



OFFICE OF THE
BRITISH COLUMBIA
FERRIES COMMISSIONER

ORDER NUMBER: 21-02

PO Box 9279 Stn Prov Gov
Victoria BC, V9W 9J7
Telephone (250) 952-0112

www.bcferrycommission.ca
info@bcferrycommission.ca

IN THE MATTER OF

Application to Temporarily Reduce Service on Route 10
under Section 43 of the *Coastal Ferry Act*

BEFORE: Eva Hage, BC Ferries Commissioner

ORDER

WHEREAS:

- A. Whereas British Columbia Ferry Services Inc. (“BC Ferries” or “Company”) has submitted an application on October 8, 2021 (the “Application”) attached hereto pursuant to the provisions of Section 43 of the *Coastal Ferry Act* for authorization from the BC Ferries Commissioner (the “Commissioner”) to temporarily reduce service below the core service levels set out in the Coastal Ferry Services Contract for designated ferry route 10 (Port Hardy – Mid Coast – Prince Rupert) on the basis that an extraordinary situation exists, namely, that with the recent removal of Northern Expedition from service for mechanical repairs, the Company will by fiscal year-end likely exceed the 30 cumulative days of temporary service disruptions allowed by the Coastal Ferry Services Contract for that route.

B. Section 43 of the *Coastal Ferry Act* states:

- (1) A ferry operator must not, except as permitted by the applicable Coastal Ferry Services Contract, reduce service on a designated ferry route below the core ferry services required for that designated ferry route unless the ferry operator first obtains the authorization or direction of the commissioner to do so.*
- (2) A ferry operator that wishes to temporarily reduce service on a designated ferry route below the core ferry services required for that designated ferry route must, unless a temporary reduction in service is authorized under section 42, make application to the commissioner for the authorization required by subsection (1) and must, in that application, justify the requested reduction in accordance with subsection (2.1).*
- (2.1) An application may be made under subsection (2) if an extraordinary situation exists and has resulted, or will result, in the ferry operator being unable to provide a required level of service.*
- (3) On application under subsection (2), the commissioner may authorize a reduction in service under subsection (1) if the commissioner is of the opinion that the reduction is for a temporary period and is for an extraordinary situation.*
- (4) If the commissioner agrees, under this section or section 42, to authorize a reduction in service on a designated ferry route, the ferry operator may reduce service on that designated ferry route in the manner, for the period and in accordance with the terms and conditions specified by the commissioner, but not otherwise.*

- C. As a result of the *Northern Expedition* being taken out of service between June 3, 2021 and August 1, 2021, for reasons outlined in the Application, a reduction in service of 13 minimum round trips and 26 cumulative days occurred. BC Ferries anticipates that by fiscal year-end it will likely exceed the 30 cumulative days of temporary service disruptions allowed by the Coastal Ferry Services Contract for route 10 due to future cancellations, such as those caused by weather and further unexpected mechanical issues.
- D. Based on the information contained in BC Ferries' Application, the Commissioner is satisfied that the Ministry of Transportation and Infrastructure has been duly informed and consulted about the Application.
- E. Based on the information contained in BC Ferries' Application, the Commissioner is of the opinion that the reduction is for a temporary period and that an extraordinary situation exists in that BC Ferries may not be able to provide the core services for route 10 as required by the Coastal Ferry Services Contract for the remainder of fiscal year 2022 if further cancellations occur.

NOW THEREFORE the Commissioner orders as follows:

BC Ferries is authorized to temporarily reduce service below the core service levels set out in the Coastal Ferry Services Contract for designated ferry route 10 (Port Hardy – Mid Coast – Prince Rupert) from October 8, 2021 until March 31, 2022 subject to the following conditions:

1. BC Ferries must make reasonable efforts to provide alternative service in the event of future cancellations for both commercial and non-commercial traffic.
2. In the event of future cancellations due to mechanical failure or crew availability and that last longer than one round trip, BC Ferries must provide the Commissioner and Ministry of Transportation and Infrastructure with the following information:

- a) Mitigation measures taken to reduce impact of sailing cancellations, such as alternative service provisions for both commercial and non-commercial traffic;
 - b) Measures taken to communicate with the public, customers and the affected Ferry Advisory Committees in a timely manner; and
 - c) Estimated timeline and cost for repairs or in the case of crew availability, plan for securing crew.
3. BC Ferries must conduct a thorough investigation of the circumstances surrounding the mechanical failure of the *Northern Expedition* and a review of the subsequent actions taken by the company to minimize the inconvenience to ferry users and file a report with the Commissioner within 60 days following the issuance of this order.

DATED at Victoria, in the Province of British Columbia, this 15th day of October 2021.

BY ORDER

A handwritten signature in blue ink, appearing to read 'Eva Hage', is positioned above the printed name and title.

Eva Hage
BC Ferries Commissioner