

# RECORD OF MEETING

**BRITISH COLUMBIA FERRY COMMISSION (BCFC)  
BRITISH COLUMBIA FERRY SERVICES INC. (BCFS)  
QUARTERLY COMPLIANCE MEETING**

<b>DATE:</b> September 8, 2016	<b>TIME:</b> 10:00 a.m. – 4:00 p.m.	<b>SITE:</b> 1321 Blanshard Street Victoria, BC
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<b>ATTENDANCE:</b>  <b>BCFC:</b> Gord Macatee Sheldon Stoilen  <b>BCFS:</b> Dennis Dodo Cynthia Lukaitis Alana Gallagher Jason Eamer-Goult Jamie Marshall Janet Carson Mark Wilson Rob Clarke Jon Donald	Commissioner (agenda item 8.c. et seq.) Deputy Commissioner  Chief Financial Officer Vice President & Corporate Secretary Treasurer Manager, Regulatory & Freedom of Information Vice President, Fleet Operations (agenda items 4.b and 5.) Vice President Marketing & Travel Services (agenda item 9) Vice President, Engineering (agenda items 10 and 11.a. to d.) Executive Sponsor, Major IT Projects (agenda item 11.e.) Organizational Change and Program Governance Advisor (agenda item 11.e.i.)
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**1. ADOPTION OF AGENDA**

The agenda was approved as circulated, with some reordering of agenda items.

**2. DISCLOSURES**

BCFC and BCFS each advised that they had not identified any services by consultants that are known to be in common.

**3. RECORD OF MEETING**

**a. June 28, 2016 Quarterly Meeting**

**b. Action Items**

The record of the June 28, 2016 quarterly meeting and action items were reviewed and approved.

**4. FISCAL 2017 – COMPLIANCE REPORTS**

**a. Q1 Price Caps**

A report prepared by BCFS comparing the quarterly average fare index with the quarterly price cap index by route group for the seven quarters ended June 30, 2016 was reviewed and discussed. The report indicates BCFS' compliance with all regulatory requirements, including section 45.3 of the *Coastal Ferry Act*, in respect of the average fares charged in the quarter.

**b. Q1 Core Service Levels**

Reports prepared by BCFS on its performance against core service levels as set out in the Coastal Ferry Services Contract for the quarter ended June 30, 2016 were reviewed and discussed. The reports indicate BCFS' compliance with the core service level requirements in the quarter.

**c. Q1 Drop Trailer**

BCFS' calculation of its average drop trailer tariff for the quarter ended June 30, 2016 was reviewed and discussed. The calculation indicates that BCFS has complied with the Minimum Allowed Average Tariff for the quarter based on the methodology set out in Order 11-01A.

**d. Q1 Complaints Resolution**

BCFS' complaints resolution report for the quarter ended June 30, 2016, prepared in accordance with Memoranda 40 and 40A, was reviewed and discussed.

**5. ON TIME PERFORMANCE**

BCFS reviewed the internal and external factors affecting the on-time performance of its vessels. There was a discussion of efficiencies to be realized while vessels are both in dock and in transit.

**6. FUEL DEFERRAL ACCOUNTS**

**a. Balance at July 31, 2016**

A report prepared by BCFS on the deferred fuel account balances as at July 31, 2016 was reviewed and discussed. The report tabled by BCFS indicates that it has complied with terms and conditions for fuel deferral accounts set out in Order 15-03A.

**b. Forecast**

BCFS' projections for the regulatory account balances were reviewed and discussed.

**9. CUSTOMER SATISFACTION TRACKING SURVEY RESULTS**

BCFS reviewed the results of the 2015 customer satisfaction tracking survey undertaken in accordance with the Coastal Ferry Services Contract.

**7. DROP TRAILER PERFORMANCE REVIEW**

The reporting requirements for the drop trailer service as set out in Order 16-01 issued September 6, 2016 were noted. BCFC will meet with BCFS to provide further direction on this matter prior to the next scheduled quarterly meeting.

**8. SECTION 55 FILINGS**

**a. Conditions Status Update**

BCFS' progress in meeting the conditions set out in BCFC's orders approving major capital expenditures under section 55 of the *Coastal Ferry Act* was reviewed and discussed.

**b. Fare Flexibility and Digital Experience Initiative**

Discussion on this matter was deferred to agenda item 11.e.

**c. Potential filings**

BCFS provided an update with regard to potential upcoming filings for major capital expenditures under section 55 of the *Coastal Ferry Act*.

**11. UPDATES**

**d. Mid-Coast Service**

BCFS gave a status update with regard to vessel acquisition for the provision of services on the mid-coast.

**e. Major Information Technology (IT) Projects**

BCFS provided an update on the portfolio oversight function across the Automated Customer Experience (ACE) program, Fare Flexibility and Digital Experience Initiative (FFDEI), and Payment Card Industry project, as well as on the ACE program and FFDEI. There was a discussion of the status of BCFS' supplemental application under section 55 of the *Coastal Ferry Act* seeking BCFC's approval of a revised maximum capital expenditure for FFDEI.

**i. External Communications**

BCFS provided an overview of the planned approaches to communications with customers and other external stakeholders regarding the implementation of major IT projects, including ACE and FFDEI.

**10. FUEL REPORTS – OVERVIEW**

BCFS' strategies to manage fuel consumption, transition to alternative fuels and procure fuel, as set out in its Fuel Strategies Update Report (June 24, 2016) and Performance

Term Four Fuel Management Plan (March 30, 2016), were reviewed. There was discussion of possible metrics or other means to enhance the reporting on vessel fuel consumption performance.

- 11. UPDATES (Cont'd)**
  - a. Salish Class Vessels**
  - b. Spirit Class Vessels**
  - c. Minor Class Vessels**

BCFS gave progress reports regarding the Salish class vessels construction project, the Spirit class vessels mid-life upgrades project, and the minor class vessel replacement program.

**12. OTHER BUSINESS**

Nil.

**13. NEXT MEETING**

The next BCFC / BCFS quarterly meeting is scheduled for December 7, 2016.

**14. TERMINATION**

The meeting terminated.