

Speaking Points - Introduction of Transportation Network Services August 19, 2019

- I am Catharine Read, Chair of the Passenger Transportation Board. The Board is an Independent, administrative tribunal at arms length from government.
- The introduction of ride-hailing, called Transportation Network Services (TNS), in BC responds to public demand for more transportation options.
- Last year government introduced the *Passenger Transportation Amendment Act* and in July of this year announced regulations that will bring this into effect. The Act gives the Board the sole authority to set fleet sizes, rates and operating areas for taxis and TNSs.
- Parts of the PTA legislation will come into effect on September 3, 2019, when we will accept TNS applications. The remaining parts will come into effect September 16.
- This doesn't mean TNS will be operating right after September 3rd. The Board has to meet legislative requirements to process, review and decide on applications and issue licences. These include requirements for publishing the application, allowing time for respondents to provide submissions, and providing time for the applicant to respond to these submissions. Then the application and all materials go to the Board for review and decision.
- It is expected that Transportation Network Services will be available in some parts of the province later this year.

How this Policy was Determined:

- The Board held consultations in July with taxi licensees and associations, TNSs operating in other parts of Canada, potential TNS companies who contacted us or who we heard of, the Vancouver Airport Authority and the Vancouver Port Authority.
- The Board undertook research on operating areas and a cross jurisdictional research on TNS operations in 28 jurisdictions
- It reviewed research that was publically available (recent Toronto and New York City studies
- Board discussed the policy options, and that
- Resulted in Board decisions.

Regarding TNS Fleet Size:

- At this point, there are no limits on fleet size.
 - It takes years for TNSs to ramp up. This will especially be the case with Class 4 drivers licence requirement

- New legislation gives the Board the authority to collect data from TNSs and taxis
 - As soon as a Transportation Network Service starts operating, we will require collection of data that has been set out by the Board and is being published today
 - Board s going to make evidence-based decisions.
- The Passenger Transportation Board will be monitoring TNSs performance data, and as data becomes available fleet size may be reassessed. A cap will depend on issues such as congestion.

Regarding TNS Rates:

- The Passenger Transportation Board will set the minimum rate that a Transportation Network Service may charge based on taxi flag rates in the operating area. In the Metro Vancouver area, this may be in the range of \$3.50 to \$3.75 as a base rate
- Transportation Network Services may not use coupons or discounts to charge below this minimum rate.
- There will be no caps on TNS rates. Allowing TNSs to increase price expands supply of drivers to meet passenger demand at peak times. Both TNSs passengers and drivers will be provided with an estimate of the cost of the trip or an up-front price that will be charged before they accept a ride. If a passenger thinks the fare is too high, they can take a taxi or another transportation alternative.

Regarding TNS Operating Areas:

- Operating areas set out where a passenger can be picked up. They can be dropped off anywhere in BC
- Transportation Network Services will have larger operating areas than taxis because this is required under their business model. The model relies on a large pool of vehicles and drivers and a large number of passengers who use an app to set and collect fares.
 - Boundaries need to be large enough for the TNS business model to work.
 - We thought about traffic flows and natural geographic boundaries (e.g. CRD – exclude Gulf Islands)
 - Consultations provided guidance (e.g. YVR catchment areas is Metro Vancouver plus Fraser Valley and Whistler).
- A TNS can apply for as many operating areas as they wish. They will be charged one application fee and one licensing fee no matter how many operating areas they request.
- TNS companies operating in Vancouver will be prohibited from picking up passengers in the immediate vicinity around Canada Place on cruise ship days. This is a safety measure to ensure that traffic can flow, and pedestrians can move safely. Coal Harbour will not be

affected by this geo-fencing. The Port has identified a potential TNS staging area near the cruise ship terminal. The Board suggested they discuss this with the City.

Regarding Data Requirements:

- Data requirements established by the Board will be a term and condition of a TNS licence.
- With TNSs, we will be requiring data from the time they start to provide TNS service.

Impact on Taxis:

- The taxi industry will remain an important part of the transportation network in the province.
- Taxi companies may apply for a Transportation Network Service (TNS) licence. If licensed as a Transportation Network Service, when operating as a TNS, the taxi is subject to the TNS rules including the flexibility to operate within defined TNS boundaries.
- Taxis must have cameras in their vehicles and can be street-hailed or dispatched. They provide services that members of the public may prefer.
- Many taxi services also offer wheelchair accessible services.

On the Board website:

- The following materials are posted on the Board website today:
 - TNS Operational Policy – Introduction of TNSs, 2019
 - An Introduction to TNSs
 - Q and As
 - Data Requirements for TNSs
 - TNS App Requirements
 - TNS Application Package
 - Information Sheet on Passenger Transportation Act Authorizations (explaining the difference between taxis and TNSs and how taxis can also work as TNSs)

These documents will allow companies interested in working in BC as a TNS to start developing their applications immediately. The applications will start to be processed on September 3.