

Complaints Resolution Report

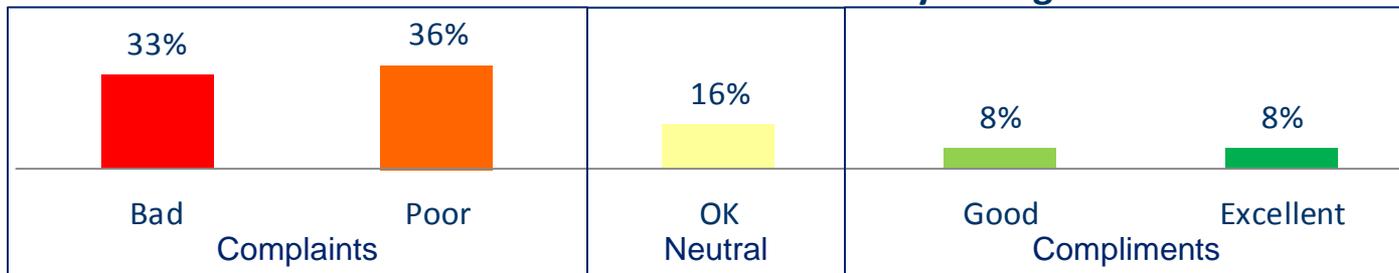
Quarter ended June 30, 2016



Feedback Summary

- During Q1 Fiscal 2017 5.3 million customers travelled with BC Ferries
 - BC Ferries received 2,219 comments in Q1 Fiscal 2017
 - The average time to respond to customers was 5.4 days in Q1 Fiscal 2017

Distribution of Comments by Rating

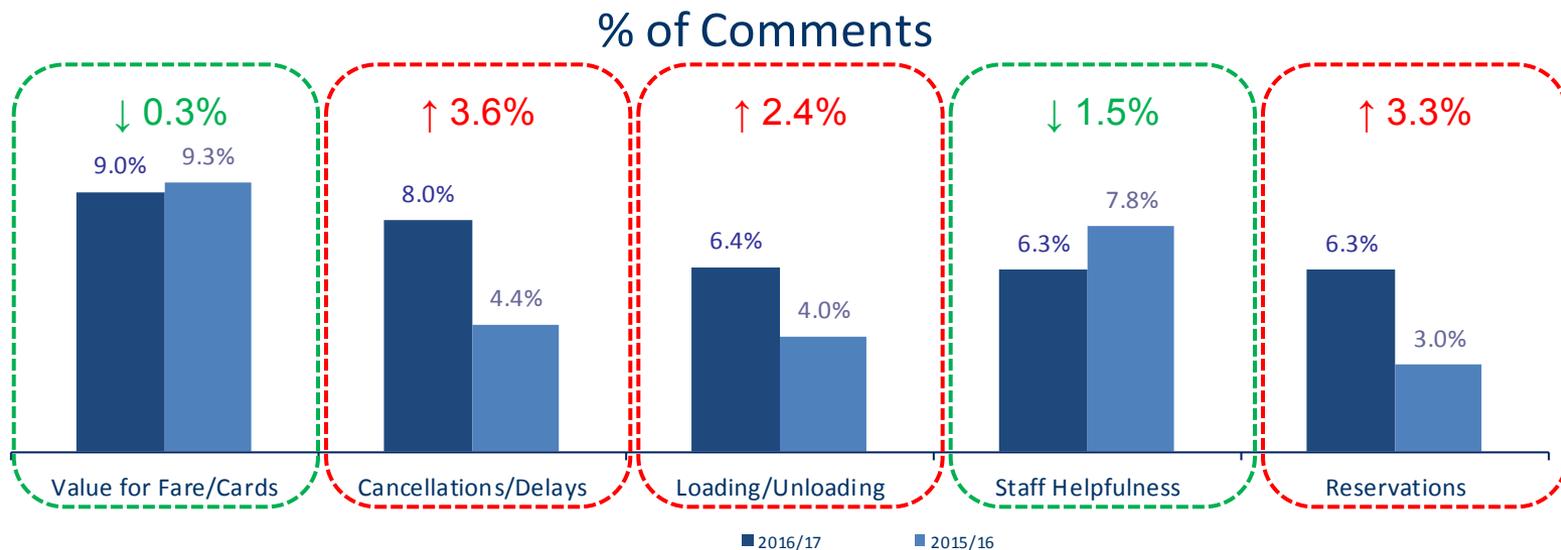


- Customer initiated feedback tends to be negative. Sixteen percent (16%) of all customer feedback received in Q1 Fiscal 2017 was complimentary
- “Value for Fare/Cards” was the top issue: 183 complaints* were made, representing 9% of the total comments received in Q1 Fiscal 2017
 - Top 5 complaints combined represent 28% of all complaints received in Q1 Fiscal 2017
- “General” comments are excluded from this analysis, along with comments with no rating:
 - 162 “General” comments were received, which were made up of Company Information (77), Community Issues (64) , Environment (21) and 20 comments were provided with no rating.

*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q1 Fiscal 2017 = April 1, 2016 to June 30, 2016

Top Complaints*: Corporate

#	Complaint	Q1 Fiscal 2017		Q1 Fiscal 2016	
		Complaints*	% of Comments (n=2,040)	Complaints*	% of Comments (n=1,862)
1	Value for Fare/Cards	183	9.0%	174	9.3%
2	Cancellations/Delays	163	8.0%	82	4.4%
3	Loading/Unloading	131	6.4%	75	4.0%
4	Staff Helpfulness	129	6.3%	145	7.8%
5	Reservations	129	6.3%	56	3.0%



*Complaints = "bad" or "poor" rating accompanied by a comment
 Note: Q1 Fiscal 2017 = Apr 1, 2016 to Jun 30, 2016
 Q1 Fiscal 2016 = Apr 1, 2015 to Jun 30, 2015

Value for Fares/Cards

Sample of Customer Comments:

Complaints

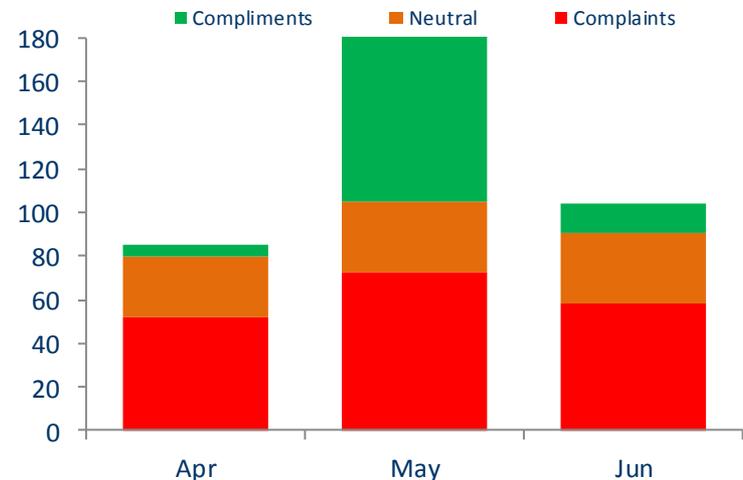
- “How come a 20 foot truck pulling a trailer that measures 20 feet from the back bumper of the truck to back bumper of the trailer does not cost the same price as two 20 foot trucks.”
- “I have travelled on the ferries for many years and now that I am a senior the discount is no longer available at the lower rate. I personally think this is a disgrace the amount that is charged for limited income pensioners and veterans. The upper management do not take any pay cuts of course.”
- Customer would like to receive a discount on vehicle fares, since she requires a vehicle to travel for her disability. (She is unable to get on as just a walk-on passenger).

Compliments

- The Mayor of the City of Colwood sent BC Ferries a 'thank you' card for the role played in assisting first responders with attending the funeral of the fallen RCMP member.
- Customer called in to inquire about where to pay in Vesuvius Bay for travel to Crofton. She was shocked to find out that her payment in Crofton allowed her to return without paying additional money. Thinks BC Ferries is amazing and says that she would have gladly paid again--however it was a pleasant surprise not to.
- “Size up the Savings Promotion!! Travel trailer fare reductions are fabulous and I would ask that you extend this to other ferry routes as well. Powell River is a beautiful recreation area and we need a break. We store our travel trailer on the island as it is just too expensive to travel back and forth to Powell River. Please give us a break a few times a year.”

Value for Fare/Cards includes:

Group/Attribute	Complaints	Neutral	Compliments
Fares: Discount Fares/Promotions	48	89	42
Fares: Errors	40		5
Fares: Value for Fares Paid	36	6	4
Fares: Experience Card	35	3	26
Fares: Assured Loading Card	21		11
Fares: Credit/Debit Card	3		5
% of all comments (2,040)	9.0%	4.8%	4.6%



*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q1 Fiscal 2017 = April 1, 2016 to June 30, 2016

Root Cause:

Extra per foot charge: BC Ferries responded to a long standing concern customers expressed over being charged for vehicles over 7" (2.13 m) in length by eliminating the over height fare on most routes on April 1, 2010. At the same time, the per foot charge for additional length (over 20 feet or 6.1 m) was aligned with the commercial per foot rate. This resolution was made after extensive consultation with the Ferry Advisory Committees.

Discounted Fares & Social Programs: The Provincial Government provides fare subsidies for BC seniors, students and passengers with a permanent disability. BC Ferries administers these discounted fares on behalf of the Provincial Government and acts within the guidelines and policies set by the Government.

Lessons Learned:

Fare affordability is a major concern for our customers and we continuously look for efficiencies as well as other opportunities to contain costs and increase ancillary revenue to reduce the upward pressure on fares.

Through customer feedback we have identified the need for a pricing model that will reward customers who book in advance. System upgrades are required in order to be able to offer more dynamic pricing models to encourage and reward frequent travel in the future.

Previously offered fare promotions were well received by customers and further promotions will be offered. The information BC Ferries gathers from these promotions about how customers respond to variable pricing options will help us prepare strategies for the launch of the Fare Flexibility and Digital Experience Initiative.

Action Taken:

Extra per foot charge: BC Ferries is pleased to bring back a promotion that was very successful and popular among customers last year. We're offering 50 percent savings per additional foot on extra length recreational and passenger vehicles on more than 990 sailings between Metro Vancouver and Vancouver Island, between June 1 and September 30. We've enhanced the promotion over last year's by adding 500 more sailings and extending the eligible time period by over a month to help our customers with their summer travel planning.

Discounted Fares & Social Programs: On April 1, 2016, BC Ferries announced that for the first time in 13 years, average fares would remain effectively unchanged at the start of the new fiscal year. Both the price cap increase approved by the BC Ferries Commissioner as well as an increase in the fuel rebate were implemented on April 1, ultimately cancelling each other out for a zero per cent net increase to fares.

Cancellations/Delays

Sample of Customer Comments:

Complaints

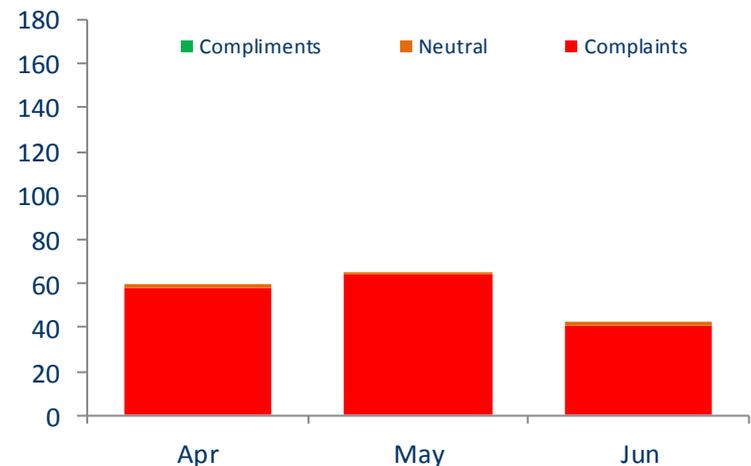
- “We travel approximately every 4 weeks and the last couple of times the departure has been delayed by at least 45 minutes - this is unacceptable as we then are not in time to connect to the next ferry (Gabriola Island). There must be something that can be done so that the ferries depart and arrive on time in accordance with the posted schedule...”
- Customer was upset that he left 3 hours early for his medical appointment from Hornby Island and the 9:40 am sailing from Denman Island – Buckley Bay left early at 9:30am when it wasn't full. The cable ferry then broke down, an announcement was made stating updates would be provided every 15 minutes, and they weren't. Because of this he missed his medical appointment.
- Customer travelled Thru-Fare on the 11:45am sailing between Otter Bay-Swartz Bay on June 14 and it was delayed. She missed the foot passenger cut-off time for the 13:00 sailing to Tsawwassen and was told she would be on the 15:00 sailing. Customer has a ticket for a bus from Vancouver to Calgary and needs to be at the terminal before 6pm. Customer is frustrated that she will most likely not be able to catch her bus in time.”

Compliments

- “Thank you to the team on the deck for getting us quickly unloaded from our late arriving ferry and for holding the Skeena Queen so all Thru Fares made the connection to Salt Spring Island. You guys rocked it tonight!”

Cancellations/Delays includes:

Group/Attribute	Complaints	Neutral	Compliments
Sailings: Cancellations	36	2	-
Sailings: Delays	127	3	1
% of all comments (2,040)	8.0%	0.2%	0.01%



*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q1 Fiscal 2017 = April 1, 2016 to June 30, 2016

Root Cause:

Operational delays are often caused by situations that occur during the loading or unloading of the vessels (stalled vehicles, lost key, driver not in vehicle, etc). Other impacts on service include medical emergencies, marine emergencies, adverse weather conditions and mechanical issues.

Lessons Learned:

Sailing delays have an adverse affect on the daily life of our many commuting customers. If sailings have to be cancelled or the vessel has to be taken out of service, every effort must be made to restore service as soon as it is safe to do so.

Action Taken:

BC Ferries has a Service Interruption Plan that helps guide employees in managing delays and cancellations of service. However 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.

As of June 6, 2016, BC Ferries embarked on a Thru Fare pilot on the Tsawwassen to Swartz Bay route to assist customers travelling with a standard passenger vehicle up to 20Ft (6.1m) in length and under 7Ft (2.13m) in height from the mainland to the Southern Gulf Islands via the Swartz Bay terminal. The goal of the pilot is to help expedite the unloading of Thru Fare customers traveling by vehicle upon arrival at the Swartz Bay terminal in order to improve the likelihood of connecting with the next sailing to the respective Gulf Island.

Loading/Unloading

Sample of Customer Comments:

Complaints

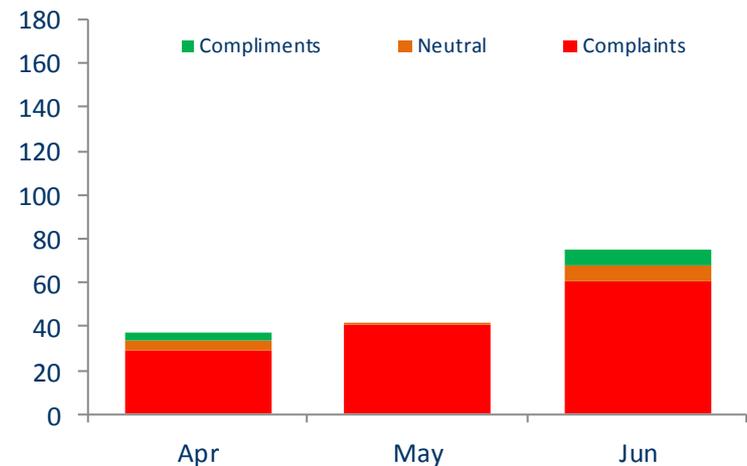
- Customer said that someone moved a cone in the wrong place and the crew members then proceeded to load them in the wrong lane. The ferry left the terminal with space still available and he is now late for a wedding due to this mistake.
- “Arrived at terminal and purchased ticket at 3:42pm, told would be on 5:00pm ferry - with added comment 'that everything was okay'. (We had checked online status moments earlier and it said 63% full- so information concurred). At 5:24pm our lane was advanced ahead but we were not loaded and held for next ferry. All we can surmise is that our lane was not loaded in turn and later arrivals were loaded in our place.”
- Customer is upset that the vessel was delayed from Tsawwassen to Swartz Bay, and subsequently the customer missed the sailing from Swartz Bay to Saturna. Customer believes the vessel should have held in dock to allow him to make this transfer.

Compliments

- Customer called to let us know how much she loves the Bowen Queen travelling from Port McNeil to Sointula. She raved about how friendly the staff is, how quick the boat is and how much extra room there is. She wishes to have this vessel on that route as much as possible as she had such a fantastic experience commuting to work on it.

Loading/Unloading includes:

Group/Attribute	Complaints	Neutral	Compliments
On the Ship: Loading/Unloading	63	6	7
Inside the Terminal: Loading/Directions	59	7	2
Sailings: Loading Error	9		1
% of all comments (2,040)	6.4%	0.6%	0.4%



*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q1 Fiscal 2017 = April 1, 2016 to June 30, 2016

Root Cause:

Customers expect to be loaded and discharged in the order their vehicle arrived at the terminal.

Lessons Learned:

Expectations for loading such as, first on – first off, oversized space prioritized for oversized vehicles, etc. are frequently expressed by customers and perceived as a lack of customer service if not provided. While operationally we are unable to fulfill such expectations, we could improve our communication to help customers understand.

When the issue of first on – first off and the vehicle placement is raised, staff offers a thorough explanation of the factors impacting placement:

- Stability of the vessel in the water and positioning of the ramp during loading
- Even distribution of traffic to maintain vessel stability during crossing
- Optimal use of car deck space in order to accommodate as many vehicles as possible
- The time a vehicle arrives at the terminal and if it has reserved status will determine if it will be loaded on a sailing but not necessarily where on the car deck it will be parked. This applies to all types of vehicles regardless of size.

The consequences of moving to a declared first on – first off guarantee would be:

- Late sailings due to single lane loading
- Fewer vehicles on the car deck
- Increased sailing waits for customers left behind

Action Taken:

Customer feedback suggesting a loading error may have caused them to miss their sailing are reviewed by the terminal operations staff. Learnings are shared with terminal and vessel staff to prevent the possibility of a recurrence of any error that may have occurred.

As of June 6, 2016, BC Ferries embarked on a Thru Fare pilot on the Tsawwassen to Swartz Bay route to assist customers travelling with a standard passenger vehicle up to 20Ft (6.1m) in length and under 7Ft (2.13m) in height from the mainland to the Southern Gulf Islands via the Swartz Bay terminal. The goal of the pilot is to help expedite the unloading of Thru Fare customers traveling by vehicle upon arrival at the Swartz Bay terminal in order to improve the likelihood of connecting with the next sailing to the respective Gulf Island.

Sample of Customer Comments:

Complaints

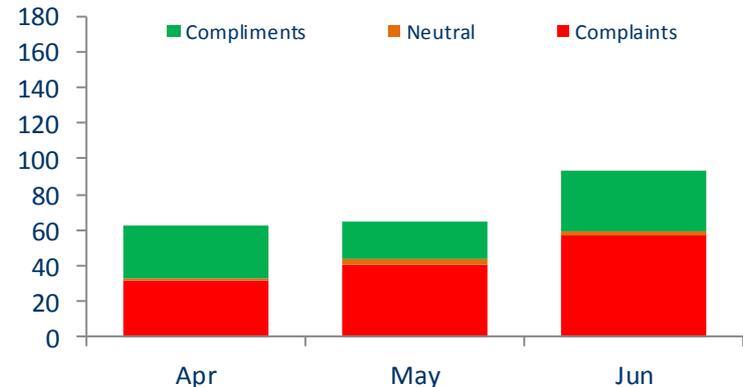
- “We were parked in the outside lane of the upper deck on the 7:00pm sailing Tsawwassen to Swartz Bay. My wife has a torn hamstring and was unable to get out of the car due to a large steel obstruction protruding into our passenger side. When we asked the ferry worker to assist us she just said sorry and walked away. This is a safety concern when passengers are unable to exit their vehicle in an emergency or is cramming as many cars on the boat your priority.”
- Customer was taking pictures at Nanaimo Harbour and was approached by an off-duty staff member who began to question him. He felt this interaction was uncalled for and didn't appreciate the staff member's rude demeanor.

Compliments

- Customer wrote President to thank staff at the Horseshoe Bay terminal for accepting pennies for payment of fares to Bowen Island. He desperately wanted to join a retreat on the island but had limited means. The customer wanted to thank BC Ferries for providing an environment where employees can use their judgement.
- Customer called to share her positive experience when she phoned the Call Centre. The customer travels with a permanent disability and xxx was so kind, compassionate and helpful while assisting on the phone. She was able to help her trip plan, provide schedule information for a number of different routes, and also helped with BC Ferries' Vacation information. The customer highly recommends xxx as she felt the level of customer service provided was exceptional!

Staff Helpfulness includes:

Group/Attribute	Complaints	Neutral	Compliments
Inside the Terminal: Staff Helpfulness	74	3	26
On the Ship: Staff Helpfulness	21	1	43
Outside the Terminal: Staff Helpfulness	14	2	5
On the Phone: Agent Helpfulness	10		10
On the Phone: Information Accuracy	10	1	
% of all comments (2,040)	6.3%	0.3%	4.1%



*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q1 Fiscal 2017 = April 1, 2016 to June 30, 2016

Staff Helpfulness

Root Cause:

Communication issues, misunderstanding, inappropriate behavior by employees can lead to customer dissatisfaction.

Lessons Learned:

Customer feedback represents opportunities to identify areas of improvement in customer service in general, and with individual employees.

Action Taken:

Complaints regarding employees are investigated on a case by case basis. The customer is sent a response with an apology and if appropriate with an explanation of policies to prevent future disappointment. Where communication is the issue, information is provided to the customer to assist in preventing further confusion. In the case of inaccurate information or inappropriate behavior by an employee, corrective action is taken with the employee and the customer is contacted to correct the misunderstanding.

In the spring of 2014 BC Ferries launched a new customer service enhancement program and training on BC Ferries' expectation of employee's customer service delivery. BC Ferries is in the planning stages of developing customer service related training videos. These videos will be for internal use only and will provide learning examples of our 3 Customer Service Attributes: Friendliness, Communication\Listening and Professionalism – to be used by the leadership team during employee debrief sessions.

Compliments for employees are shared with the individual via the management team.

Sample of Customer Comments:

Complaints

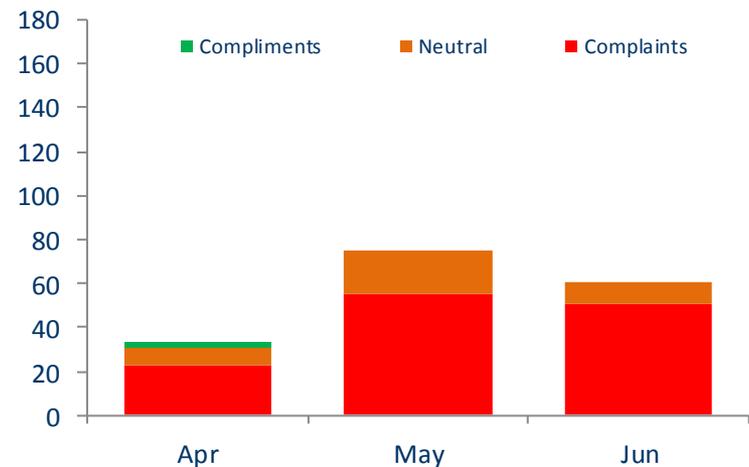
- “I’m a BC resident who has taken the Swartz Bay-Tsawwassen ferry many times. This evening I was extremely disappointed when I arrived at 4:30pm on the dot, for the 5:00pm sailing. The young man who stopped me mid-lane came over to explain that I was too late and had missed my reservation. In the process of explaining this to me, it turned 4:31pm. As a result I missed the 5pm sailing. I would like my reservation payment reimbursed. This is extremely poor customer service and a disappointing reflection on the BC Ferry service.”
- “Today I made a reservation for 5 pm sailing and was 2 minutes late due to heavy traffic. I waited 1 minute in line to pay for my ticket. When I got to the window the lady informed me that I had lost my reservation as well as the 5 pm sailing. The sailing ended up being 45 minutes late due to heavy traffic. Much like what I experienced on my drive to the terminal. Would be nice if your staff would be slightly more flexible and compassionate when dealing with people who are only 1 or 2 minutes late”

Compliments

- Customer called in to say he was very happy with our voiceshot service as he had made a reservation from Duke Point to Tsawwassen and was able to plan around the delayed sailings and choose an alternate route instead of waiting longer at the Duke Point terminal.

Reservations includes:

Group/Attribute	Complaints	Neutral	Compliments
Reservations: Availability	28	15	1
Reservations: Cost	3	3	
Reservations: Flexibility/Changes	21	7	2
Reservations: Policies	77	13	
% of all comments (2,040)	6.3%	1.9%	0.1%



*Complaints = “bad” or “poor” rating accompanied by a comment
 Note: Q1 Fiscal 2017 = April 1, 2016 to June 30, 2016

Root Cause:

To allow sufficient time for safe loading of vessels, BC Ferries implemented a 30 minute cut-off for reservation redemption at the ticket booth. This reservation cut-off is historic and has been in place for many years.

Infrequent travellers, booking a reservation, will often overlook the importance of the 30 minute cut-off or other reservation related policies. It is imperative that customers are made fully aware of reservation policies at the time of booking to avoid disappointment at the time of travel.

Lessons Learned:

Clear communication is in place via the following channels: reservation terms and conditions, reservation confirmation e-mail, FAQ (Frequently Asked Questions) on the website, through our IVR system, and during the booking process with our Customer Service Agents. Communication through these channels is reviewed annually to ensure the messaging is effective and delivered consistently to customers at the time of booking.

Action Taken:

A complaint made will be investigated to determine if an error on behalf of BC Ferries led to the customer's dissatisfaction. This includes the possibility of the employee not following procedures or customer service agents being unclear about policies at time of booking:

- If an error is identified the reservation fee will be refunded to the customer and corrective training action will be taken with the employee.
- If it is determined that the issue is related to unclear written communication, the collateral material will be reviewed and improved. In this case, the customer will also receive a refund of the reservation/change fee.
- If the policy was clearly communicated at the time of booking and no error has been made, a thorough explanation of the reason for the policy will be provided to create an increased awareness of the complexity of loading a vessel and maintaining on time departures.