

May 3, 2018

Catherine Holt, Chair Board of Directors BC Transit 520 Gorge Road East Victoria BC V8W 9T5 Reference: 276162

Dear Chair Holt,

## Re: Letter of Direction - Transit Service in Northern British Columbia

I am writing to provide direction to BC Transit to implement a new transit service in northern British Columbia.

As you are aware, on February 20, 2018, the Passenger Transportation Board approved Greyhound's application to eliminate a number of intercity bus routes throughout the province, and reduce the minimum frequency on other routes. Last month, I visited some of the affected northern communities and met with local leaders regarding the implications of the route eliminations in their region, which could begin on June 1, 2018. I heard that this transportation service is essential for many people. The provincial government is committed to working with communities to find sustainable, affordable and reliable solutions that reflect their local needs.

In the short-term, the provincial government is prepared to support an interim option that will ensure a level of service is maintained between communities, while we work with the communities to develop longer-term solutions. Given BC Transit's expertise in delivering transit solutions and its ability to leverage existing contracts to secure highway coaches, drivers, and storage and maintenance facilities, I am directing BC Transit to provide an interim, 12-month long-distance bus service for the northern communities where routes are being eliminated by Greyhound. I expect that this will be a base-level service that will be operational in early June 2018.

After the interim service launches, the ministry will ensure that there are opportunities for engagement and discussion with the communities to determine if there are additional schedule modifications or increases in services needed; however, the immediate focus will be to get a base-level service operating on the routes Greyhound is vacating. BC Transit will need to work closely with the ministry, local governments and its service provider over the coming weeks to confirm service details and work on an engagement and communications plan for this new service.

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In developing routing and service options, I expect that BC Transit will also work closely with ministry staff and the Northern Health Authority's Health Connections transportation program to maximize opportunities for efficient, integrated service that best serves the region.

For the interim 12-month period, the provincial government will be subsidizing this service. As there will be no additional funding lift to BC Transit's operating grant for 2018/19, BC Transit is to manage this service within its existing budget allocation. Should BC Transit require ministry approval to reallocate or redirect funding, staff should contact the ministry's Chief Financial Officer, Patricia Marsh, who will be able to provide additional direction. Ms. Marsh may be reached at 250 387-7505 or Patricia.A.Marsh@gov.bc.ca.

It is imperative that northern residents have a safe, reliable long-distance travel option. The 12-month interim period will provide us with an opportunity to better understand the demand for long-distance bus service in the region and help inform the development of sustainable longer-term solutions.

Thank you for your ongoing commitment to building and enhancing public transit services for British Columbians.

Yours sincerely,

Claire Trevena

Minister

Copy to:

Erinn Pinkerton, Interim President and CEO

**BC** Transit

Grant Main Deputy Minister

Silas Brownsey, Assistant Deputy Minister

Partnerships Department

Nancy Bain, Assistant Deputy Minister Finance and Management Services Department

Patricia Marsh, Chief Financial Officer