

# Licence Application Decision

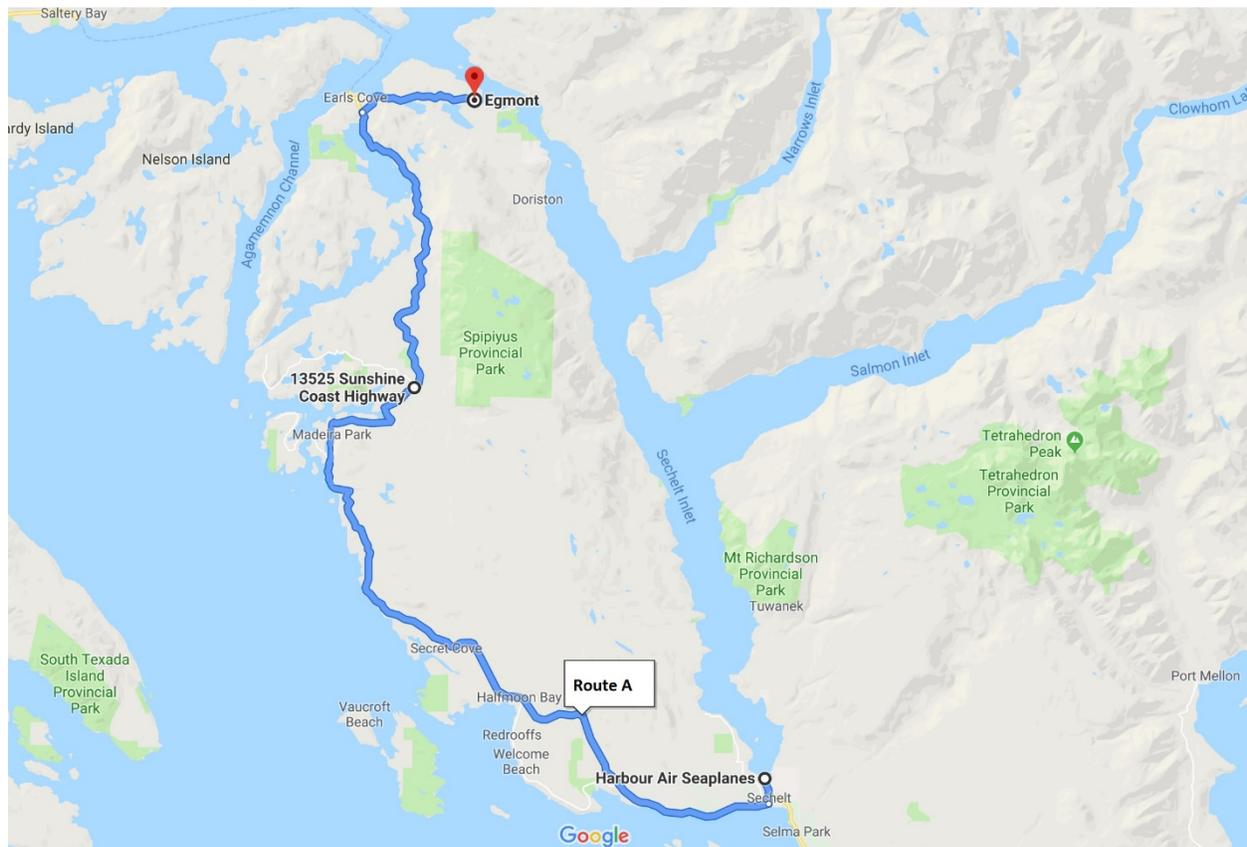
## ICB - Amendment of Licence

<b>Application #</b>	3918-18	<b>Applicant</b>	Harbour Air Ltd.
<b>Trade Name(s)</b>	Harbour Air		
<b>Principal(s)</b>	Brent DAVIES	Joane YAN	
<b>Address</b>	4760 Inglis Drive, Richmond, BC V7B 1W4		
<b>Current Licence</b>	Passenger Transportation Licence # 72380 <ul style="list-style-type: none"> <li>• Special Authorization: Inter-City Bus (ICB)</li> <li>• Special Authorization: Passenger Directed Vehicle (PDV)</li> </ul>		
<b>Application Summary</b>	<p><b>Amendment of Licence (ICB)</b></p> <p>Amend the Special Authorization to operate ICBs between Sechelt and Egmont (weekdays, seasonal service) by:</p> <ol style="list-style-type: none"> <li>1. shortening the route by terminating trips at Madeira Park (intersection of Garden Bay Road and the Sunshine Coast Highway, where a Petro Canada gas station is located) instead of Egmont.</li> <li>2. adding “Alternative Points” authorization to enable pick up at any location along the route</li> <li>3. reducing the seasonal operating period from May through October to a minimum period from June 7 to August 24.</li> </ol>		
<b>Publication Date</b>	May 22, 2019		
<b>Submissions Received</b>	None		
<b>Board Decision</b>	Terms and conditions of licence are approved as set out in the application summary.		
<b>Decision Date</b>	August 12, 2019		
<b>Panel Chair</b>	Spencer Mikituk		

### I. Introduction

Harbour Air Ltd., doing business as Harbour Air (HA), is licensed to operate inter-city buses between Egmont and Sechelt on the route shown in Figure 1. At a minimum, the service must be operated every weekday.

**Figure 1: Existing Route (Secht - Egmont)**



HA is applying to amend its Special Authorization ICB licence by shortening the route (replacing Egmont as the terminating point with the Sunshine Coast Highway junction at Garden Bay Road in the Madeira Park area), reducing minimum route frequency to the summer season and adding flexibility to pick up at locations that are on the route but not listed in the licence.

## **II. Jurisdiction and Proceedings**

This application is made under the Passenger Transportation Act (the “PT Act”). The PT Act regulates the licensing and operation of commercial passenger transportation vehicles in BC.

Under the PT Act, the Passenger Transportation Board (the “Board”) makes decisions on applications to operate inter-city buses. The Board has the authority to consider and

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approve applications for new licences as well as applications from existing licensees to change routes and decrease service levels.

The PT Act requires the Board to consider public need, applicant fitness and sound economic conditions in the passenger transportation industry before deciding whether to approve an application. The Board may approve an application in whole or in part, or it may refuse an application. For applications proceeding through the simplified ICB process, much of the Board's focus is on applicant fitness.

The PT Act also allows the Board to, among other things:

- accept evidence and information it considers relevant, necessary, and appropriate, whether or not the information would be admissible in a court of law [Section 15]
- conduct written, electronic or oral hearings as the Board, in its sole discretion, considers appropriate [Section 17]
- require further information from an applicant [Section 27(1)(b)]
- investigate any matter related to an application [Section 27(3)(b)]

Section 26(2) of the PT Act requires the Board to publish the fact and nature of applications, and section 27(3) requires the Board to consider applications and any written submissions it receives as a result of publication. Section 27(5) states that people who make submissions are not entitled to disclosure of further information, unless the Board orders otherwise.

### *Procedural Matters*

I am conducting this application by way of a written hearing.

### **III. Background**

The applicant provides air transport services with a number of satellite bases that include Sechelt. HA operates its ICB service as a secondary feeder into its main air transportation service in Sechelt. Its aim is to cover its costs. Making a profit is not its priority. The service is offered mainly for HA passengers, and also the general public in the area.

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Past decisions are:

- Application 87-17 New Special Authorization (ICB): Approved July 2017
- Application 336-17 New Special Authorization (PDV) to allow operation of a PSB: Approved January 2018.
- Application 1987-18 to amend PDV by-adding service 2 originating in Whistler: Approved November 5, 2018.

The applicant submitted requisite forms.

#### **IV. Application Rationale, Submissions and Responses**

##### ***(a) Rationale for Application***

The following text was provided by the Applicant:

*To ensure the Sechelt Shuttle continues we request a reduction of service in the areas that are least effective in servicing the community, and instead optimize our best used portion of our route. This is best done by the following two reductions: (a) the bulk of bookings over the past two seasons were from Madeira Park; and (b) our numbers are greatly reduced during May and September.*

##### ***(b) Submissions & Response***

The Board did not receive any submissions on this application.

#### **V. Board Mandate**

Section 28(1) of the *Passenger Transportation Act* says that the Board may approve the application, if the Board considers that:

- (a) there is a public need for the service the applicant proposes to provide;
- (b) the applicant is a fit and proper person to provide the service and is capable of providing it; and

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(c) the application, if granted, would promote sound economic conditions in the passenger transportation business in British Columbia.

**VI. Reasons for the Board's Decision**

*a) Is there a public need for the service that the applicant proposes to provide under special authorization?*

Based on the data supplied in the route utilization report, I find that there is limited public need for the Egmont stop and the proposed route change and the reduction of the operating time to the peak summer months will provide HA with the flexibility to adjust schedules according to passenger demand.

*b) Is the applicant a fit and proper person to provide that service and is the applicant capable of providing that service?*

HA was incorporated on April 27, 2009. The Disclosure of Unlawful Activity and Bankruptcy forms were completed to the satisfaction of the Board. The Declaration form related to the Liquor Control and Licensing Act were completed.

The company was issued a National Safety Certificate in 2010 and has a Safety Rating of Satisfactory-Unaudited. There are no complaints or administrative penalties against the company. The applicant submitted sufficient financial statements to the satisfaction of the Board.

HA states that the proposed route changes are to streamline the route for passengers and better match optimum operating times. The applicant has supplied a route utilization report which shows that the bulk of the Egmont bookings which is proposed to be dropped were from Madeira Park. By eliminating Egmont HA can optimize and maximize revenues.

Reducing the time in which HA operates will also optimize its route by reducing the cost of the "slow season" and optimizing revenue by only running during the peak summer months.

I find that the applicant is fit and proper and capable of providing this ICB service.

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*c) Would the application, if granted, promote sound economic conditions in the passenger transportation business in British Columbia?*

The Board is tasked with promoting sound economic conditions in the passenger transportation business in British Columbia. It must also consider whether ridership on a route demonstrates sufficient public need for the service. If HA's business strategy is sound, eliminating route points with low ridership should in turn result in a more financially viable transportation company that continues to offer ICB service to the Sunshine Coast Regional District.

## **VII. Conclusion**

For the reasons above, this application is approved in whole. The Board establishes notice and activation requirements, and terms and conditions of licence that are attached to this decision as Appendices I and II. These form an integral part of the decision.

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**Appendix I:**  
**Public Notice Requirements**

Harbour Air Ltd.

A Passenger Transportation Licence must be issued by the Registrar of Passenger Transportation under section 29 or renewed under section 34 of the *Passenger Transportation Act* before the licensee may operate in accordance with the changed requirements (including reduced requirements) in the terms and conditions approved in this decision.

**Direction to the Applicant Regarding Notice and Implementation (Route A)**

After this decision is published, Harbour Air Ltd. must, at least 14 days before implementing schedule changes below the current minimum route frequency and before eliminating any route point(s) authorized by this decision:

- a. post or link (in a conspicuous way) a notice of the changes and the effective date in a prominent location on the main Sechelt page of the Harbour Air Ltd. website (<https://www.harbourair.com/flight-info/flight/locations/sechelt/>); and
- b. before an amended licence may be obtained, provide the Registrar of Passenger Transportation with a copy or screenshot of each page that has a link or notice described om (a) above.

**Appendix I:  
Terms & Conditions**

Harbour Air Ltd.

<b>PART I</b>	
<b>Special Authorization:</b>	<b>Inter-City Bus (ICB)</b>
<b>Terms &amp; Conditions</b>	
Services	
Service	Transportation of passengers must be provided to and from each <i>route point</i> on a scheduled basis according to the minimum frequency that is set for the <i>authorized route</i> .
Schedule	The licence holder must publish, in a manner accessible to the general public, a schedule for each route with the time and location of each stop, and must carry in each vehicle a copy of the schedule that the vehicle is following.
Seasonal Service Minimum	At a minimum, regular scheduled service must be provided from June 7 to August 24.
Alternative Points	The licence holder may pick up or drop off passengers at any location, municipality or unincorporated area that is between the terminating points and along the highway corridor(s) of the inter-city bus route(s) below.
<b>Route A</b>	
Terminating Point 1:	District of Sechelt
Terminating Point 2:	Madeira Park (Sunshine Coast Highway at Garden Bay Road)
Corridor:	Sunshine Coast Highway
Route Points	Minimum Trips (each direction)
District of Sechelt	1 trip every weekday
Madeira Park (Sunshine Coast Highway at Garden Bay Road)	1 trip every weekday
<b>PART II</b>	
<b>Special Authorization:</b>	<b>Passenger Directed Vehicle</b>
<b>Terms &amp; Conditions</b>	
Vehicles	
Maximum Fleet Size	1 vehicle which must be a PSB

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Vehicle Capacity (PSB)	A driver and 12 passengers or more
<b>Service 1</b>	
Originating Area	Transportation of passengers may only originate from any point in the Sunshine Coast Regional District.
Destination Area	Transportation of passengers may terminate at any point in British Columbia.
<b>Part III</b>	
Transfer of a licence	These special authorizations may not be assigned or transferred except with the approval of the Board pursuant to section 30 of the Passenger Transportation Act.