase. The three taxi applicants have substantially the same service areas and all operate under a common rate rule. Prince George Taxi Ltd. and Djuro M. Mihaljevic have provided common support material. Therefore, I am conducting these proceedings at the same time pursuant to section 14 of the Passenger Transportation Act. I will issue one decision for Emerald Taxi Ltd. and one decision for Prince George Taxi Ltd. and Djuro M. Mihaljevic.

IV. Relevant Legislation

Section 7 of the Passenger Transportation Act states that the Board may approve, or set, for the purpose of establishing just and uniform charges, rates to be charged by a licensee in respect of passenger directed vehicles and approve any rule, practice or tariff of the licensee relating to those rates.

IV. Submissions

There were no submissions on the applications.
V. Reasons

Board Policy

The Board may consider the following factors when making its decisions on the rates to be charged (and rules as to how rates are charged) for the operation of passenger directed vehicles:

- Transparency of rates and rules so that total charges and fares are reasonably predictable for paying passengers.
- Rates and rules do not cause confusion about when or how fares are determined for a particular passenger transportation service.
- Rates fall within industry norms for similar services in the area or, alternatively, in a comparable area.
- Rates and rules for non-taxicab services are distinct from the rates and rules of taxicabs in the area.

The applicant submits that it dispatches taxis 24/7. The taxi owners pay the company a monthly dispatch fee, while the company pays the drivers' commission.

This application included: metered taxi rates, rate increase rationale (with attached provincial taxi rates formulas), financial information and notice to affected local government.

The applicants submit that they have embraced technology in an effort to improve safety. To reduce fuel and maintenance costs, many of its operators have moved from domestic vehicles to Toyota Priuses and Corollas along with a few opting for Rav4s to aid in winter conditions. In 2007, the applicant company invested $60,000 to install taxi cameras and in 2013 a further $60,000 was invested to upgrade its aging dispatch system and replace servers. The applicant also purchased a new phone system for $20,000 which connects to an interactive voice response system that cost $66,000. The applicant company contends that “Our taxi cameras are now near the end of their life and we may be forced to abandon the program due to a lack of finances.”
I have reviewed this application in its entirety. The rate proposed by the applicant approximates the provincial average and is similar to comparable communities such as Kamloops, Kelowna and Nanaimo. Additionally the information provided by the applicants convinced me an increase is required for them to provide a sustainable and progressive taxi service.

The proposed rate changes should limit the impact on the majority of taxi patrons, while allowing the licence holders to provide a sustainable service.

VI. Conclusion

For the reasons noted above I am approving the rate increases requested. These will be set out in a new Board rule for Prince George taxi licensees. The rule will set the effective date of the rate changes.