

**BC Transit**

**2022/23 – 2024/25  
Service Plan**

**February 2022**



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## Board Chair's Accountability Statement



The 2022/23 – 2024/25 BC Transit Service Plan was prepared under the Board's direction in accordance with the *Budget Transparency and Accountability Act*. The plan is consistent with government's strategic priorities and fiscal plan. The Board is accountable for the contents of the plan, including what has been included in the plan and how it has been reported. The Board is responsible for the validity and reliability of the information included in the plan.

All significant assumptions, policy decisions, events and identified risks, as of February 2022 have been considered in preparing the plan.

The performance measures presented are consistent with the *Budget Transparency and Accountability Act*, BC Transit mandate and goals, and focus on aspects critical to the organization's performance. The targets in this plan have been determined based on an assessment of BC Transit's operating environment, forecast conditions, risk assessment and past performance.

A handwritten signature in blue ink that reads "Catherine Holt". The signature is written in a cursive, flowing style.

Catherine Holt  
Board Chair

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## **Strategic Direction and Alignment with Government Priorities**

In 2022/2023, public sector organizations will continue to align with and support the Government of British Columbia efforts in responding to the COVID-19 pandemic with a focus on protecting the health, social and economic well-being of British Columbians. Building on our economic, environmental, and social strengths while looking to seize opportunities to improve outcomes for all British Columbians will be an important aspect of each Crown Agency's work as we respond to COVID-19 and recover from devastating floods and wildfires. The policies, programs and projects developed over the course of this service plan period will align with the five foundational principles established by Government in 2020: putting people first, working toward lasting and meaningful reconciliation, supporting equity and anti-racism, ensuring a better future through fighting climate change and meeting our greenhouse gas reduction targets, and supporting a strong, sustainable economy that works for everyone.

This 2022/23 service plan outlines how BC Transit will support the government's priorities including the foundational principles listed above and selected action items identified in the most recent BC Transit [Mandate Letter](#).

BC Transit's strategic direction and mandate have been set by the Minister Responsible, the Minister of Transportation and Infrastructure, as per the [2021/22 Mandate Letter](#).

## Operating Environment

BC Transit is the provincial Crown agency charged with coordinating the delivery of public transportation across British Columbia with the exception of those areas serviced by TransLink (Metro Vancouver). More than 1.8 million British Columbians in over 130 communities across the province have access to BC Transit local and regional transit services.

In the coming years, BC Transit will continue to focus on increasing ridership, following a decline in transit use due to the COVID-19 pandemic, and the associated restrictions that reduced travel for work, school and social activities. Transit ridership continues to increase, and the communities BC Transit serves have rebounded as activities resume, with transit providing an essential service to get people where they need to go. BC Transit's Strategic Plan [\*Transforming Your Journey\*](#), released in early 2020, outlines the longer term goals and objectives to 2025. These include a continued focus on safety, customer satisfaction, engaging employees, facilitating effective partnerships, improving transit access for local communities and being responsible stewards of financial resources and the environment.

Safety remains a core value at BC Transit, and is at the forefront of both daily operations and future planning initiatives. Throughout the pandemic, BC Transit has acted quickly on the advice of the Provincial Health Officer and WorkSafe BC, implementing public health measures and enhanced cleaning procedures. As of November 29, 2021, a new mandatory proof of COVID-19 vaccination policy applies to all BC Transit employees and its operating companies. Transit remains a safe method of transportation, and BC Transit will continue to do everything possible to protect employees, customers and communities in B.C. during the ongoing pandemic.

Supporting engaged employees at BC Transit is critical to continuing to deliver safe and reliable transit service throughout British Columbia. BC Transit began its diversity, equity and inclusion journey in 2021 and will continue to identify opportunities to create a work environment that is reflective of all employees and the people and communities BC Transit serves. As a result of the labour shortages being experienced by many service industries in B.C. and Canada, BC Transit will continue to focus on recruitment and retention, particularly for transit operators and maintenance employees.

Following the removal of several COVID-19 restrictions, BC Transit increased service to support the return to in-person learning at post secondary institutions in September 2021. The introduction of fare-free transit for children 12 and under in September 2021 is also expected to have a positive impact on ridership by incentivizing families to take transit and creating riders for life. BC Transit will continue strategies to increase ridership over the next three years, including the introduction of RapidBus service between downtown Victoria and the West Shore and providing key infrastructure projects such as new transit exchanges in several communities across B.C. Transformational technology projects including the introduction of electronic fare collection and the expansion of NextRide automatic vehicle location systems in more communities will enhance the customer experience and help position transit as a mode of choice. Following the initial ridership decline of up to 80 per cent at the beginning of the pandemic, as of February 2022, BC Transit ridership has recovered to approximately 65 per cent across all systems compared to 2019/20 levels.

BC Transit will continue to work with local government partners to identify areas for transit improvement and to maximize the efficiency of resources, including evaluating opportunities to provide service to a greater number of Indigenous communities. BC Transit is developing a strategy for increasing engagement with First Nations and supporting meaningful reconciliation. BC Transit will also continue to enhance the use of GBA+ in public engagement, service planning and infrastructure projects. High quality transit systems benefit British Columbians by creating opportunities to reduce reliance on single occupancy vehicles and rebuild transit ridership while supporting [StrongerBC](#), B.C.'s plan to support people and families, building stronger communities.

In alignment with the [CleanBC Roadmap to 2030](#), BC Transit will focus on actions to support mode-shift to public transit and active transportation, identifying opportunities to help increase the share of trips made by walking, cycling and transit to 30 per cent by 2030. By furthering progress towards the transition to a low carbon bus fleet, BC Transit remains committed to reducing greenhouse gas emissions and taking action on climate change. The first ten battery electric buses will make their debut in the BC Transit fleet in 2022/23, and plans for future low-carbon bus procurement and deployment are underway.

In fall 2020, the Government of Canada and the Province of B.C. announced the provision of \$1.08 billion in Safe Restart funding, of which BC Transit received \$88.3 million to directly compensate local government partners for fare revenue losses, increased expenses resulting from COVID-19, and motor fuel tax revenue losses for the Victoria Regional Transit System. Throughout 2022/23 and in the following years, BC Transit will manage its financial resources to optimize spending and enhance revenue generation, while continuing to improve the customer experience and provide essential levels of transit service as outlined in the Safe Restart Agreement with the Province.

As BC Transit emerges from the COVID-19 pandemic, the organization will continue to focus on the challenges transit helps address, including mitigating climate change, supporting economic recovery by getting people to work and accessing services, providing affordable travel options and increasing transit mode share to reduce traffic congestion. Over the Service Plan period, BC Transit will further its commitment to build confidence in public transit, identify opportunities for improving customers' experiences connecting between BC Transit, TransLink and BC Ferries services, and encourage transit use through key projects that enhance the physical and digital experience for customers.

## **Government's Economic Statement**

B.C.'s economy has rebounded from the impacts of the COVID-19 pandemic that began in 2020, despite significant pandemic variant and climate-related events. A strong health response, high vaccination rates, increased infrastructure investments and supports for British Columbians struggling through the pandemic has helped the province rebound. While the recovery has broadened over the past year, it remains uneven with sectors like tourism, hospitality and live recreation events not fully recovered. The path of the ongoing economic recovery in B.C. and its trading partners remains highly uncertain. However, rebuild efforts from the November 2021 floods are expected to provide some support to economic activity in the province. The Economic Forecast Council (EFC) estimates that B.C. real GDP expanded by 5.1 per cent in 2021 and expects growth of 4.2 per cent in 2022 and 2.7 per cent in 2023. Meanwhile for Canada, the EFC projects national real GDP growth of 4.1 per cent in 2022 and 2.8 per cent in 2023, following an estimated gain of 4.7 per cent in 2021. As such, B.C.'s economic growth is expected to be broadly in line with the national average in the coming years. The pandemic has increased risks to B.C.'s economic outlook, such as the emergence of further variants of concern, inflationary supply chain disruptions, extended travel restrictions, and the continued impact of the slower recovery in some sectors of the B.C. economy. Further risks include ongoing uncertainty regarding global trade policies, and lower commodity prices.



## Performance Planning

**Goal 1: Always Safe: BC Transit will put safety first in everything it does.**

**Objective 1.1: Safety: Maintain high levels of passenger and employee safety.**

### Key Strategies

- Ensure passenger safety by continuously improving the development of on-road safety programs, such as enhanced driver training focusing on preventative techniques and other similar measures.
- Promote a culture of employee safety through the continuous development of workplace safety and awareness programs, training, policies and procedures.
- Continue to deliver programs and training that aims to reduce the frequency of conflict between operators and passengers.

Performance Measure(s)	2020/21 Actuals	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
1.1a Passenger injury claims per million passenger trips <sup>1</sup>	2.9	2.5	2.7	2.5	2.4
1.1b Operator assaults per million passenger trips <sup>2</sup>	0.6	0.6	0.5	0.3	0.2
1.1c BC Transit employees lost time injury rate <sup>3</sup>	11.0	6.0	6.5	6.0	5.5

<sup>1</sup>Data source: Passenger injury claims as reported by ICBC and BC Transit internal tracking data

<sup>2</sup>Data source: BC Transit internal tracking data and reports from BC Transit operating partners

<sup>3</sup>Data source: BC Transit internal tracking data; BC Transit employees only

### Linking Performance Measures to Objective

1.1a The number of passenger injury claims per million passenger trips measures passenger safety with respect to all injuries associated with BC Transit and reported to ICBC. The way in which this measure is calculated reflects passenger injury claims through ICBC and is consistent with industry standard.

1.1b The total number of assaults on operators (as defined by the criminal code) per million passenger trips is an overall safety measure for operators.

1.1c Measure of lost productivity determined from the number of lost time injuries multiplied by 200,000, divided by the total number of hours worked. Representing 100 employees working 50 weeks or approximately one year, 200,000 is the generally accepted baseline for this measure.

## Discussion

Even though BC Transit ridership is lower than before the COVID-19 pandemic, the factors that cause on-board passenger injuries remain. These include sudden movements in the vehicle, moving while the bus is in motion, and falling while entering or leaving the bus. The ongoing implementation of closed-circuit television (CCTV) continues to have an impact on reducing the claims going to ICBC. The delivery of new buses through the fleet renewal program mitigates the risk of passenger falls through improved stanchion locations, lighting and technology that reduces acceleration when leaving bus stops and stop lights. Operator training will continue to focus on awareness and prevention of the contributing factors to passenger injuries.

The operator assaults metric measures the effectiveness of programs to improve operator safety. BC Transit has rolled out its “Take Care” program to all new operators, which focuses on operator safety, reporting procedures and techniques for handling customer challenges. Full driver doors have been installed on buses in the BC Transit fleet and will continue to assist in decreasing the frequency of assaults on operators. The installations were accelerated in 2020/21 in response to COVID-19, and new buses are arriving with the full driver door pre-installed. CCTV and radios will continue to reinforce a safe work environment for operators.

The lost time injury rate measure reflects actual impacts of physical and mental health injuries sustained at work. A new minor injury investigation report has been developed to allow supervisors to conduct injury investigations and provide corrective action to better track trends and proactively reduce or eliminate certain types of injuries from happening again. Risk assessments are being conducted on specific job types to determine and provide different types of personal protective equipment for employees. Awareness campaigns such as for winter driving, hydroplaning prevention, seatbelt operation and ergonomics for prevention of musculoskeletal injuries (MSIs) promote overall safety awareness. A safety and wellness fair will be held in 2022 for all employees with a focus on prevention and awareness of MSIs as well as slip/trip and fall injury prevention. A new ergonomics program is being developed and in-house training will provide injury prevention techniques to supervisors.

BC Transit will continue to follow directions from the Provincial Health Officer to provide a safe and healthy working environment for employees and safe transportation for customers during the ongoing COVID-19 pandemic. As of November 29, 2021, a new mandatory proof of COVID-19 vaccination policy applies to all BC Transit employees and operating companies. BC Transit continues to align COVID-19 protocols with the Provincial Health Officer and WorkSafeBC to do everything possible to help prevent the spread of COVID-19 and keep employees, customers and communities in B.C. safe.

## Goal 2: Engaged People: BC Transit will support its people to achieve success.

### Objective 2.1: Employee Engagement: Improve employee engagement.

Employee engagement is essential to nurturing an innovative workforce that allows BC Transit to do its part to contribute to economic recovery in British Columbia.

#### Key Strategies

- Continue to focus on growing employee engagement through the work of the Engagement and Culture Group (ECG) who liaise with senior leaders to turn employee feedback into actionable recommendations in all areas of the organization.
- Continued implementation of its people priorities, following the launch of a People and Culture Plan in spring 2020. The plan aims to focus on three specific goals by 2025: grow employee engagement and communication, elevate People and Culture technology and support employee growth and development.

Performance Measure(s)	2020/21 Actuals	2021/22 Forecast	2022/23 Target	2023/24 Target	2024/25 Target
2.1a Employee engagement <sup>1</sup>	70	66	68	69	70

Data source: Employee survey

<sup>1</sup>Target values for 2022/23 and 2023/24 were adjusted lower from those in the 2021/22 service plan based on 2021/22 Actual results.

#### Linking Performance Measure to Objective

2.1a Employee engagement measures an employee's involvement, commitment to, and satisfaction with work. Engagement is assessed through an annual survey that models what aspects of the workplace influence employee engagement characteristics.

#### Discussion

Employee engagement declined in the 2021 Work Environment Survey. This follows a trend seen worldwide, where there is a strong link between external events such as the ongoing COVID-19 pandemic and lower employee engagement scores. Modified targets reflect an expectation that employee engagement will grow in future years as a result of the work of BC Transit's ECG, the goals set out in the 2020-2025 People and Culture Plan and the BC Transit Strategic Plan. The ECG develops recommendations from the annual work environment survey based on employee feedback. For example, these recommendations led to creating more training and development opportunities in all areas of the organization and the launch of a leadership development program in 2021, in which 60 per cent of leadership staff have now participated.

**Goal 3: Satisfied Customers: Develop, deliver and continuously improve the transit services which customers and partners can rely on.**

**Objective 3.1: Ridership: Optimize the effectiveness of provincial transit service to serve more passenger trips.**

BC Transit will continue to work with local government partners to maintain essential transit service levels in 2022/23, and continue increased service levels introduced in September 2021 to accommodate the return to in-person learning at post-secondary institutions. The fare free transit program for children 12 and under launched in September 2021 is also expected to have a positive impact on ridership. BC Transit is continuing to monitor ridership levels and will adjust services to respond to ridership increases as employees return to the workplace and events and tourism rebound. BC Transit will continue to support the [BC Restart Plan](#) moving into the pandemic recovery period.

**Key Strategies**

- For conventional transit (which serves the general population in more urban settings and offers scheduled service that operates on fixed routes), BC Transit will continue to explore and implement solutions to maximize service efficiency and effectiveness to respond to changes in community growth patterns and customer demand.
- For paratransit (which serves small towns, rural and First Nations communities and some suburban areas using small and medium sized buses and supplemental taxis using flexible routing and schedules), BC Transit will continue to explore and implement solutions to ensure that the service continues to support accessibility and reliability.
- For custom transit (handyDART), which provides door-to-door service for passengers who are unable to use the conventional transit system, BC Transit will continue to explore and implement solutions to ensure services are appropriately matched to customers' needs.

Performance Measure(s)	2020/21 Actuals	2021/22 Forecast	2022/23 Target <sup>4</sup>	2023/24 Target <sup>4</sup>	2024/25 Target <sup>4</sup>
3.1a Total ridership (passenger trips, millions), including taxi <sup>1,3</sup>	27.0	36.7	42.9	44.4	45.2
3.1b Total conventional ridership (passenger trips, millions) <sup>1</sup>	25.9	35.3	41.3	42.6	43.3
3.1c Total paratransit ridership (passenger trips, millions), including taxis <sup>1</sup>	0.7	0.8	1.0	1.0	1.1
3.1d Total custom ridership (passenger trips, millions), including taxis <sup>1</sup>	0.4	0.6	0.7	0.8	0.8
3.1e Conventional passenger trips per service hour <sup>1,2</sup>	13.9	18.3	20.5	23.4	26.1
3.1f Paratransit passenger trips per service hour, excluding taxis <sup>1,2</sup>	3.8	4.4	4.8	5.2	5.5
3.1g Custom passenger trips per service hour, excluding taxis <sup>1,2</sup>	1.1	1.7	1.7	1.8	1.9

<sup>1</sup>Data source: BC Transit internal tracking data

<sup>2</sup>Data Source: Passenger trips per service hour measures the effectiveness of, and the demand for, transit services as provided and is determined by dividing passenger trips by service hours

<sup>3</sup>Total ridership (3.1 a) may not be exactly equal to the sum of 3.1b, 3.1c and 3.1d due to the rounding of numbers

<sup>4</sup>Target values for 2022/23, 2023/24 and 2024/25 have been adjusted based on 2021/22 forecast results.

## Linking Performance Measures to Objective

3.1a-d Measuring the number of passenger trips provides an indication of how development, delivery and improvement of transit service is contributing to ridership.

3.1e-g Measuring the number of passenger trips per service hour provides an indication of the effectiveness of and demand for transit service.

## Discussion

Ridership and rides per service hour targets have been increased to reflect ridership levels recovering more quickly than what was anticipated in Spring of 2021, when the 2021/22 Service Plan targets were developed. The COVID-19 pandemic had a profound impact on BC Transit ridership, however it continues to recover. Over the duration of the Service Plan period and beyond, BC Transit is committed to increasing ridership, and providing high quality service to gain new customers and encourage former customers to return to transit as workplaces and events continue to reconvene in person.

BC Transit will optimize existing services to improve efficiency, which is designed to maximize trips per service hour in the long-term. In particular, for custom transit, this will be supported by the enhanced custom registration program in Victoria, launched in fall 2021, expanded customer travel training and flexible service options that are expected to have a positive impact on ridership. Access to more robust data from the expansion of NextRide in more communities and the launch of the Electronic Fare Collection System will help to refine routing and scheduling

and continue service adjustments to improve efficiency and enhance the customer experience in conventional systems. The implementation of proposed enhancements to custom transit services in B.C. will also be a key priority in the next three years.

In 2022/23, BC Transit will continue to undertake ridership recovery marketing campaigns, implement targeted service changes that adapt to changing demand patterns, evaluate new fare products and innovative options through the electronic fare collection system, expand the NextRide automated vehicle location program and continue public engagement with a GBA+ lens to inform future service decisions. As such, conventional, paratransit and custom passenger trips per service hour are forecast to increase over the three year period. The fare-free transit program for children 12 and under is expected to attract new riders to help increase ridership over the Service Plan period. BC Transit is monitoring the fare-free transit for 12 and under program to determine estimated ridership increases and specific questions on the program have been added to regularly conducted customer satisfaction surveys.

**Objective 3.2: Customer Satisfaction: Provide a customer-oriented service.**

Customer satisfaction builds the foundation for strong transit use. BC Transit will continue to improve service delivery in order to retain existing customers, encourage previous customers to return and attract new ones.

**Key Strategies**

- Improve customers’ perceptions of public transit through improvements to services delivered, including a continued emphasis on quality customer service, safety and the implementation of improved technology and service reliability.

Performance Measure(s)	2020/21 Actuals	2021/22 Forecast	2022/23 Target <sup>3</sup>	2023/24 Target <sup>3</sup>	2024/25 Target <sup>3</sup>
3.2a Customer Satisfaction <sup>1</sup>	3.53	3.50	3.55	3.60	3.65
3.2b Customer Satisfaction – Custom Transit <sup>2</sup>	4.05	3.55	4.00	4.10	4.15

Data source: Annual customer survey, conducted by a third party research firm

<sup>1</sup> Customer Satisfaction is determined by the average rating of customer tracking survey respondents when asked to rate their overall transit experience from one ("very poor") to five ("excellent"). It currently does not distinguish between conventional and custom

<sup>2</sup> Customer satisfaction – Custom Transit is determined by the average rating of respondents when asked to rate their experience out of 100. This score is then converted to a mark out of five.

<sup>3</sup> Target values for 2022/23, 2023/24 and 2024/25 have been adjusted based on 2021/22 forecast results.

**Linking Performance Measures to Objective**

3.2a Customer satisfaction measures BC Transit’s effectiveness in meeting customers' overall expectations and perceptions of their transit experience. Improvements in customer satisfaction indicate a positive transit experience which is a contributing factor to sustaining and increasing ridership. Improved customer services, such as the investment in real-time service information

for more communities and the implementation of enhanced fare technologies, will be a key priority in the next three years.

3.2b This performance measure summarizes the customer satisfaction for custom transit. It measures BC Transit’s effectiveness in meeting customers’ expectations and perceptions of the custom transit experience. Improvements in customer satisfaction for custom transit indicate an improved transit experience. The implementation of proposed enhancements to custom transit services in British Columbia such as expansion of customer travel training programs and flexible service options, will be a key priority in the next three years.

## Discussion

Targets reflect an expectation that customer satisfaction will increase over the Service Plan period. BC Transit continues to work to rebuild customer confidence in using transit and regaining ridership lost during COVID-19. Efforts to enhance customer perceptions of transit service will continue in the coming years. Factors that are expected to positively impact overall scores include improved service reliability, improved cleaning and safety protocols, advanced fare technologies, the second phase of the NextRide program, improved bus stop amenities, ease of connections, service timeliness, and introduction of RapidBus service between Downtown Victoria and the West Shore.

BC Transit will also continue to encourage transit use by improving the customer experience and investing in new infrastructure projects such as the new UVic exchange, Uptown mobility hub and View Royal HandyDART facility. Over the Service Plan period, projects in the planning stages include exchanges in Nelson, Nanaimo, Central Fraser Valley and Kelowna. The satisfaction measure for custom transit customers allows BC Transit to measure the impacts on customers’ experience of proposed future enhancements to efficiency and effectiveness. The targets for customer satisfaction – custom transit have been increased from the 2021/22 Service Plan based on the higher score in 2020/21.

## Objective 3.3: Service Delivery: Maintain a high quality of service.

### Key Strategies

- Improve customers’ perceptions of public transit through improvements to services delivered, including a continued emphasis on quality customer service, safety and the implementation of improved technology and service reliability.

Performance Measure(s)	2020/21 Actuals	2021/22 Forecast	2022/23 Target <sup>1</sup>	2023/24 Target	2024/25 Target
3.3 Planned service delivered in conventional transit systems	99.74%	98.26%	99.50%	99.90%	99.90%

<sup>1</sup> Target value for 2022/23 has been adjusted based on 2021/22 forecast results.

## **Linking Performance Measure to Objective**

3.3 The percentage of planned service hours delivered in conventional transit systems measures the quality of transit service and is based upon the percentage of revenue hours that are delivered as planned. The reliability of providing scheduled trips has an effect on the customer experience and the overall perception of transit and reflects BC Transit's ability to respond to emerging operational challenges while delivering transit services that are expected, and relied upon, by transit customers.

### **Discussion**

The Safe Restart funding provided by the Government of Canada and the Province of B.C. in 2020 helped to ensure that essential levels of transit service could be provided. The federal and provincial governments recognized the importance of transit and BC Transit is working with its local government partners to maintain transit service levels while moving into the pandemic recovery period. This contribution provides certainty for communities who rely on transit and allows BC Transit to continue to provide stable and reliable service across B.C. Efforts will persist in managing preventative issues and responding to emerging challenges on the roads.

**Goal 4: Thriving Communities: Work with local governments to improve livability and to provide transit service when and where people want it.**

**Objective 4.1: Proximity to Transit: Deliver operational excellence by expanding conventional, paratransit, and custom services in transit systems in communities across the province.**

### **Key Strategies**

- Continue to work with local government partners to identify service enhancements to improve access to conventional and paratransit service. This includes optimizing service to respond to changing travel patterns.
- Continue to create more responsive and reliable services including exploring emerging trends within public transit.
- Continue to improve access to custom transit service by expanding custom transit service as well as implementing recommendations from the custom transit review.



Performance Measure(s)	2020/21 Actuals	2021/22 Forecast	2022/23 Target <sup>4</sup>	2023/24 Target <sup>4</sup>	2024/25 Target <sup>4</sup>
4.1a Conventional service hours per capita <sup>1</sup>	1.29	1.31	1.30	1.17	1.05
4.1b Paratransit service hours per capita <sup>2</sup>	0.35	0.35	0.36	0.35	0.35
4.1c Custom service hours per capita <sup>3</sup>	0.19	0.20	0.22	0.21	0.21

Data source: BC Transit internal tracking data

<sup>1</sup> Conventional service hours per capita is determined by the number of conventional service hours delivered divided by the population that lives within 400m of fixed route bus service

<sup>2</sup> Paratransit service hours per capita is determined by the number of paratransit service hours delivered divided by the population that lives within 1,000m of fixed route bus service (includes taxi trips)

<sup>3</sup> Custom service hours per capita is determined by the number of custom service hours delivered divided by the population that lives within 1,500m of fixed route bus service (includes taxi trips)

<sup>4</sup> Target values for 2022/23, 2023/24 and 2024/25 have been adjusted based on 2021/22 forecast results.

## Linking Performance Measures to Objective

4.1a-c Measuring service hours per capita provides an indication of how easily and conveniently customers can access transit services and is based on the level of investment and provision of transit service relative to the population that lives within a reasonable proximity of service routes.

## Discussion

BC Transit will be able to maintain transit service levels in 2022/23 due to provincial funding and Safe Restart funding provided by the Government of Canada and the Province. In years 2023/24 and 2024/25, the targets reflect that population is anticipated to increase faster than service hours.

## Objective 4.2: Partnerships: Strengthen partnerships by improving partner satisfaction and increasing engagement with Indigenous communities.

### Key Strategies

- Increase partner satisfaction by cultivating strong relationships with local governments, including efforts to improve service delivery and engaging more extensively with partners in identifying and developing solutions to local transit needs.
- Work with First Nations, the Province, and local government partners to explore opportunities to better meet the transportation needs of a greater number of Indigenous communities.

Performance Measure(s)	2020/21 Actuals	2021/22 Forecast	2022/23 Target <sup>2</sup>	2023/24 Target <sup>2</sup>	2024/25 Target <sup>2</sup>
4.2 Partner Satisfaction <sup>1</sup>	4.17	4.10	4.20	4.25	4.30

Data Source: Annual partner survey, conducted by a third party research organization.

<sup>1</sup> Partnership satisfaction is determined by the average rating of local government transit partner respondents when asked to rate their customer service received from BC Transit from one ("very poor") to five ("excellent").

<sup>2</sup> Target values for 2022/23, 2023/24 and 2024/25 have been adjusted based on 2020/21 actual results and 2021/22 forecast results.

## Linking Performance Measure to Objective

4.2 Partnership satisfaction measures local government partners' perception of BC Transit's customer service.

### Discussion

BC Transit will continue to prioritize collaboration with its partners when planning and implementing transit services across the province. As a result, partnership satisfaction scores are expected to increase during the service planning period and targets have been increased from the 2021/22 Service Plan, due to the 2020/21 actual score. BC Transit is working with local government partners to maintain essential service levels as we recover from the COVID-19 pandemic and ensure people can get to jobs, to school and to access essential services.

The *Declaration on the Rights of Indigenous Peoples Act* and the Truth and Reconciliation Commission Calls to Action are driving efforts to expand BC Transit's engagement with Indigenous communities.

## Goal 5: Responsible Stewards: Act as a responsible steward for the financial resources that it has been entrusted with.

### Objective 5.1: Financial Management and Efficiency: Practice sound corporate financial management by focusing on corporate and administrative cost efficiencies.

#### Key Strategies

- Seek to increase the operating cost efficiency of conventional and paratransit services by implementing initiatives that encourage ridership growth while also employing strategies to contain costs associated with fuel, labour, and parts and maintenance.
- Given custom services are typically fully subscribed, BC Transit seeks to increase the operating cost efficiency of custom transit services by focusing on the containment of costs associated with fuel, labour, and parts and maintenance.

Performance Measure(s)	2020/21 Actuals	2021/22 Forecast	2022/23 Target <sup>3</sup>	2023/24 Target <sup>3</sup>	2024/25 Target <sup>3</sup>
5.1a Conventional operating cost per passenger trip <sup>1,2</sup>	\$8.94	\$7.17	\$6.61	\$6.31	\$6.15
5.1b Paratransit operating cost per passenger trip <sup>1</sup>	\$23.40	\$22.58	\$21.57	\$20.33	\$20.47
5.1c Custom operating cost per passenger trip <sup>1</sup>	\$69.18	\$52.26	\$49.50	\$48.01	\$45.94
5.1d Conventional operating cost per hour <sup>2</sup>	\$124.55	\$131.31	\$135.36	\$148.00	\$160.50
5.1e Paratransit operating cost per hour, excluding taxis <sup>2</sup>	\$92.48	\$101.86	\$106.76	\$109.70	\$116.92
5.1f Custom operating cost per hour, excluding taxis <sup>2</sup>	\$92.56	\$97.83	\$97.68	\$101.18	\$103.98

Data Source: BC Transit financial system and audited financial statements

<sup>1</sup> Operating cost per passenger trip reflects annual operating cost divided by passengers carried. Note: paratransit and custom operating cost per passenger trip includes taxi trip costs and passengers

<sup>2</sup> Operating cost per service hour is determined by dividing the total direct operating expenses by the service hours.

<sup>3</sup> Target values for 2022/23, 2023/24 and 2024/25 have been adjusted based on 2021/22 forecast results.

## Linking Performance Measure to Objective

5.1a-c Measuring operating costs per passenger trip provides an indication of the efficiency of providing transit service. Increasing cost per passenger trip indicates that costs are growing at a faster rate than ridership.

5.1d-f Cost per service hour is the average operating cost for each hour of service. It allows BC Transit to compare performance to other transit agencies. Increasing operating cost per hour indicates that costs are growing at a faster rate than service hours.

## Discussion

Operating cost per passenger trip targets have been established to drive BC Transit to recover its ridership while continuing to practice responsible financial stewardship. Operating cost per passenger trip for all modes is estimated to decline over the Service Plan period as ridership is regained at a higher rate than the associated operating costs increases (e.g. fuel, labour and maintenance). A stronger ridership recovery will have a positive impact on this performance measure going forward.

Operating cost per service hour (performance measures 5.1d-5.1f) is forecast to increase in 2022/23 as service levels are maintained while operating costs are forecast to increase for the reasons cited above. For 2023/24 and 2024/25, operating cost per service hour is expected to further increase in line with increasing operating costs. BC Transit will be working with the Ministry in 2022/23 to closely monitor ridership recovery to help inform future decisions on service hours for 2023/24 and 2024/25.

**Objective 5.2: Greenhouse Gas Emissions: Be accountable for its environmental impact by reducing operational carbon emissions.**

**Key Strategies**

- Deliver its low carbon fleet replacement strategy to support an overall reduction of GHG emissions, in line with provincial CleanBC targets. By 2027/28, all new vehicles purchased by BC Transit are expected to be electric.
- Continue to assess operational energy consumption and reduce, where possible, through replacement of equipment, changing operational processes and building to lower energy use standards (LEED Gold and StepCode).

Performance Measure(s)	2020/21 Actuals	2021/22 Forecast	2022/23 Target <sup>4</sup>	2023/24 Target <sup>4</sup>	2024/25 Target <sup>4</sup>
5.2a Total GHG emissions <sup>1, 2, 3</sup>	61,391	61,000	48,500	47,000	45,000
5.2b Carbon (GHG) intensity per service hour <sup>1, 2, 3</sup>	25.04	24.60	19.00	19.00	19.00

<sup>1</sup> Data Source: BC Transit fuel, energy and paper consumption data as defined in scope by provincial regulation.

<sup>2</sup> Data Source: BC Government Clean Government Reporting Tool data and BC Transit internal tracking data.

<sup>3</sup> Unit of measure for GHG emissions is tonnes of carbon dioxide equivalent and carbon (GHG) intensity is kg of GHG per service hour.

<sup>4</sup> Target values for 2022/23, 2023/24 and 2024/25 have been adjusted based on actions towards the transition to a low carbon fleet.

**Linking Performance Measure to Objective**

5.2a Measures the overall GHG emissions produced by providing BC Transit services.

5.2b Measures BC Transit's GHG emissions rate.

**Discussion**

Reducing the reliance on diesel fueled vehicles is a key objective for BC Transit. The performance measures and targets in this objective illustrate BC Transit’s commitment to supporting CleanBC targets for reducing GHG emissions.

BC Transit has secured a source of Renewable Natural Gas (RNG) to be used by the Compressed Natural Gas bus fleet around the Province. The resultant drop in GHG emissions will start to be seen in 2022/23 and will be adjusted accordingly if more RNG can be secured.

After 2022/23, further GHG emissions reductions are expected from the introduction of battery electric buses, and improvements to facility energy consumption.

## Financial Plan

### Financial Summary

(\$000)	2021/22 Forecast	2022/23 Projection	2023/24 Projection	2024/25 Projection
<b>Total Revenue</b>				
Operations	58,864	65,741	66,321	66,548
Provincial Operating	125,734	140,874	140,874	139,829
Local government operating & capital	147,732	150,192	148,582	151,918
Federal government operating	647	-	-	-
Deferred capital contributions <sup>1</sup>	44,104	49,831	49,904	56,651
Investment and other income	4,846	5,192	5,033	5,349
<b>Total Revenue</b>	<b>381,927</b>	<b>411,830</b>	<b>410,714</b>	<b>420,295</b>
<b>Total Expenses</b>				
Operations	194,986	211,468	210,360	208,262
Maintenance	73,347	77,741	76,644	75,586
Administration	39,067	41,731	42,500	43,470
Use of asset	74,527	80,890	81,210	92,977
<b>Total Expenses</b>	<b>381,927</b>	<b>411,830</b>	<b>410,714</b>	<b>420,295</b>
<b>Annual Operating Surplus (Deficit)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
Other non-operational gain (loss)	57	-	-	-
<b>Total Annual Surplus (Deficit)</b>	<b>57</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Liabilities<sup>2</sup></b>	<b>521,341</b>	<b>630,308</b>	<b>848,386</b>	<b>1,062,784</b>
<b>Accumulated Surplus (Deficit)</b>	<b>25,887</b>	<b>25,887</b>	<b>25,887</b>	<b>25,887</b>
<b>Capital Expenditures</b>	<b>82,279</b>	<b>178,018</b>	<b>291,443</b>	<b>293,171</b>

Note: The above financial information was prepared based on current Generally Accepted Accounting Principles.

<sup>1</sup> BC Transit receives capital funding for the construction or acquisition of assets and their use in program/service delivery. Capital contributions are deferred and recognized in revenue over the useful life of the asset, as program/services are delivered, as directed by the Province.

<sup>2</sup> Net of sinking funds, consistent with prior years' Service Plans.

## **Key Forecast Assumptions, Risks and Sensitivities**

Forecasts reflect changes in costs associated with levels of service for 2022/23 – 2024/25, inflationary pressures related to vehicle maintenance, insurance, competitive contract negotiations with operating companies, operating costs associated with new customer-focused fleet technology (NextRide 2.0 and electronic fare technology), infrastructure projects to promote enhanced customer service and the price of fuel. In addition, passenger revenues reflect a moderate rate of recovery as ridership continues to move towards pre-COVID-19 levels.

## **Management’s Perspective on the Financial Outlook**

There remains potential affordability risk for local government partners in the outer years of the plan period given that ridership levels continue to lag pre-pandemic levels. Management will work closely with local government partners to mitigate and respond to any affordability challenges. The price of diesel fuel remains a large financial risk to BC Transit services. The cost of diesel is forecast 28% higher than budget in 2021/22 and diesel pricing remains potentially volatile. BC Transit continues to realize savings from its fuel management supply contracts yet there remains a great deal of uncertainty over the longer term price of oil and the subsequent effect on fuel costs. This risk will decrease in future years as BC Transit has less reliance on diesel vehicles. In addition, key infrastructure investments over the Service Plan period, such as battery electric buses, are requiring longer lead times to implement. This may require BC Transit to extend the useful lives of existing assets resulting in incremental maintenance costs in advance of service levels and funding commitments being finalized. There is also increasing pressure on insurance premiums in all areas which impact operating costs over this Service Plan period. The Canadian exchange rate also poses risk to the budget as a significant portion of bus parts are manufactured in the USA and Europe. Finally, this Service Plan is based on management’s best forecast of future environmental and financial conditions which are subject to change. BC Transit and the Ministry of Transportation and Infrastructure will work closely to respond to any changing conditions and adjust the assumptions of future service periods as required.

**Capital Expenditures**

<b>Significant IT Projects (over \$20 million in total)</b>	<b>Targeted Year of Completion</b>	<b>Project Cost to Dec 31, 2021 (\$m)</b>	<b>Estimated Cost to Complete (\$m)</b>	<b>Approved Anticipated Total Cost (\$m)</b>
Electronic Fare Collection System	2025/26	\$1.1	\$23.2	\$23.2
<p>BC Transit has initiated a capital project to implement an Electronic Fare Collection System. This transformational project will improve the customer experience by introducing new forms of payments including mobile app and contactless credit cards.</p>				

## **Appendix A: Additional Information**

### **Corporate Governance**

More information about BC Transit's Senior Leadership Team can be found at:

<https://www.bctransit.com/about/executive>

More information about BC Transit's governance and funding model can be found at:

<https://www.bctransit.com/about/funding-and-governance>

### **Organizational Overview**

More information about BC Transit's vision, mission and values can be found at:

<https://www.bctransit.com/about>

More information about BC Transit's program scope can be found at:

<https://www.bctransit.com/about/facts>

A list of transit systems can be found at:

<https://www.bctransit.com/choose-transit-system>

BC Transit's corporate reports, including Service Plans and Annual Reports, can be found at:

<https://www.bctransit.com/corporate-reports>



## Appendix B: Subsidiaries and Operating Segments

### Active Subsidiaries

Incorporated in 2011, BC Transit has four wholly owned subsidiaries that held properties intended for future transit development. In the interim period, they operate as rental properties with net revenues attributed back to the Province. The subsidiaries are:

- 0928624 BC Ltd.
- 0925406 BC Ltd.
- 0922667 BC Ltd.
- 0915866 BC Ltd.

### Inactive Subsidiaries

Subsidiary	Incorporated	Date became dormant	Activity
TBC Properties Inc.	16-Nov-10	Incorporation	N/A
TBC Operations Inc.	16-Nov-10	Incorporation	N/A
TBC Vehicle Management Inc.	16-Nov-10	Incorporation	N/A

### Operating Segments

BC Transit has no operating segments.

## **Appendix C: Crown Mandate Letter from the Minister Responsible**



May 27, 2021

Catherine Holt, Chair  
Board of Directors  
BC Transit  
520 Gorge Road East  
Victoria BC V8T 2W6

Reference: 300784

Dear Chair Holt:

On behalf of Premier Horgan and the Executive Council, I would like to extend my thanks to you and your board members for the dedication, expertise and skills with which you serve the people of British Columbia.

Every public sector organization is accountable to the citizens of British Columbia. The expectations of British Columbians are identified through their elected representatives, the members of the Legislative Assembly. Your contributions advance and protect the public interest of all British Columbians and through your work, you are supporting a society in which the people of this province can exercise their democratic rights, trust and feel protected by their public institutions.

You are serving British Columbians at a time when people in our province face significant challenges as a result of the global COVID-19 pandemic. Recovering from the pandemic will require focused direction, strong alignment and ongoing engagement between public sector organizations and government. It will require all Crowns to adapt to changing circumstances and follow Public Health orders and guidelines as you find ways to deliver your services to citizens.

This mandate letter, which I am sending in my capacity as Minister responsible for BC Transit, on behalf of the Executive Council, communicates expectations for your organization. It sets out overarching principles relevant to the entire public sector and provides specific direction to BC Transit about priorities and expectations for the coming fiscal year.

I expect that the following five foundational principles will inform your agency's policies and programs:

- **Putting people first:** We are committed to working with you to put people first. You and your board are uniquely positioned to advance and protect the public interest and I expect that you will consider how your board's decisions maintain, protect and



enhance the public services people rely on and make life more affordable for everyone.

- **Lasting and meaningful reconciliation:** Reconciliation is an ongoing process and a shared responsibility for us all. Government's unanimous passage of the *Declaration of the Rights of Indigenous Peoples Act* was a significant step forward in this journey – one that all Crown Agencies are expected to support as we work in cooperation with Indigenous peoples to establish a clear and sustainable path to lasting reconciliation. True reconciliation will take time and ongoing commitment to work with Indigenous peoples as they move towards self-determination. Guiding these efforts, Crown agencies must also remain focused on creating opportunities that implement the Truth and Reconciliation Commission through your mandate.
- **Equity and anti-racism:** Our province's history, identity and strength are rooted in its diverse population. Yet racialized and marginalized people face historic and present-day barriers that limit their full participation in their communities, workplaces, government and their lives. The public sector has a moral and ethical responsibility to tackle systemic discrimination in all its forms – and every public sector organization has a role in this work. All Crowns are expected to adopt the Gender-Based Analysis Plus (GBA+) lens to ensure equity is reflected in your operations and programs. Similarly, appointments resulting in strong public sector boards that reflect the diversity of British Columbia will help achieve effective and citizen-centred governance.
- **A better future through fighting climate change:** Announced in December 2018, the CleanBC climate action plan puts our province on the path to a cleaner, better future by building a low-carbon economy with new clean energy jobs and opportunities, protecting our clean air, land and water and supporting communities to prepare for carbon impacts. As part of the accountability framework established in CleanBC, and consistent with the *Climate Change Accountability Act*, please ensure your organization aligns operations with targets and strategies for minimizing greenhouse gas emissions and managing climate change risk, including the CleanBC target of a 50% reduction in public sector building emissions and a 40% reduction in public sector fleet emissions by 2030. Your organization is expected to work with government to report out on these plans and activities as required by legislation.



- **A strong, sustainable economy that works for everyone:** I expect that you will identify new and flexible ways to achieve your mandate and serve the citizens of British Columbia within the guidelines established by the Provincial Health Officer and considering best practices for conducting business during the pandemic. Collectively, our public sector will continue to support British Columbians through the pandemic and economic recovery by investing in health care, getting people back to work, helping businesses and communities, and building the clean, innovative economy of the future. As a public sector organization, I expect that you will consider how your decisions and operations reflect environmental, social and governance factors and contribute to this future.

The Crown Agencies and Board Resourcing Office (CABRO), with the Ministry of Finance, will continue to support you and your board on recruitment and appointments as needed, and will be expanding professional development opportunities in 2021/22. The Governing in the Public Interest online certificate program is now available, and all board members are encouraged to complete this new offering.

As the Minister Responsible for BC Transit, I expect that you will make substantive progress on the following priorities and incorporate them in the goals, objectives and performance measures in your 2021/22 Service Plan:

- Rebuild confidence in public transit and support economic recovery from the COVID-19 pandemic by working with local government partners to build back ridership while ensuring the targeted essential service levels under the Safe Restart Agreement are maintained across all transit systems.
- Engage with the Ministry, local governments, TransLink, and other key stakeholders to implement free transit for children up to and including age 12 across British Columbia.
- Guided by the South Island Transportation Strategy, encourage transit-related travel choices by improving transit service and investing in key infrastructure improvements including the UVic Transit Exchange Upgrade and the Victoria handyDART operations and maintenance facility. Continue to work with the Ministry to ensure that the crown lands located at Douglas Street/Uptown in Saanich support the transit-oriented development of a multi-modal transit hub.



- Improve the integrative experience of customers connecting between BC Transit, BC Ferries and TransLink with a focus on opportunities for seamless transfer between services and expanded regional connections and provide a report identifying opportunities by March 2022.
- Make critical investments to support BC Transit's Low Carbon Fleet Program by awarding a contract in 2021/22 for BC Transit's first ten electric buses and charging infrastructure to be ready in 2022/23.

Each board member is required to sign the Mandate Letter to acknowledge government's direction to your organization. The signed Mandate Letter is to be posted publicly on your organization's website in spring 2021.

I look forward to continuing to work with you and your Board colleagues to build a better B.C.

Sincerely,

A handwritten signature in blue ink that reads "Rob Fleming".

Rob Fleming  
Minister

Date: May 27, 2021

A handwritten signature in blue ink that reads "Catherine Holt".

Catherine Holt, Chair  
BC Transit

Date: June 2, 2021

A handwritten signature in blue ink that reads "Susan Brice".

Susan M. Brice, Director  
BC Transit

Date: June 2, 2021



A handwritten signature in black ink, appearing to read "K. Elliott".

Karen Elliott, Director  
BC Transit

Date: June 2, 2021

A handwritten signature in blue ink, appearing to read "Lyn Hall".

Lyn Hall, Director  
BC Transit

Date: June 2, 2021

A handwritten signature in black ink, appearing to read "Lisa Helps".

Lisa Helps, Director  
BC Transit

Date: June 2, 2021

A handwritten signature in black ink, appearing to read "Wendal Milne".

Wendal Milne, Director  
BC Transit

Date: June 2, 2021

A handwritten signature in blue ink, appearing to read "Blair Redlin".

Blair Redlin, Director  
BC Transit

Date: June 2, 2021



cc: Honourable John Horgan  
Premier

Lori Wanamaker  
Deputy Minister to the Premier, Cabinet Secretary and Head of the BC Public Service

Heather Wood  
Deputy Minister and Secretary to Treasury Board  
Ministry of Finance

Douglas S. Scott  
Deputy Minister, Crown Agencies Secretariat  
Ministry of Finance

Kaye Krishna  
Deputy Minister  
Ministry of Transportation and Infrastructure

Erinn Pinkerton  
President and CEO  
BC Transit