

May 14, 2008

# Industry Advisory

## Fuel Costs & Temporary Surcharges

### *Taxicabs*

If the average price of unleaded gas in British Columbia exceeds \$1.35 per litre, the Board will review taxi rates and fuel surcharges. The average price of gas this week is \$1.31 per litre. Notice of any implementation of temporary fuel surcharges will be sent to taxi licensees by mail and posted online in the PT Board Bulletin.

The review threshold of \$1.35 per litre is about 30% higher than the 2006 fuel costs that were used to calculate the most recent Taxi Cost Index increase. The Board uses fuel prices in five cities to calculate the BC average: Kelowna, Kamloops, Prince George, Vancouver and Victoria.

### *Limousine / Shuttles / Tour Vans*

The Board has had requests from limousine and other passenger directed vehicle operators for fuel surcharges. The Board is receptive to these requests and wants a surcharge that is understandable and administratively simple. It is likely that a surcharge would be established that applies to all licensees.

The Board needs more cost structure information from industry before the specifics of a surcharge can be determined. To obtain this information, the Board is posting a "PDV - Limousine Operating Cost Survey" on its website and asking licensees to complete the form and fax it to the Board office by **Monday May 26, 2008** at 250-953-3788. The Board requires survey responses from **30 or more licensees** to obtain a representative sampling of licensees. The survey is posted on the Board's home page at [www.ptboard.bc.ca](http://www.ptboard.bc.ca). Licensees may also submit specific proposals for a limousine temporary fuel surcharge.

### *Limousine Minimum Rates & Common Rules*

Some limousine operators have asked the Board to take a second look at establishing a minimum rate and common rules for the limousine industry. The Board is reviewing these issues and does not want to delay a fuel surcharge while a review is in progress.

### *Standing Options for Rate Increases*

Licensed operators of taxis, limousines and other passenger directed vehicles may make a formal Change of Rates application at any time.