

Licence Application Decision

Inter-City Bus (ICB)

Application #	7922-19
Applicant & Application Summary	<p>Rider Express Transportation Corporation</p> <p>Trade Name: Rider Express</p> <p>Amend ICBA Licence</p> <p>To amend Route “A” (Vancouver – BC/Alberta) by:</p> <ul style="list-style-type: none">• Increasing minimum route frequency for all route points from either 1 daily trip or 2 per week to 1 daily trip.• To add the following new route points:<ul style="list-style-type: none">○ Sorrento○ Village of Chase○ City of Surrey
Publication Date	February 5, 2020
Submissions & Public Comments	None received.
Board Decision	The application is approved in whole.
Applicant Information	<p><i>Current Licence:</i> Passenger Transportation Licence 75149 with:</p> <ul style="list-style-type: none">• Inter-City Bus Authorization (ICBA) <p><i>Principal:</i> Firat URAY</p> <p><i>Office:</i> 1517 11th Avenue, Regina SK S6P 0H3</p>
More Information	Notice of applications and published decisions are posted in the PT Board Bulletin . For convenience, published documents for recent ICB applications are listed on the bus application webpage .
Decision Date	June 22, 2020
Panel Chair	Carmela Allevato

I. Introduction

The applicant, Rider Express Transportation Corporation, doing business as Rider Express, has a licence to operate inter-city buses (ICBs). The licence includes the following routes and minimum route frequencies (MRFs):

- Route A (Town of Golden, City of Revelstoke, District of Sicamous, City of Salmon Arm) with MRF of 2 trips per week in each direction
- Route A (City of Kamloops, City of Merritt, District of Hope, City of Chilliwack, City of Abbotsford, City of Vancouver) with MRF of 1 trip per day in each direction

Rider Express is applying to:

- Add the following three route points:
 - Sorrento
 - Village of Chase
 - City of Surrey
- Increase minimum route frequency from 2 per week round trips to 1 per day round trips

II. Applicant's Proposals

Route A

Route A serves a minimum of 10 communities from Vancouver to the BC/Alberta border along corridors that include Highways 1 and 5:

- Golden
- Kamloops
- Abbotsford
- Revelstoke
- Merritt
- Vancouver
- Sicamous
- Hope
- Salmon Arm
- Chilliwack

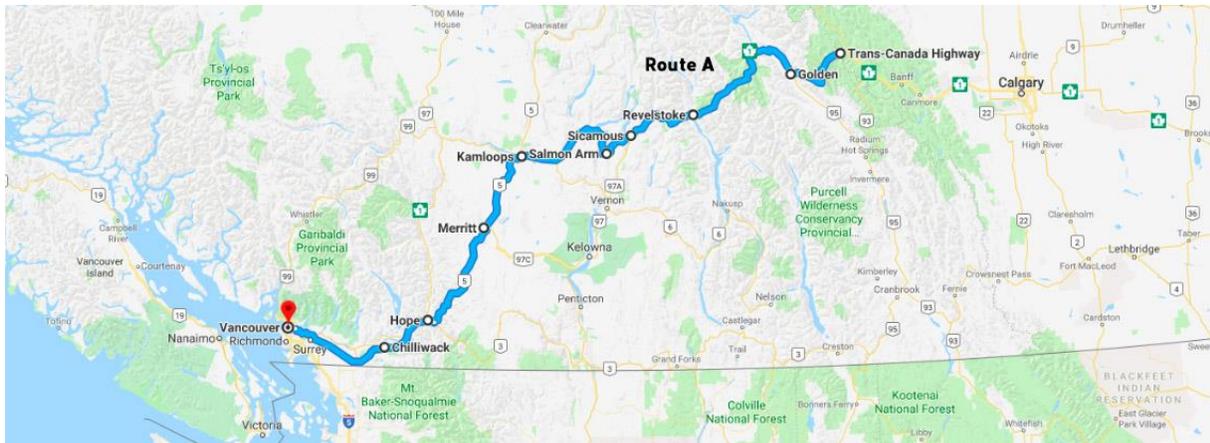
The minimum route frequency for the route is 1 trip per day in each direction for the following route points: Kamloops, Merritt, Hope, Chilliwack and Vancouver.

As well there is a minimum route frequency of 2 per week for the following route points: Golden, Revelstoke, Sicamous and Salmon Arm.

The applicant seeks to either increase service or keep service to 1 trip per day.

Figure 1 below shows a map of the route.

Figure 1: Route A (Vancouver – BC/Alberta Border)



III. Background

Rider Express is a bus company operated by and extra provincial company, Rider Express Transportation Corporation, whose head office is in Regina. The company was incorporated in Saskatchewan in October 2017 and registered in British Columbia in August 2018. Rider Express Transportation Corporation is also licensed to operate in Alberta. It currently operates under License Number 75149 a bus service between Vancouver and Calgary. That license was first approved on October 12, 2018.

IV. Mandate & Jurisdiction

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

Under the Act, the Passenger Transportation Board (the “Board”) makes decisions on applications for inter-city buses. The Board has the authority to consider and approve applications for new licences as well as applications from existing licensees to change terms or conditions of their licences.

The Board’s mandate is stated in section 28 of the Act. Section 28(1) of the Passenger Transportation Act says that the Board may approve, in whole or in part, an application forwarded to it under s. 26(1) after considering whether:

- (a) there is a public need for the service the applicant proposed to provide under any special authorization.
- (b) the applicant is a fit and proper person to provide that service and is capable of providing that service, and
- (c) the application, if granted, would promote sound economic conditions in the passenger transportation business in British Columbia.

The Act allows the Board to, among other things,

- accept evidence and information that 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, or any combination of them, as the Board, in its sole discretion, considers appropriate. [Section 17]
- require further information from an applicant. [Section 27(1)(b)]

Section 26(2) of the 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 result of publication. Section 27(5) says that people who make submissions are not entitled to disclosure of further information, unless the Board orders otherwise.

If the Board approves an application, it will set terms and conditions of licence primarily with respect to routes and service levels.

V. Procedural Matters

The applicant submitted required forms.

In March, 2020 the Board conducted a Registrar Investigation into the record of complaints made against Rider Express from January 2019 to October 2019. On April 14, 2020, the Registrar provided the Board a report outlining the resolutions to the eight complaints received against Rider Express between December 10, 2018 and December 6, 2019. On May 7, 2020, the Board provided the applicant a copy of the report for response. On May 25, 2020, the applicant provided a written response to the Board providing further explanations regarding the resolutions to the complaints.

The Passenger Transportation Board recognizes that the COVID-19 pandemic may affect the business intentions of some applicants. As such, the Board contacted the applicant on March 27, 2020 to confirm if the applicant preferred to continue with the application process, have its application put on hold until June 30, 2020 or have it withdrawn. The applicant responded on March 31, 2020 and confirmed that it wished to proceed with the application process.

On March 18, 2020, the Board announced that licensees have the temporary option to reduce or suspend scheduled services that they are normally required to provide as a means to provide inter-city bus operators the flexibility they need to respond quickly to public safety and transportation needs during the coronavirus COVID-19 pandemic. The Board will revoke this temporary option when it is no longer warranted.

This application is being conducted by way of a written hearing.

VI. Applicant's Rationale and Submissions

Public Explanation

The applicant provided the following text in the Application Summary that was published in the *Weekly Bulletin*:

“Our ridership has been steadily increasing since the start of our operations less than a year ago and this has identified the need to increase our service to one trip per day in each direction as opposed to twice a week in each direction.”

Submissions & Applicant’s Response

The Board did not receive submissions on this application.

VII. Reasons for the Board’s Decision

Is the applicant a fit and proper person to provide its proposed service and is the applicant capable of providing the service?

The Board looks at this question in two parts:

- (a) is the applicant a *fit and proper person* to provide the proposed service; and,
- (b) is the applicant *capable* of providing the service?

First, with *fit and proper*, the *Oxford English Dictionary* defines *fit* as including “well adapted or suited to the conditions or circumstances of the case, answering the purpose, proper or appropriate possessing the necessary qualifications, properly qualified, competent, and deserving.” Also, the dictionary defines *proper* as including “suitable for a specified or implicit purpose or requirement; appropriate to the circumstances or conditions; of the requisite standard or type; apt, fitting; correct, right.” When looking at whether an applicant is fit and proper, the Board does so in the context of the passenger transportation industry in British Columbia. This includes the regulatory system that grants businesses a licence which confers on them both the authorization they need to provide their service and an ongoing obligation to operate in accordance with proper standards of conduct.

Second, capability is generally understood to mean that an applicant has the ability or qualities necessary to skillfully and effectively meet its obligations and achieve the results it says it will achieve. When looking at capability, the Board reflects on whether the applicant has demonstrated that it has the knowledge and understanding of relevant regulatory requirements and policies that govern passenger transportation providers, and whether it is able to comply with those requirements.

It also looks at whether the applicant has the background, skills and knowledge to manage its proposed service, and the financing to operate it. The Board expects an applicant to demonstrate its competence and ability by providing sound and realistic information in its business plan and financial statements that is consistent and compatible with the transportation service it proposes.

The applicant holds a certificate National Safety Code certificate of fitness with a rating of satisfactory audited which is acceptable to the Board.

The applicant has submitted the usual disclosure and declaration forms as to bankruptcy and unlawful activity and there is no indication of any concern with respect to these.

The president and CEO of the company, Firat Uray, has over 20 years' experience in the transportation business in Canada and overseas. The management team has two other individuals. The Chief Operating Officer was formerly with Greyhound and has over 40 years of driving experience on this route. The CFO has 15 years' experience in banking and finance.

I have reviewed the financial information submitted with the application, including the statement of operations and retained earnings. These indicate that the company has the capability to operate the proposed service.

The applicant intends to hire drivers with a clean criminal record, a class 1 or 2 driver's licence and at least 2 years' experience. It plans on marketing its service online through social media, billboards and word of mouth. It also provides parcel service daily on the route.

During the first ten months of 2019, the Passenger Transportation Branch of the Ministry of Transportation and Infrastructure received and investigated eight complaints about the applicant. Seven complaints were substantiated and resolved. With respect to three of the complaints, the applicant obtained Board approval to change the accessibility condition of its license that led to the initial complaint and consequently no administrative penalties or orders were issued. One complaint was resolved by the Branch issuing a verbal order, another was resolved by the applicant satisfying the Branch that it would increase its

service within a month. In one complaint the Branch issued administrative penalties that were set aside on appeal. In October 2019 the Branch issued a violation ticket of \$1,150.

In my view this number and frequency of violations is troubling. However, I note that no violations after October 2019 have been brought to the Board's attention. This bodes well and is an indication that Rider Express understands that it must comply with the conditions of its licence.

Based on the information and evidence above, I find that Rider Express Transportation Corporation is a fit and proper entity to provide the proposed service, and I find that it has demonstrated it is capable of providing the service.

Is there is a public need for the service the applicant proposes to provide?

An applicant is required to demonstrate public need by showing that there are people who would use the proposed service. Applicants should provide clear information about the service it proposes, and they should provide supporting evidence that is factual and objective. They should not rely on general claims and their own opinion.

The Board reviews applications and considers the extent and type of need that has been demonstrated for the proposed service.

Route A: Analysis & Findings

The applicant states that its ridership from the start of its operation has steadily increased. The applicant provided a table summarizing ticket sales and seating capacity from May 2019 to November 2019 which indicated an overall significant increase in the number of passengers over that period. The applicant acknowledged that the period covered did not include winter months, but expressed confidence that the winter months would continue the trend. I note that the applicant is not proposing a new service but rather requesting an amendment to the terms and conditions of its license to increase its minimum route frequency for some of its route points of once per day as opposed to twice per week. This will put the onus on the applicant to continue daily service in both directions and provide greater certainty to passengers.

Based on the analysis above, I find that there is a public need for the proposed service.

Would approving the application support sound economic conditions in the passenger transportation business in British Columbia?

In considering sound economic conditions, the Board strives to balance public need for available, accessible and reliable commercial passenger transportation services with overall industry viability and competitiveness. The Board considers the issue from a wide-ranging perspective, which includes a consideration of harm to other industry participants. Generally speaking, it is the Board's view that the overall economic interests of the transportation business weigh more heavily than the economic and financial interests of any particular applicant or submitter.

Route A: Analysis & Findings

The applicant's target market resides in Vancouver, Surrey, Kamloops, Revelstoke, Salmon Arm, Golden, Banff and Calgary. The applicant argues that as Rider Express became known to the public after the closure of the Greyhound service, its ridership steadily increased. This assertion is supported by the ridership table and by the financial documents provided with the application.

The applicant's main competitor is EBus. EBus operates a service between Vancouver and Kamloops and their routes partially overlap with one another. EBus did not make a submission on this application and Rider Express states that the majority of its travelers' destinations or origins are stops not served by its competitor.

Rider Express already has the ability within its terms and conditions to operate daily service on its entire route and based on the evidence and information provided with its application, is already doing so. As such, the applicant's request to increase the minimum route frequency for some of its route points in its terms and conditions of license to once per day should not have any discernible impact on other inter-city bus providers such as EBus.

Based on the evidence noted above, I find that approving the application would promote sound economic conditions in the transportation industry in BC.

VIII. 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 1 and 2. These form an integral part of the decision.

Appendix 1

Requirements to Publish Time Schedules

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 special authorization approved in this decision may be exercised.

Direction to the Applicant Regarding Notice and Implementation

Unless otherwise ordered by the Passenger Transportation Board, Rider Express Transportation Corporation must post time schedules online and makes available to the public online its reservation system no later than **August 31, 2020** to enable advance bookings.

Direction to the Registrar of Passenger Transportation Regarding Issuance

The Registrar of Passenger Transportation (Registrar) may only issue a licence to Rider Express Transportation Corporation with terms and conditions approved in this decision and set out in Appendix 2 after the Registrar is satisfied that Rider Express Transportation Corporation has posted time schedules online and made available to the public its online reservation system.

Appendix 2

Terms & Conditions

(a) Licence:

Rider Express Transportation Corporation

Rider Express

Special Authorization & Proposed Terms & Conditions of Licence

The applicant seeks approval of amendments to its Inter-City Bus Authorization (ICBA) that, if approved in whole, will contain the terms and condition set out below.

Special Authorization INTER-CITY BUS AUTHORIZATION (ICBA) Terms & Conditions	
Definitions	"Board" means the Passenger Transportation Board "Registrar" means the Registrar, Passenger Transportation
A. Legislative Requirements	
Vehicle Identifiers	Each motor vehicle operated under this authorization must display, at the times and in the form and manner required by the Registrar, a vehicle identifier that is: (a) issued to the licensee by the Registrar; or (b) authorized by the Registrar to be issued by the licensee.
B. Services	
Accessibility	Accessible inter-city bus services must be available to persons with mobility aids within 72 hours of receiving a request for an accessible inter-city bus.
Services	Transportation of passengers must be provided: (a) on a scheduled basis; and (b) in accordance with minimum frequencies and other terms and conditions of licence that apply to the routes and route points.
Schedules	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.

<p>Service Exception</p>	<p>Routes may only be operated on a “pre-booked” or “reservation required” basis if the route points are:</p> <ul style="list-style-type: none"> (a) designated as reservation required in the licence; (b) identified as pre-booked or reservation required in all current; published schedule information; and <p>When these conditions are met and when no reservations have been received for pick up or drop off at one or more points on the route by the time service is scheduled to be provided, the licence holder has the option of not providing service to those points that would otherwise be required.</p>
<p>Alternative Points</p>	<p>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 corridors for the inter-city bus routes below.</p>

Route A	
Terminating Point 1:	Alberta Border & Hwy 1
Terminating Point 2:	City of Vancouver
Corridors:	Highway 1: Vancouver - Hope Highway 5: Hope - Kamloops
Route Points	Minimum Frequencies (in each direction)
Alberta Border & HWY 1	n/a
Town of Golden	1 per day
City of Revelstoke	1 per day
District of Sicamous	1 per day
City of Salmon Arm	1 per day
Sorrento	1 per day
Village of Chase	1 per day
City of Kamloops	1 per day
City of Merritt	1 per day
District of Hope	1 per day
City of Chilliwack	1 per day

City of Abbotsford	1 per day
City of Surrey	1 per day
City of Vancouver	1 per day