

Complaints Resolution Report

Quarter ended September 30, 2017

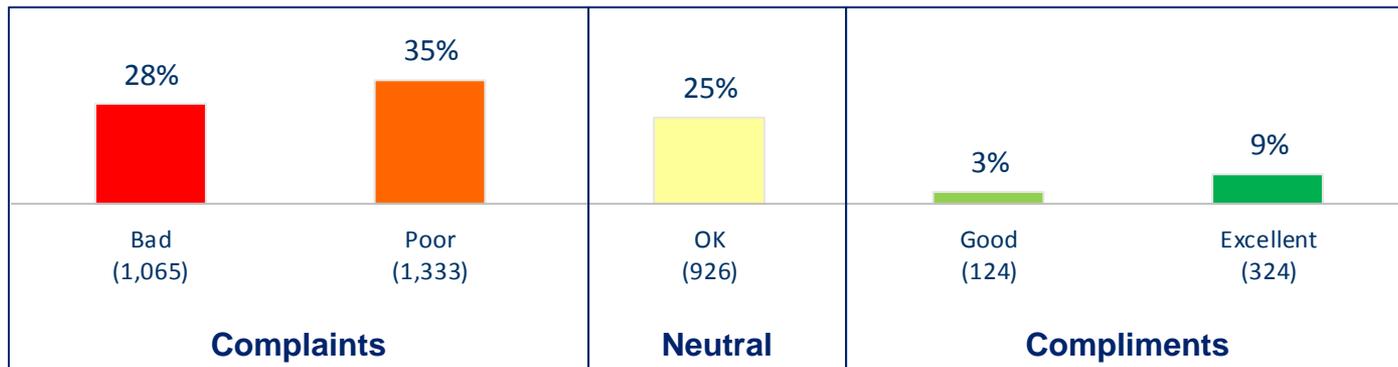


Feedback Summary

- During Q2 Fiscal 2018, 7.8 million customers travelled with BC Ferries, as compared to 7.4 million in Q2 Fiscal 2017
 - BC Ferries received a total of 3,808 comments during Q2 Fiscal 2018, compared to 2,680 for the same period in the prior year
 - The average time to respond to customers during Q2 Fiscal 2018 was 10.6 days due to the increase in feedback and traffic volumes, compared to 11.2 days in Q2 Fiscal 2017

Distribution of Total Comments by Rating

Total Comments = 3,808

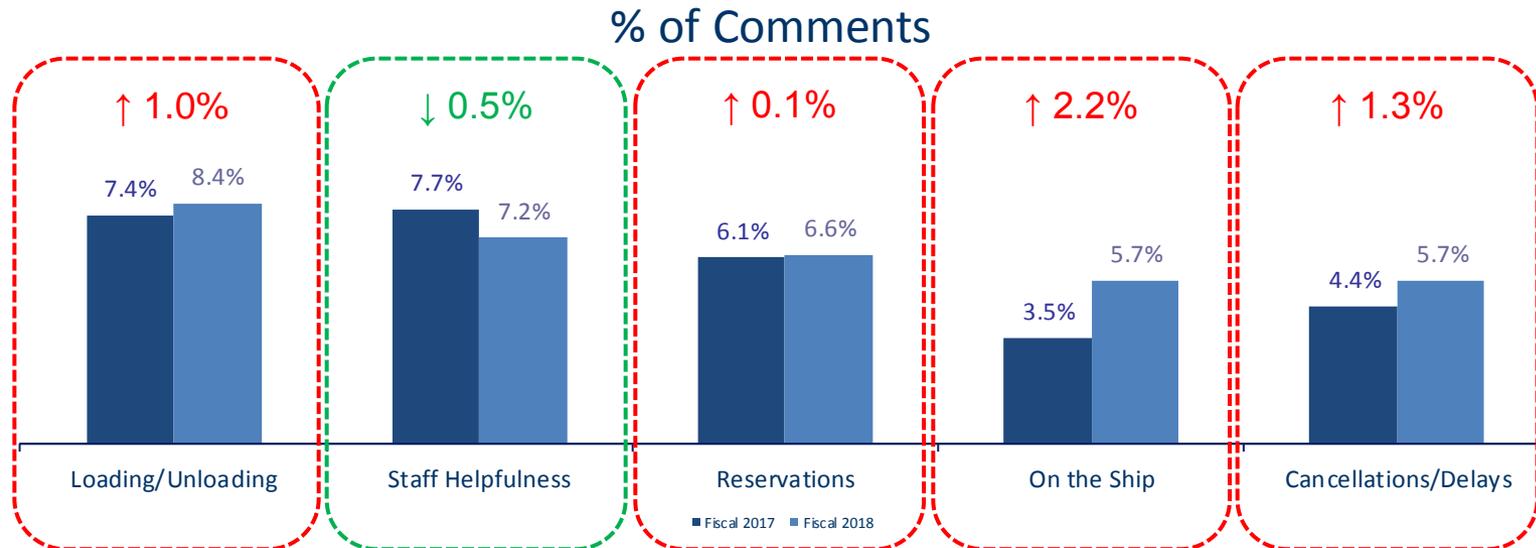


- The top five complaints represented 47.5% (1,139) of all complaints received during Q2 Fiscal 2018
- Loading/Unloading was the top issue reflected in the comments received during the quarter

*Complaints = "bad" or "poor" rating accompanied by a comment
 Note: Q2 Fiscal 2018 = July 1, 2017 – September 30, 2017

Top Complaints*: Corporate

#	Complaint	Q2 Fiscal 2018		Q2 Fiscal 2017	
		Complaints (n=1,139)*	% of Comments (n=3,381)**	Complaints (n=773)*	% of Comments (n=2,654)**
1	Loading/Unloading	285	8.4%	197	7.4%
2	Staff Helpfulness	243	7.2%	204	7.7%
3	Reservations	223	6.6%	162	6.1%
4	On the Ship	194	5.7%	92	3.5%
5	Cancellations/Delays	194	5.7%	118	4.4%



*Complaints = “bad” or “poor” rating accompanied by a comment

**Comments in this analysis exclude general comments and comments for which no rating was provided. In Q2 Fiscal 2018 there were 394 general comments received made up of community issues (220), company information (130) and environment (44); 33 comments were provided with no rating

Loading/Unloading

Sample of Customer Comments:

Complaints

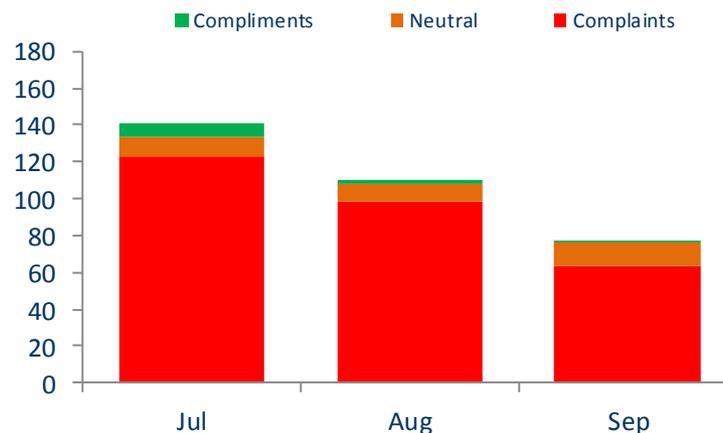
- Customer wrote: "Who can I contact at BC Ferries to voice my disgust about not being allowed to stay in my vehicle with my dogs? Apparently if I request the upper deck, I will be allowed to visit my dogs. How far in advance do I have to make these arrangements? How long will it be before you start charging for the upper deck?"
- Customer called to express her frustration with the Langdale foot passenger loading trial. She said it was difficult to gain access to the elevator and stairs, since she had to "squeeze" through the tight spaces between vehicles.
- Walk-on customer for a sailing from Long Harbour to Tsawwassen complained they were unable to travel because the maximum allowable passenger tickets for the sailing had already been sold.

Compliments

- Customer called to share how smoothly traffic was handled when loading onto the vessel. They wanted to recognize the efficiency of the staff directing traffic at the Langdale terminal.
- Customer posted on Facebook: "Everyone complains about BC Ferries and especially on a super busy summer holiday long weekend, however, look at the service I just received - they removed the trailer hitch on my sister's and brother in law's truck. Those sardine packers on the car deck squeaked me on! Plus they even put it back on for me. Thanks BC Ferries."

Loading/Unloading includes:

Group/Attribute	Complaints	Neutral	Compliments
Inside the Terminal: Loading/Directions	156	15	5
On the Ship: Loading/Unloading	108	17	5
Sailings: Loading Error	21	1	
% of all comments (3,381)	8.4%	1.0%	0.3%



Root Cause:

Closed Car Deck

On August 22, 2017, BC Ferries announced its plan to harmonize safety practices with Canadian ferry operators relating to Transport Canada regulations that prohibit passengers from remaining in their vehicle on any closed vehicle deck (a space that is closed at both ends with limited side openings) on a vessel that is underway, effective October 11, 2017. This Transport Canada Regulation is in accordance with Section 152 of the Cargo, Tackle and Fumigation Regulations.

Foot Passenger Trial

As part of BC Ferries' effort to improve on-time performance on the Horseshoe Bay/Langdale route, a foot passenger loading trial was conducted from July 12 - 18, 2017 which saw passengers walk on vessels after vehicles had loaded, a change to the usual practice of loading passengers before vehicles.

Increased Traffic Volume

BC Ferries' record breaking traffic level trend continued during Q2 Fiscal 2018 with passenger traffic levels being the highest experienced in over 20 years and vehicle traffic levels the highest BC Ferries has ever experienced in both the second quarter and year-to-date. This overall increase in traffic has affected the ability of customers to be loaded on the sailing of their choice and caused some sailings to reach maximum passenger counts.

Lessons Learned:

Closed Car Deck

BC Ferries' first priority and core value is the safety of passengers and crew. Due to the volume of customer concerns raised prior to implementation of the regulatory requirements regarding passengers remaining in their vehicles on any closed vehicle deck, BC Ferries ensured its front line staff were well equipped with the necessary training and tools to successfully implement compliance and make sure that key messaging was available for both the public and employees to educate on the reasoning behind this change.

Foot Passenger Trial

The intent of the foot passenger loading trial was to determine if the 'end-of-load' method would save time and contribute to improved loading times for the vessels to improve on-time performance on the Horseshoe Bay/Langdale route. The trial revealed inconveniences for foot passengers, while demonstrating that significant time savings could be found. However, the time savings did not come from foot passengers loading after vehicles, but rather, from crews increasing space between vehicles to allow freer passage for foot passengers. Allowing more space between vehicles resulted in a much quicker total loading time and permitted the vessel to keep on schedule. This practice is called 'express loading'.

Action Taken:

Increased Traffic Volume

High traffic volumes have had an adverse affect on our customers' travel plans and their ability to be loaded on their preferred sailing. Every effort must be made to continue focusing on improving the customer experience through increased communication, offering dependable service, providing additional sailings during peak periods and continuing to shift demand to underutilized sailings through promotional offers.

Closed Car Deck

BC Ferries' communication plan consisted of a news release, vessel signage, orange windshield cards, information rack cards, toll booth posters, website FAQs, updates to reservation confirmation documentation and reminding customer to request upper deck loading for special circumstances at the ticket booth. The plan also provided support tools for employees such as training, added messaging, digital version of materials, a reference guide and crew reference cards. As a visual reminder to further enforce Transport Canada's regulation, wall mounted retractable stairwell/elevator belt barriers were installed to those vessels impacted. The change in practice has been supplemented on board by crew informing customers of the Transport Canada regulation and by asking them to comply. Exemptions to the regulation cannot be routinely granted, but BC Ferries will do its best to accommodate special requests for customers who have unique challenges or special needs that may preclude them from exiting their vehicle and moving up to the passenger decks. Crew will discuss the reasoning behind the regulation to those refusing to leave their vehicle and address the situation on a case by case basis. Customers travelling in an under height vehicle will have the option to wait for the next available sailing if they wish to be loaded on the upper car deck.

Foot Passenger Trial

As a result of the analysis completed after the foot passenger loading trial, BC Ferries will not use the end-of-load method for foot passengers in the future, but will use express loading selectively to get back on schedule after delays. BC Ferries will continue to explore initiatives that may help improve on-time performance.

Increased Traffic Volume

BC Ferries continues to invest earnings in services and infrastructure in order to provide an improved customer experience. Additional sailings continue to be added during peak periods and promotional programs offered allow BC Ferries to shift demand to previously underutilized sailings which has proven to be successful in helping to reduce overloads.

Sample of Customer Comments:

Complaints

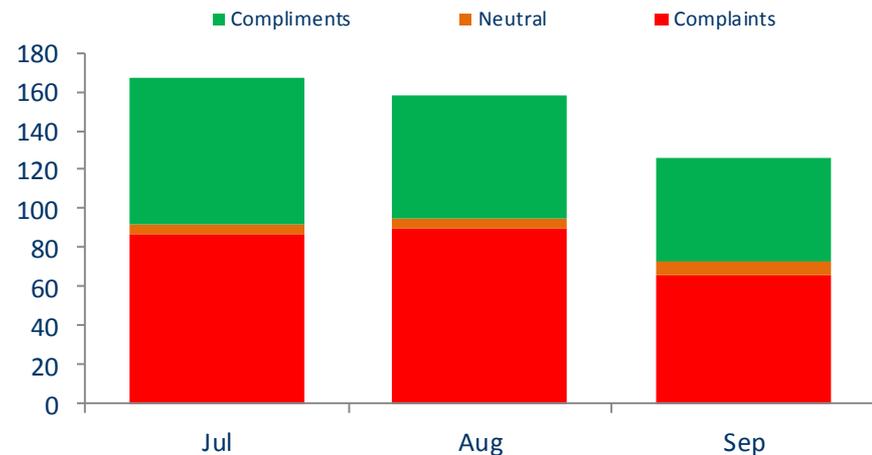
- Customer wrote: "I arrived at the terminal at 9:45 am for the 10:40 am sailing. It took 15 minutes for 10 vehicles to get through our line. Our line was so slow that we missed getting on the 10:40 am sailing. The lady was completely incompetent, so frustrating."
- Customer called upset she was given the wrong information by the customer service agent regarding her reserved sailing from Prince Rupert to Skidegate. She was travelling on TAPS and showed up at the terminal in the evening when in fact the sailing was in the morning.
- Customer called to complain that she had reserved wheelchair assistance for the Horseshoe Bay to Departure Bay sailing and when disembarking the vessel at Departure Bay, no employees were there to assist.

Compliments

- Customer wrote: "I would like share my appreciation for the great service that you provided me on my trip to Salt Spring Island on July 28. The advance warning of the morning cancellation was very much appreciated as it allowed me to make alternate arrangements. The customer service on the phone was also extremely helpful because they came up with a workable solution that fitted me perfectly. My last praise is for your front line field attendants who helped this lost traveller, always with a smile on their faces."
- Customer wrote, "I would like to thank BC Ferries for their wonderful service this morning. I was in medical distress and the crew bent over backwards to help me."

Staff Helpfulness includes:

Group/Attribute	Complaints	Neutral	Compliments
Inside the Terminal: Staff Helpfulness	143	8	76
On the Ship: Staff Helpfulness	39	5	89
Outside the Terminal: Staff Helpfulness	33		10
On the Phone: Information Accuracy	20		
On the Phone: Agent Helpfulness	8	4	16
% of all comments (3,381)	7.2%	0.5%	5.6%



Staff Helpfulness

Root Cause:

Communication issues, ticketing errors, misunderstandings and inappropriate behavior by employees can lead to customer dissatisfaction.

Lessons Learned:

BC Ferries identifies areas for improvement in customer service through ongoing customer feedback, complaints and suggestions received through all comment channels.

During the wheelchair reservation process, it is important for BC Ferries to clearly review requirements and share with customers the timing required by terminal and vessel staff to facilitate a successful transition between the two when assistance is needed. BC Ferries recognizes there are times when it can be a challenge to meet the demand of this service due to passenger volumes and the increasing need for assistance. Extra time can be required when there are multiple customers with wheelchair reservations.

Action Taken:

Complaints are reviewed and investigated on a case by case basis. Customers receive a response either in writing or verbally with an apology and an explanation of the policy or event. Every effort is made to avoid further confusion by clarifying misunderstandings of policy or procedure. Employee complaints are shared with the appropriate management team if deemed necessary for follow up with the employee. In cases such as that for the wheelchair reservation process, reminders are shared with employees involved in the booking process to ensure customers are clear on the 60 minute check-in policy so that their request can successfully be facilitated at the terminal and on board.

Compliments are shared with the individual management team so that the employee may be recognized for their efforts.

Social media channels are monitored and responded to in a timely manner to keep up to date on emerging issues and trends.

Customer service focused videos completed in Q1 of Fiscal 2018 are available for training purposes as a reference/reminder of how BC Ferries' employees can work to enhance the customers' travel experience.

*Note:

Improvements in customer service were once again reflected in the number of staff compliments received, most notably for "On the Ship: Staff Helpfulness" and "On the Phone: Agent Helpfulness" where compliments exceed complaints.

Sample of Customer Comments:

Complaints

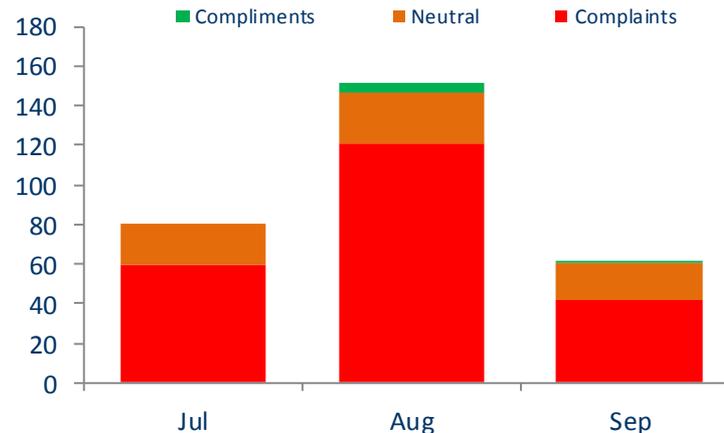
- Customer wrote: "I appreciate the importance of having a cut-off time for arrival at the terminal to claim a reservation, but my husband and I are very disappointed and frustrated to be denied access to our 10:50 am Langdale reservation because we got to the booth at 10:22. We were stuck behind a slow-moving truck on the way. We have two toddlers in the car who now have to be entertained at the ferry terminal for two hours. Is there not a five minute grace period or maybe a bit of flexibility for families travelling with young children. It's very disappointing to be treated this way."
- Customer called stating they were never contacted about the schedule change for their reservation.
- Customer wrote: "Other than securing a place on board, and knowing those reserving pay about 30% more, would it not be fair to have priority during loading/unloading? It doesn't help when you arrive early with a reservation and leave the boat way after those who arrived much later without a reservation."

Compliments

- Customer wrote, "It took a long time to reach an agent but it was well worth it considering the service provided by xxx who was awesome and very knowledgeable in answering all my reservation queries patiently. Great customer service."

Reservations includes:

Group/Attribute	Complaints	Neutral	Compliments
Reservations: Availability	43	29	1
Reservations: Cost	8	4	
Reservations: Flexibility/Changes	33	17	3
Reservations: Policies	139	15	1
% of all comments (3,381)	6.6%	1.9%	0.1%



Root Cause:

To allow sufficient time for the safe loading of vessels, BC Ferries has a 30 minute cut-off for reservation redemption at the ticket booth in order to prioritize traffic and prepare a loading plan for the scheduled sailing to depart on time. This reservation cut-off is historic and has been in place for over 20 years.

Customers expect to be loaded and discharged in order of vehicle arrival at the terminal. Customers who have paid a reservation premium, or who queue in a certain order, have heightened expectations in this regard and deem it to be poor customer service if their expectation not being met.

Lessons Learned:

Not all customers have adjusted to the lift in traffic volumes and may overlook the importance of advance travel planning and the need for the 30 minute cut-off and other reservation related policies. It is imperative that customers are made fully aware of reservation policies at the time of booking to avoid disappointment upon arrival at the ticket booth.

Operationally BC Ferries is unable to fulfill the expectations of those who reserve and expect first on – first off priority and communication explaining loading procedures in this regard must be consistent.

Action Taken:

Communication regarding cut-off times and reservation policies is in place via the following channels: reservation terms and conditions, reservation confirmation e-mail, FAQ's (Frequently Asked Questions) on the website, through the IVR system, and during the booking process with our Customer Sales and Service Representatives. Communication through these channels is reviewed annually to ensure the messaging is effective and delivered consistently to customers during time of booking.

To explore how to address complaints regarding the 30 minute reservation check-in policy, BC Ferries is conducting a pilot which began September 29, 2017 out of Horseshoe Bay/Langdale/Departure Bay terminals. A flexible reservation check-in window is offered which commences 60 minutes prior to scheduled departure and lasts until the later of: 30 minutes prior to scheduled departure OR vessel arrival, as directed by the Tower.

Complaints, in general, are investigated to determine if an error on behalf of BC Ferries led to the customer's dissatisfaction. If an error is identified, the reservation fee will be refunded to the customer.

Sample of Customer Comments:

Complaints

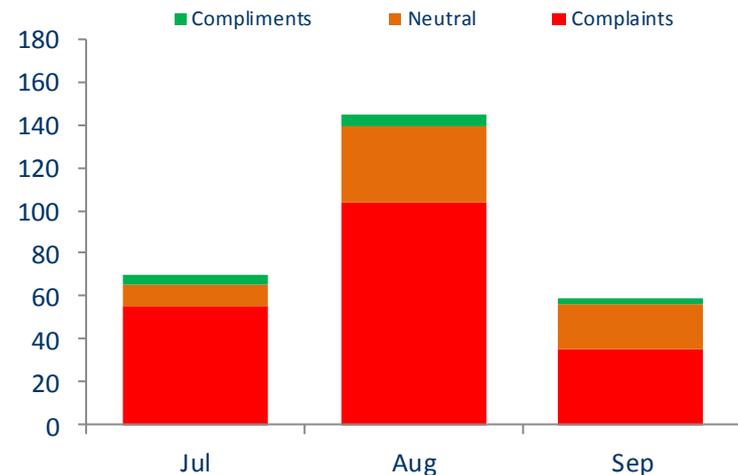
- “Would it be possible to have an announcement or even a sign somewhere with regards to car alarms and the motion of the ferry setting them off? As a frequent ferry user I hear car alarms on many sailings.”
- Customer with a disability called to express frustration that they were not placed in an accessible place on the vessel.
- “We paid \$24 to sit in the quiet lounge on the 7pm sailing only to have someone with a small child come in and proceed to let that child run around the lounge doing laps. Not impressed. I have no problem paying for a quiet and relaxing environment but then I expect it.”

Compliments

- Thank you to the First Officer on the ship from Nanaimo to Horseshoe Bay. He announced a sighting of killer whales and I was able to have a great view of them. This was a big deal to me having travelled all the way from the UK to spend two days kayaking, looking for orcas, and not to see a single one. The ferry was literally our last opportunity and the fact that we did see them was incredible. Thank you for the announcement!
- All praise to the Captain of the *Queen of Capilano*. He announced to us that orcas were playing up ahead, and then he slowed and changed course more than once to ensure he avoided hitting them, because they were not moving but staying right in the ferry's path. He also made an excellent announcement about preserving water and the ban on campfires as we reached Snug Cove. Thank you very much!

On the Ship includes:

Group/Attribute	Complaints	Neutral	Compliments
On the Ship: Accessibility On Board	68	19	1
On the Ship: Announcements	12	3	5
On the Ship: Cleanliness	15	2	1
On the Ship: Lost and Found		5	2
On the Ship: Outer Decks/Smoking Area	14	8	2
On the Ship: Pet Areas	33	8	1
On the Ship: Vessel Safety/Security	40	18	2
On the Ship: Washrooms	12	3	
% of all comments (3,381)	5.7%	2.0%	0.4%



*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q2 Fiscal 2018 = July 1, 2017 – September 30, 2017

Root Cause:

Customers have an expectation of BC Ferries' services. When those expectations are not met, customers are left with a negative perception of their travel experience.

Lessons Learned:

It is BC Ferries' responsibility to address issues impacting customers as they arise to reduce negative perceptions. While it's not possible to avoid all occurrences, BC Ferries strives to ensure that future travel experiences are positive.

With reference to alarms, some vehicles will not lock without alarm activation. As we are unable to ask customers to leave their vehicles unlocked, BC Ferries must continue to communicate through announcements on board so that customers can turn off the alarms as needed.

Action Taken:

Vessel vibration during transit creates an environment for car alarms to become activated. Vehicle decks are monitored by BC Ferries' crew to ensure all vehicles with an active alarm are reported to the Chief Stewards office. Vehicle type and license plate information is then announced to passengers on board to encourage the owner to attend to the vehicle.

Due to increased demand and limited suitable deck space, BC Ferries can be challenged with offering consistent service to those customers who have requested elevator access during the loading process. BC Ferries Accessibility Committee meets bi-annually to review accessibility issues to identify and implement improvements. Internally, BC Ferries continues to focus on communication between the ticket booth agent, the tower controller and the loading officer to ensure persons requiring assistance are loaded with elevator access as expected.

BC Ferries crew are occasionally challenged by customers who choose not to comply with the quiet expectations of attendance in the Seawest Lounge. Customers are encouraged to bring concerns forward to the Seawest Lounge attendant so matters can be addressed in the moment. In addition, staff are trained to be proactive and attend to those not respecting the environment offered so that customers can enjoy the quiet space without interruption.

Cancellations/Delays

Sample of Customer Comments:

Complaints

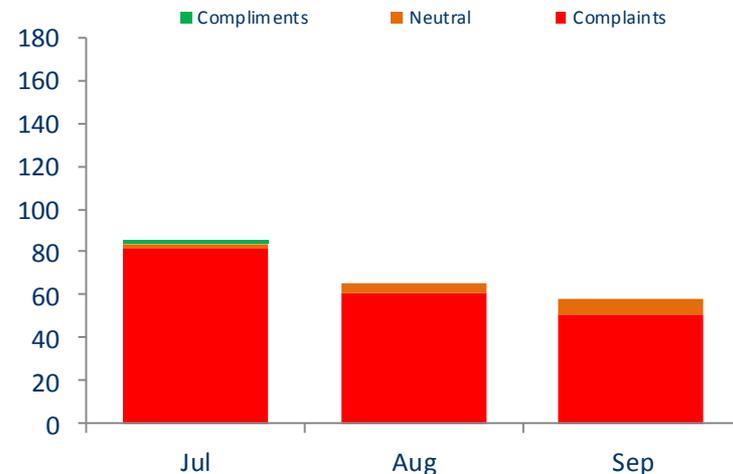
- Customer called to complain about the *Queen of Nanaimo* cancellations in June. His wife was able to stay overnight at their place on Mayne Island and travel thru fare on Monday morning via Swartz Bay. However, his son-in-law had to work on Monday so he had to fly back on Sunday instead of taking the ferry. He had to change his flight for a \$100 fee.
- Customer wrote: "Please make a schedule that can be kept on the Horseshoe Bay/Langdale route. Please. Please. Stop planning sailings that are disrupted by heavy traffic. Heavy traffic is the norm."
- The Gabriola-Nanaimo ferry is constantly late. In fact, in the last 21 days I have received 10 delayed-sailing notices, ranging from 20-52 minutes. This doesn't count delays less than 20 minutes which don't seem to trigger an email but are still frustrating. Obviously the summer schedule needs revision to allow for higher traffic volume. As a commuter who relies on the ferry, these delays are increasingly frustrating.

Compliments

- Customer wrote: "Despite what I am sure was a very challenging weekend for BC Ferries staff, we would like to commend you for handling the cancellation of the *Queen of Nanaimo* and subsequent substitute sailings with the *Bowen Queen* very well. Staff kept passengers up to date with as much information as possible first with terminal announcements, direct staff instructions from staff at the terminal to cars in line, to email and phone updates. Our plans were only affected by three hours on Thursday and not at all on the return on Sunday - well done!"

Cancellations/Delays includes:

Group/Attribute	Complaints	Neutral	Compliments
Sailings: Cancellations	55	4	1
Sailings: Delays	139	9	
% of all comments (3,381)	5.7%	0.4%	0.0%



Root Cause:

Operational cancellations and delays can be caused by traffic volumes, mechanical issues or adverse weather conditions. Other impacts to service include marine emergencies, medical emergencies, crewing matters and situations that occur during the loading/unloading process (stalled vehicle, lost key, driver not in vehicle, dead battery, etc.).

The *Queen of Nanaimo*, servicing the Tsawwassen/Southern Gulf Islands route, experienced two service disruptions in late June and July 2017 due to mechanical issues.

Lessons Learned:

Sailing cancellations and delays have a significant impact on the routine of BC Ferries' commuting and general customers alike. Every effort must be made to communicate the issue and provide timely information to customers through service notices, Twitter, our website and terminal/onboard announcements. BC Ferries' primary focus is to restore full service as soon as it is safe to do so.

Action Taken:

BC Ferries has a plan to guide employees in managing delays and cancellations of service. Each incident is reviewed and managed on a case by case basis to ensure the needs of the specific communities and customers are taken into consideration. The primary focus is always the restoration of full service as soon as possible.

In order to ensure consistent service for the remainder of the summer on BC Ferries' Tsawwassen/Southern Gulf Islands route, *Salish Raven* (the third of three new Salish Class vessels) was fast tracked into service August 3, 2017 as a result of the second *Queen of Nanaimo* service interruption. The Salish Class vessels are dual-fuel (capable of operating on liquefied natural gas or ultra-low sulphur marine diesel) and offer an increase in safe, cost effective and reliable service.

BC Ferries launched an engagement process with the Sunshine Coast and Bowen Island communities in June 2017 to help develop new sailing schedules that permit better on-time performance. BC Ferries received more than 4,000 responses to the online survey and connected with more than 600 people through interviews, workshops, community pop-up events and outreach efforts. The process has allowed BC Ferries to use the data collected to adjust schedules in order to improve on-time performance on the Horseshoe Bay/Langdale and the Horseshoe Bay/Snug Cove routes. The new schedule commences January 2, 2018.