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## **Fuel surcharge fooferaw** ~ Patrick Brown

In late November, ferry customers were puzzled, angry, and frustrated when BC Ferry Services issued a press release that said the fuel surcharge would rise from 2.5% to 5% on the three major routes connecting the Lower Mainland and Vancouver Island, and that a fuel surcharge of 2.5% would be implemented on the Horseshoe Bay–Langdale route.

Critics and the media have pointed out that, in June's *Coastal Ferry Amendment Act (Bill 14)*, 'extraordinary' increases are currently suspended. Given the in-progress Review of BC Ferries, the impression is that there can be no further fare changes, so as to provide time for Ferry Commissioner Macatee to complete his review.

North Coast MLA Gary Coons commented that *Bill 14* suspended, until October 2012, a part of the 2003 *Coastal Ferries Act* that allowed BCFS to apply for 'extraordinary' price cap increases due to 'an extraordinary increase in the price of any non-controllable input such as fuel.'

### **Not Extraordinary**

However, the Ferry Commission's Memo 24, dated March 30, 2007, states: 'Changes to the fuel surcharge (or rebate) may not be made more frequently than quarterly and BCFS must give 15 days public notice of the change. An application under Section 42 of the *Coastal Ferry Act* for an *extraordinary increase in price caps will not be required in respect of such changes in the fuel surcharge*, [italics ours] because the Commission is providing for this adjustment as a part of the price cap-setting process for performance term two.'

So, the increase in BC Ferries' main route fuel surcharge, effective December 12, was not 'extraordinary' and there was nothing to stop it being introduced. ☞