

PERFORMANCE TERM 3 AGREEMENT

THIS AGREEMENT is dated for reference the 1st day of April, 2012

BETWEEN:

HER MAJESTY THE QUEEN IN RIGHT OF THE PROVINCE OF BRITISH COLUMBIA, as represented by the Minister of Transportation and Infrastructure
(the "Province")

AND:

BRITISH COLUMBIA FERRY SERVICES INC. a body corporate, incorporated under the laws of the Province of British Columbia under Certificate of Incorporation No. 0667014
(**"BC Ferries"**)

WHEREAS

- A. The Coastal Ferry Services Contract, as defined in this Agreement, contemplates that the parties will from time to time enter into discussions reviewing certain matters set out in the Coastal Ferry Services Contract;
- B. the parties have undertaken such discussions in respect of the third Performance Term, defined as the Review Performance Term in the Act, and wish to amend the Coastal Ferry Services Contract on the terms and conditions set out in this Agreement.

NOW THEREFORE in consideration of the foregoing premises and for other good and valuable consideration (the receipt and sufficiency of which each of the Province and BC Ferries acknowledges) the parties agree as follows:

1. DEFINITIONS

- 1.1 In this Agreement "**CFSC**" means the service contract between the Province and BC Ferries entitled the "Coastal Ferry Services Contract", as amended, and any other words having initial uppercase letters will have the meanings given to them in the CFSC.

PERFORMANCE TERM 3 AGREEMENT

2. REPRESENTATIONS AND WARRANTIES

2.1 BC Ferries represents and warrants to the Province that on execution of this Agreement and at all times thereafter:

- (a) this Agreement has been duly authorized, executed and delivered by BC Ferries;
- (b) all representations and warranties of BC Ferries in the CFSC, other than the representation and warranty set out in section 2.01(a) of the CFSC, remain true and correct as if made on the reference date of this Agreement;
- (c) that BC Ferries is a corporation duly continued and validly existing under the laws of the Province of British Columbia;
- (d) that BC Ferries is not in default under the CFSC, under any Ferry Terminal Lease or under any trust deeds or other security interests contemplated in sections 2.04 – 2.06 of the CFSC.

2.2 The Province represents and warrants to BC Ferries that this Agreement has been duly authorized, executed and delivered on behalf of the Province.

PERFORMANCE TERM 3 AGREEMENT

3. COASTAL FERRY SERVICES CONTRACT

3.1 Section 1.01 [Interpretation] of the CFSC is amended as follows.

- (a) The definition of “**BC Ferry System**” is amended by deleting the words “the Queen Charlotte Islands” and substituting in their place the following: “Haida Gwaii”.
- (b) The definition of “**Core Service Level**” is amended by deleting the words “in Appendix 1 of Schedule “A” or as” and substituting the following words: “in Schedule “A”, as such service level may be”.
- (c) The definition of “**Order**” is deleted in its entirety and the following substituted: “**Order**” means a determination, direction, decision or authorization made by the Commissioner pursuant to sections 38(4), 38(5), 41.1, 42, 43, 43.1, 44, or 45 of the Act.”.
- (d) The following definition is added after the definition of “**Published Schedule**” and before the definition of “**Route Group**”:
“**Review Performance Term**” has the meaning given to the expression in the Act;”.
- (e) The definition of “**Temporary Service Disruption**” is amended by adding the following after the words “described in section 2 of Schedule “A””:
“, and for greater certainty excludes temporary reductions in service contemplated in sections 42 or 43 of the Act;”.

Ferry Services

3.2 Section 4.01(b)(ii) of the CFSC is deleted in its entirety and the following is substituted in its place:

“(ii) the Commissioner issues an Order authorizing or directing BC Ferries to reduce a Core Service Level, either temporarily or permanently, in respect of a Designated Ferry Route and the reduction is made in accordance with the terms and conditions specified in the Order.”.

3.3 Section 4.03 [Commissioner Authorized Service Level Reductions] of the CFSC is amended

- (a) by deleting the heading in its entirety and substituting the following:
“**Commissioner Authorized Temporary Service Level Reductions**”; and
- (b) by adding in the first line of the section, the word “temporarily” between the words “to” and “reduce service”.

3.4 Section 4.08 [Core Service Level Adjustments] of the CFSC is amended by deleting the words “section 2 of Schedule A” and substituting the words “sections 2 and 3 of Schedule A”.

Service Fee Review

3.5 Section 5.01 of the CFSC is amended by deleting the words “Subject to the provisions of this Amending Agreement No. 4,” and substituting the following words: “Subject to the provisions of this Agreement,”.

3.6 Section 5.02 of the CFSC is amended by:

PERFORMANCE TERM 3 AGREEMENT

- (a) deleting the word “applies” and substituting in its place, the words “makes an application for relief”;
- (b) adding the words “section 42 of” after the words “Commissioner under” and before the words “the Act”; and
- (c) deleting the words “for an extraordinary price cap increase”.

Miscellaneous

- 3.7 Section 15.05 of the CFSC is amended by deleting the address for notice to the Province and the address for notice to BC Ferries and substituting in its place the following subsections (a) and (b):
- “(a) if to the Province:

Her Majesty the Queen in Right of the Province of British Columbia
Ministry of Transportation and Infrastructure
PO Box 9850 Stn Prov. Govt.
5th Floor – 940 Blanshard Street
Victoria, BC V8W 9T5

Attention: Deputy Minister, Ministry of Transportation and Infrastructure”.

- (b) if to BC Ferries:

BRITISH COLUMBIA FERRY SERVICES INC
Suite 500 – 1321 Blanshard Street,
Victoria, British Columbia V8W 0B7

Attention: President and Chief Executive Officer”.

Schedule A [Designated Routes and Services]

- 3.8 Schedule “A” to the CFSC is amended as follows.

- (a) The main body of Schedule “A”, entitled “Designated Ferry Routes And Services”, to the CFSC is amended as follows.
 - (i) The Route Group Table in section 1 is amended by deleting the row referring to the Designated Ferry Route No. 3 “Horseshoe Bay/Langdale” and moving the Designated Ferry Route No. 3 “Horseshoe Bay/Langdale” into the row above relating to the “Major Routes”.
 - (ii) The Route Group Table in section 1 is amended by deleting the word “Kuper” from the Designated Ferry Route Name “Chemainus/Thetis/Kuper” and substituting the word “Penelakut” such that the Designated Ferry Route Name reads as follows: “Chemainus/Thetis/Penelakut”.
 - (iii) Section 2 is amended by deleting the word “are” and substituting the word “as” after the words “Designated Ferry Routes” and before the words “described and contained”.
 - (iv) Section 2(a)(iii) is amended by deleting the words “for the calendar year” and substituting the words “which occurred during the applicable Contract Year”.

PERFORMANCE TERM 3 AGREEMENT

- (v) Subsections 2.(d) and (f) are deleted in their entirety.
- (vi) A section 3 is added as follows.

"3. Specific Services Adjustments in Performance Term Three

- (a) The Province and BC Ferries agree to implement service adjustments having as their objective the achievement of \$30 million in net savings in relation to the provision of Services on the Designated Ferry Routes over the third Performance Term.
- (b) The Province and BC Ferries have agreed and acknowledge that the total number of annual round trips forming part of the Core Service Levels applicable to Designated Ferry Routes Nos. 1, 2 and 30 as set out in Schedule "A" have already been revised and reflect a target net savings of \$4 million over the third Performance Term and further acknowledge that the \$4 million target forms part of the \$30 million aggregate net savings target.
- (c) The Province and BC Ferries agree to implement over the third Performance Term service adjustments which will be designed to achieve \$26 million in net savings to the provision of Services to candidate Designated Ferry Routes which for greater certainty may include any Designated Ferry Route.
- (d) "Net savings" figures for purposes of defining net savings targets for the service adjustments will be calculated by estimating the total direct operating costs avoided by reducing Core Service Levels in relation to each candidate Designated Ferry Route, less
 - (i) any costs associated with implementing service adjustments and
 - (ii) anticipated revenue losses resulting from implementing the service adjustments over the third Performance Term.
- (e) The service adjustments described in paragraph (c) of this section 3 will be based on the following principles (these principles are neither exhaustive nor mutually exclusive):
 - (i) Designated Ferry Routes that incur a significant financial loss annually, before the application of service fees;
 - (ii) Designated Ferry Routes that report annual capacity utilization levels below 55 percent;
 - (iii) Designated Ferry Routes having Core Service Levels defined on a round-trip basis where such round trips typically report capacity utilization levels equal to or below 20 percent either seasonally or annually;
 - (iv) Specific adjustments will take into account anticipated major capital expenditures;
 - (v) Specific adjustments will take into account the complexity of Designated Ferry Routes that involve multiple ports;
 - (vi) Specific adjustments will take into account the need to ensure basic ferry service at the route level, where applicable. Examples of basic ferry

PERFORMANCE TERM 3 AGREEMENT

service include travel to and from school, work, and significant community events.

- (f) The Province and BC Ferries will use commercially reasonable efforts to finalize the service adjustments.
 - (g) The Province and BC Ferries agree to incorporate specific service level adjustments to Core Service Levels as set out in Schedule "A", which are designed to achieve \$26 million in net savings, by executing a Performance Term 3 Amending Agreement by June 30, 2013.
 - (h) If the Performance Term 3 Amending Agreement referenced in section 3(g) above is not executed by June 30, 2013, the parties agree that the circumstances would support BC Ferries applying to the Commissioner for relief under section 42(1) of the Act.
 - (i) The maximum annual Ferry Transportation Fee will not be adjusted or reduced as a result of the implementation of the service adjustments.
 - (j) If the Commissioner, under sections 42 and 43.1 of the Act, directs BC Ferries to reduce service on a Designated Ferry Route, the Core Service Levels in respect of the applicable designated ferry route will be considered adjusted in the manner, and in accordance with the terms and conditions specified by the Commissioner."
- (b) The part of Appendix 1 entitled "Definitions and Interpretation used in Appendix 1", of Schedule "A" to the CFSC is deleted in its entirety and the part of Appendix 1, entitled "Definitions and Interpretation used in Appendix 1", set out in Schedule "1" to this Agreement is substituted.
 - (c) The Route Overview Document set out in Appendix 1 of Schedule "A" to the CFSC is deleted in its entirety and the Route Overview Document set out in Schedule "2" to this Agreement is substituted.
 - (d) Appendix 2 of Schedule "A" to the CFSC entitled "Unregulated Routes" is amended by adding the following paragraph immediately following the paragraph relating to "Prince Rupert – Tuck Inlet (charter)":

"In relation to the Unregulated Route "Number 51 Ahousaht – Hot Springs Cove – Tofino", the Province and BC Ferries acknowledge the letter agreement between the parties dated August 26, 2011 and entitled "Unregulated Route 51"."

Schedule B [Service Fees for Designated Ferry Routes]

3.9 Schedule "B" entitled "Service Fees for Designated Ferry Routes" to the CFSC is amended as follows.

- (a) Section 1(a) is deleted in its entirety and the following is substituted:
 - "1. The Service Fee payable to BC Ferries pursuant to this Agreement for Services provided in respect of each of the Designated Ferry Routes will be as follows:
 - (a) subject to the terms of this Agreement including sections 2 to 4 of this Schedule, an amount not exceeding

PERFORMANCE TERM 3 AGREEMENT

- (i) \$148, 573,268.00 in respect of Contract Year April 1, 2012 to and including March 31, 2013,
 - (ii) \$136,750,783.00 in respect of Contract Year April 1, 2013 to and including March 31, 2014,
 - (iii) \$135, 811,395.00 in respect of Contract Year April 1, 2014 to and including March 31, 2015, and
 - (iv) \$135,072,971.00 in respect of Contract Year April 1, 2015 to and including March 31, 2016,for ferry transportation services provided by BC Ferries on the Designated Ferry Routes (the 'Ferry Transportation Fee'); and”.

- (b) Section 2 is deleted in its entirety and the following section 2.1 and section 2.2 are substituted:
 - 2.1 The Ferry Transportation Fee Table set out in each Part of Appendix 1 of this Schedule B corresponds to the Contract Year expressly designated in respect of each such Table as follows:
 - (i) Part 1 – Contract Year 2012 /2013 corresponds to the Contract Year commencing on April 1, 2012 and ending March 31, 2013.
 - (ii) Part 2 – Contract Year 2013 /2014 corresponds to the Contract Year commencing on April 1, 2013 and ending March 31, 2014.
 - (iii) Part 3 – Contract Year 2014 /2015 corresponds to the Contract Year commencing on April 1, 2014 and ending March 31, 2015.
 - (iv) Part 4 – Contract Year 2015 /2016 corresponds to the Contract Year commencing on April 1, 2015 and ending March 31, 2016.

 - 2.2 The Ferry Transportation Fee Table set out in each Part of Appendix 1 identifies the following matters in respect of the applicable corresponding Contract Year.
 - (i) The applicable Designated Ferry Route numbers and names are listed in Columns 1 and 2.
 - (ii) The maximum annual amount that subject to the terms of this Agreement is payable as the part of the Ferry Transportation Fee corresponding to the applicable Designated Ferry Routes are listed in Column 3.
 - (iii) The total number of round trips to be delivered on the applicable Designated Ferry Routes to meet the Core Service Levels corresponding to the applicable Contract Year are listed in Column 4.
 - (iv) The individual amount that subject to the terms of this Agreement is payable in respect of the applicable Designated Ferry Route for each round trip is listed in Column 5.

- (c) The expression “Table 1” wherever it appears in the body of Schedule B is deleted and the following words are substituted in its place: “the Ferry Transportation Fee Table corresponding to the applicable Contract Year”.

- (d) A section 7 is added as follows:
 - “7 **Fuel Costs in Relation to Designated Ferry Routes 10, 11 and 40 for Performance Term Three**

 - 7.1 If the Commissioner
 - (a) establishes a set price for fuel in the price caps established for Performance Term 3, and

PERFORMANCE TERM 3 AGREEMENT

(b) requires BC Ferries to establish one or more fuel deferral accounts,

the parties will address variations in the actual fuel prices for fuel consumed to provide Services in accordance with this Agreement on Designated Route Nos. 10, 11 and 40 in accordance with this section 7, including section 7.3.

7.2 BC Ferries will as soon as practicable following the Commissioner's Order referenced in section 7.1 establish and thereafter maintain a separate account to accurately track, including record and account for the amounts described in section 7.3.

7.3 In the event that actual fuel costs described in section 7.1 in relation to Designated Ferry Route Nos. 10, 11 and 40:

(a) exceed the Performance Term 3 set price for fuel by an amount greater than 5 cents per litre, then the amount in excess of 5 cents per litre will be added to the BC Ferries account established in accordance with section 7.2 as a debit; or

(b) fall below the Performance Term 3 set price for fuel by an amount greater than 5 cents per litre, then the amount in excess of 5 cents per litre will be added to the account created in 7.2 as a credit.

7.4 Without limiting any other term of this Agreement, BC Ferries will maintain accurate records and documentation, including accounting records, books of accounts, invoices, receipts, vouchers and other supporting documents relating to the matters described in this section 7, and will upon the request, from time to time, of the Province (which request will give BC Ferries not less than five (5) days notice) permit the Province, its servants and agents, during regular business hours and at the Province's expense, to copy, review and examine documentation, including source and originating documents, and calculations in detail sufficient to enable the Province to satisfy itself, acting reasonably, as to the matters described in this section 7 including as to the amounts shown as owing and payable by one party to the other, as the case may be, and the parties agree that section 6.04(e) of the main body of this Agreement applies to records and documents relating to such matters.

7.5 Payments by BC Ferries to the Province and payments by the Province to BC Ferries, as the case may be, in respect of the matters described in this section 7 will be made on a quarterly basis during the Contract Year. At the end of each quarter, any balance in BC Ferries account established in accordance with section 7.2 will be eliminated in the following manner:

(a) in the event of a debit balance, the Province will, subject to the terms of this Agreement, pay such debit balance to BC Ferries, or

(b) in the event of a credit balance, BC Ferries will, subject to the terms of this Agreement, pay such credit balance to the Province

within 60 days of the parties having settled and agreed on the amount determined as owing and payable under this section 7."

PERFORMANCE TERM 3 AGREEMENT

- (e) Appendix 1 of Schedule "B" to the CFSC is deleted in its entirety and the Appendix 1 entitled "Ferry Transportation Fee – Performance Term 3 Contract Years" set out in Schedule "3" to this Agreement is substituted.
- (f) Appendix 2 of Schedule "B" to the CFSC is amended by
- (i) deleting the title "Table 2" from the Table set out in Appendix 2 and substituting the following title for the table: "BC Student (under 19 years of Age) Discount Table",
 - (ii) deleting from the Table entitled "BC Student (under 19 years of Age) Discount Table" the words "Kuper Is" in the row relating to Route 20 and substituting the words: "Penelakut Island" in their place,
 - (iii) deleting from the Table entitled "BC Student (under 19 years of Age) Discount Table" the entire row relating to Route 7 "Saltery Bay / Earls Cove" and substituting the following row in that Table:

Route 7	Saltery Bay/Earls Cove	X	X		
---------	------------------------	---	---	--	--

Schedule C [Service Fees for Unregulated Routes]

3.10 Schedule "C" entitled "Service Fees for Unregulated Routes" to the CFSC is amended as follows.

- (a) Sections 1, 2 and 3 are deleted in their entirety and the following section 1 is substituted:
- 1. The Province will, subject to the terms of this Agreement, pay to BC Ferries Service Fees in relation to the Unregulated Routes in an amount up to \$3.1 million.
- (b) Section 4 is renumbered as section 2.
- (c) Section 2(b) (formerly section 4(b)) is amended by adding the following words at the end of the subsection (b) immediately after the word "fuel" and before the ".":
- "provided that if such costs are payable by BC Ferries on an annual basis, BC Ferries will on an annual basis itemize such costs in its year-end invoice to the Province."
- (d) A section 3 is added as follows:
- "The Province and BC Ferries acknowledge the agreement on the part of the Province set out in the letter dated July 21, 2011, entitled in the subject line as "Unregulated Routes – M.V. Nicola Refit"."

PERFORMANCE TERM 3 AGREEMENT

4. GENERAL

- 4.1 Notwithstanding any other provision of this Agreement, the payment of money by the Province to BC Ferries in connection with this Agreement or under the CFSC as a result of or in connection with this Agreement, is subject to:
- (a) there being sufficient monies available in an appropriation, as defined in the *Financial Administration Act*, to enable the Province, in any fiscal year or part thereof when any payment of money by the Province to BC Ferries falls due, to make that payment; and
 - (b) Treasury Board, as defined in the *Financial Administration Act*, not having controlled or limited, under the *Financial Administration Act*, expenditure under any appropriation referred to in subsection (a) of this section.
- 4.2 No term of this Agreement is intended to derogate from or be inconsistent with or in conflict with any law, including without limitation the Act, and shall not be interpreted in a manner as to result in any such derogation, inconsistency or conflict.
- 4.3 Each term of this Agreement will be valid and enforceable to the fullest extent permitted by law and if any term of this Agreement is held to be invalid, unenforceable or illegal to any extent, such term may be severed and such invalidity, unenforceability or illegality will not prejudice or affect the validity, enforceability and legality of the remaining provisions of this Agreement.
- 4.4 This Agreement and the CFSC constitute the entire agreement between the parties in respect of the subject matter of this Agreement and no understandings, representations, contracts, or agreements, written, oral or otherwise, exist between the parties with respect to the subject matter of this Agreement or to the subject matter of this Agreement and of the CFSC or of anything relating to this Agreement except as expressly set out in this Agreement or the CFSC. BC Ferries agrees that in entering into this Agreement BC Ferries has not and does not rely upon any representation of the Province, or of servants, employees, agents, or representatives of the Province, whether expressed or implied, or upon any inducement or agreement, written, oral or otherwise, of any kind or nature. All prior understandings, discussions, negotiations, undertakings, representations, and save for the CFSC, contracts and agreements relating to the subject matter of this Agreement are hereby canceled and this Agreement supersedes and replaces all such agreements, discussions, negotiations, undertakings, and representations, if any, regarding the amendment and extension of the CFSC that may have been entered into, facilitated, discussed, made or given by any of the parties prior to the reference date of this Agreement.
- 4.5 Time is of the essence of this Agreement and will remain of the essence of the CFSC, as amended and supplemented by this Agreement.
- 4.6 The provisions of the CFSC, as amended and supplemented by this Agreement, are ratified and confirmed and where the CFSC is referred to in another agreement between the Province and BC Ferries, unless otherwise expressly provided for, those references will be deemed to refer to the CFSC as amended and supplemented by this Agreement.
- 4.7 All dollar amounts expressed in this Agreement refer to lawful currency of Canada.
- 4.8 No waiver by either party of a breach or default by the other party in the observance, performance or compliance of any of its obligations under this Agreement will be effective unless it is in writing and no such waiver will be deemed or construed to be a waiver of any other breach or default, and failure or delay on the part of either party to complain of an act or failure of the other party or to declare such other party in default, irrespective of how long such failure or delay continues, will not constitute a waiver by such party of any of its rights against the other party.

PERFORMANCE TERM 3 AGREEMENT

- 4.9 Each party will, upon the reasonable request of the other, make, do, execute or cause to be made, done or executed all further and other lawful acts, deeds, things, devices, documents, instruments and assurances whatever for the better or more perfect and absolute performance of the obligations of the requested party under this Agreement.

PERFORMANCE TERM 3 AGREEMENT

5. INTERPRETATION

- 5.1 A reference in this Agreement to a statute, whether or not that statute has been defined, means a statute of the Province of British Columbia unless otherwise stated and includes every amendment to it, every regulation made under it and any enactment passed in substitution therefor or in replacement thereof.
- 5.2 Unless the context otherwise requires, any reference to "this Agreement" means this instrument and all of the appendices attached to it and any reference to any article, section, subsection or paragraph by number is a reference to the appropriate article, section, subsection or paragraph of this Agreement.
- 5.3 The headings or captions in this Agreement are inserted for convenience only and do not form a part of this Agreement and in no way define, limit, alter or enlarge the scope or meaning of any provision of this Agreement.
- 5.4 In this Agreement, "person" includes a corporation, firm, association and any other legal entity and wherever the singular or masculine is used it will be construed as if the plural, the feminine or the neuter, and wherever the plural or the feminine or the neuter is used it will be construed as the singular or masculine, as the case may be, had been used where the context or the parties so require.
- 5.5 Each schedule and appendix attached to this Agreement is an integral part of this Agreement as if set out at length in the body of this Agreement.
- 5.6 In this Agreement, the words "including", "include" and "includes" are not to be construed as limiting to a general term or statement or to specific items or matters set forth or to similar items or matters, but rather as meaning "including without limitation", "include without limitation" and "includes without limitation", respectively, and permitting a general term or statement to refer to all other items or matters that could reasonably fall within the broadest possible scope of the general term or statement and the words following "including", "include" and "includes" will not be considered to set out an exhaustive list.
- 5.7 This Agreement may only be amended by a written agreement executed on behalf of each of the Province and BC Ferries.
- 5.8 This Agreement will be governed by and construed and interpreted in accordance with the laws of the Province of British Columbia.


PERFORMANCE TERM 3 AGREEMENT

6. EFFECTIVE DATE

6.1 Notwithstanding the date of execution or delivery of this Agreement, this Agreement is effective as of April 1, 2012.

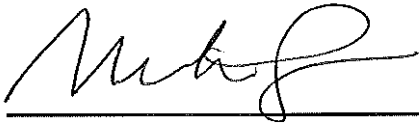
IN WITNESS WHEREOF, each of the Province and BC Ferries has executed this Agreement by its duly authorized representative or officer, as follows:

Signed on behalf of Her Majesty the Queen in right)
of the Province of British Columbia by a)
duly authorized representative of the)
Minister of Transportation and Infrastructure:)
Grant Main)
WITNESS NAME)



Grant Main, Deputy Minister
Ministry of Transportation and
Infrastructure

BRITISH COLUMBIA FERRY SERVICES INC.

Per: 
Mike Corrigan, President and Chief Executive Officer

PERFORMANCE TERM 3 AGREEMENT

**PERFORMANCE TERM 3 AGREEMENT
SCHEDULE '1'**

PERFORMANCE TERM 3 AGREEMENT

COASTAL FERRY SERVICES CONTRACT

Schedule "A" Appendix 1

Definitions and Interpretations Used in Appendix 1

Core Service Levels

1. To ensure services are clearly defined and predictable, Core Service Levels will be established for each Performance Term. During each Performance Term, BC Ferries will look at innovative ways to deliver services that respond to the needs of the communities and customers it serves.
2. In this Route Overview, subject to the service level allowances and service requirements, in section 2 of Schedule A, the Core Service Levels in relation to a Designated Ferry Route are:
 - (a) the total number of round trips to be delivered in a Contract Year for the Designated Ferry Route as defined in the Route Overview;
 - (b) in relation to each Designated Ferry Route having round trips, the minimum hours of operation during which originating port departures occur for the Designated Ferry Route as defined in the Route Overview;
 - (c) the number of departures per day for the Designated Ferry Route as defined in the Route Overview (identified herein as "Number of Round Trips Per Day"); and
 - (d) the capacity provided on the Designated Ferry Route will be sufficient to carry the previous year's traffic.

Note:

1. Core Service Levels
 - (a) relating to the number of round trips per Contract Year are based on the number of round trips that were delivered as specified in the 2002/03 schedule and as amended in each subsequent Performance Term for the Designated Ferry Route. The number of round trips may fluctuate in each Contract Year depending on the number of days, statutory holidays and weekends, which fall within a Contract Year;
 - (b) do not apply on Christmas Day and New Years Day for the following routes: 3, 4, 5, 5A, 6, 7, 8, 12, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 30; and
 - (c) do not apply on Christmas Day for the round trip relating to Designated Ferry Route 11.
2. Round trips on the Northern Routes (Routes 10, 11 and 40) are calculated on a weekly rather than a daily basis.
3. The sailing known as the "Christmas carol sailing" satisfies one of the required round trips comprising the applicable Core Service Level for Designated Ferry Route 20.

PERFORMANCE TERM 3 AGREEMENT

Peak & Off-Peak Seasons

1. Core Service Levels have been divided into peak and off-peak seasons as defined below.
 - (a) Routes other than Northern Routes:

Peak	From and including the last Wednesday in the month of June of each Contract Year through Labour Day weekend
Off-Peak	Post Labour Day weekend to and including the last Tuesday in the month of June of each Contract Year

 - (b) Northern Routes:

Peak	Route 10: Mid May to the end of September
	Route 11 & 40: Mid June to Mid September
Off-Peak	Route 10: October to Mid May
	Route 11 & Mid – Coast / Port Hardy: Mid September to Mid June

Hours of Operation

1. For **Single Vessel** routes, the hours of operation are defined as the lapsed time from when the first sailing of the day leaves the originating port to the time the last sailing leaves from the originating port.
2. For **Designated Ferry Routes 1, 2 & 30**, the hours of operation are defined as the lapsed time from when the first sailing leaves the originating port to the time the last sailing returns to the same originating port (the originating port of the first sailing of the day).
3. Hours of operation are rounded down to the nearest hour.

PERFORMANCE TERM 3 AGREEMENT

**PERFORMANCE TERM 3 AGREEMENT
SCHEDULE '2'**

COASTAL FERRY SERVICES CONTRACT

**Schedule "A" Appendix 1
Route Overview**

ROUTE OVERVIEW - TABLE OF CONTENTS

ROUTE GROUP 1

ROUTE 1 – SWARTZ BAY TO TSAWWASSEN 2

ROUTE 2 – HORSESHOE BAY TO NANAIMO 4

ROUTE 3 – HORSESHOE BAY TO LANGDALE 6

ROUTE 30 – TSAWWASSEN TO NANAIMO 8

ROUTE GROUP 2

ROUTE 10 – PORT HARDY TO PRINCE RUPERT 10

ROUTE 11 – HAIDA GWAII ISLANDS TO PRINCE RUPERT 12

ROUTE 40 – DISCOVERY COAST PASSAGE (PORT HARDY TO MID-COAST) 14

ROUTE GROUP 3

ROUTE 4 – SWARTZ BAY TO FULFORD HARBOUR 16

ROUTE 5 – SWARTZ BAY TO GULF ISLANDS 18

ROUTE 6 – CROFTON TO VESUVIUS BAY 20

ROUTE 7 – EARLS COVE TO SALTERY BAY 22

ROUTE 8 – HORSESHOE BAY TO BOWEN ISLAND (SNUG COVE) 24

ROUTE 9 – TSAWWASSEN TO SOUTHERN GULF ISLANDS 26

ROUTE 12 – MILL BAY TO BRENTWOOD BAY 28

ROUTE 13 – LANGDALE - KEATS - GAMBIER ISLAND 30

ROUTE 17 – COMOX (LITTLE RIVER) TO POWELL RIVER (WESTVIEW) 32

ROUTE 18 – POWELL RIVER (WESTVIEW) TO TEXADA ISLAND (BLUBBER BAY) 34

ROUTE 19 – NANAIMO HARBOUR TO GABRIOLA ISLAND (DESCANSO BAY) 36

ROUTE 20 – CHEMAINUS – THETIS ISLAND – PENELAKUT ISLAND 38

ROUTE 21 – BUCKLEY BAY TO DENMAN ISLAND (DENMAN WEST) 40

ROUTE 22 – DENMAN ISLAND (GRAVELLY BAY) TO HORNBY ISLAND (SHINGLE SPIT) 42

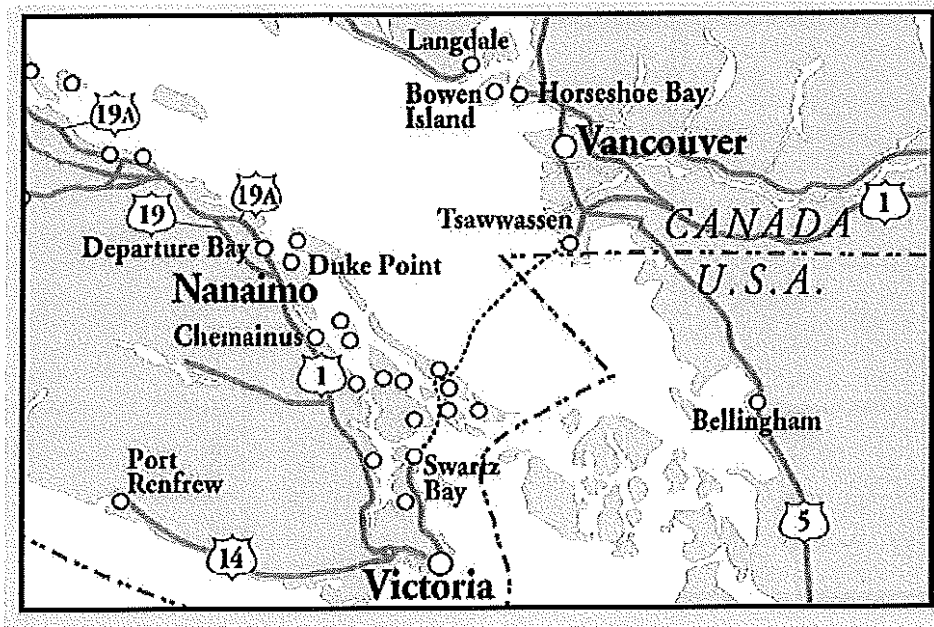
ROUTE 23 – CAMPBELL RIVER TO QUADRA ISLAND (QUATHIASKI COVE) 44

ROUTE 24 – QUADRA ISLAND (HERIOT BAY) TO CORTES ISLAND (WHALETOWN) 46

ROUTE 25 – VANCOUVER ISLAND (PORT MCNEILL) – MALCOLM ISLAND (SOINTULA) -
CORMORANT ISLAND (ALERT BAY) 48

ROUTE 26 – HAIDA GWAII ISLANDS: GRAHAM ISLAND (SKIDEGATE) – MORESBY ISLAND
(ALLIFORD BAY) 50

ROUTE 1 – SWARTZ BAY TO TSAWWASSEN



OVERVIEW

Route 1 connects the two largest metropolitan areas in the province between Swartz Bay on Vancouver Island and Tsawwassen on the Lower Mainland.


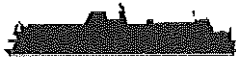

CORE SERVICE LEVELS

Total Number of Round Trips to be Delivered per Contract Year on the Major Routes (aggregate of Round Trips on Routes 1, 2, 3 and 30)		12,294
Minimum Number of Round Trips to be Delivered per Contract Year		3,512
Minimum Number of Round Trips per Day	Peak Off Peak	13 – 15 (varies by day) 7 (7-9 Friday & Sunday)
Minimum Hours of Operation	Peak Off Peak	12 10

ROUTE AND SERVICE DESCRIPTION

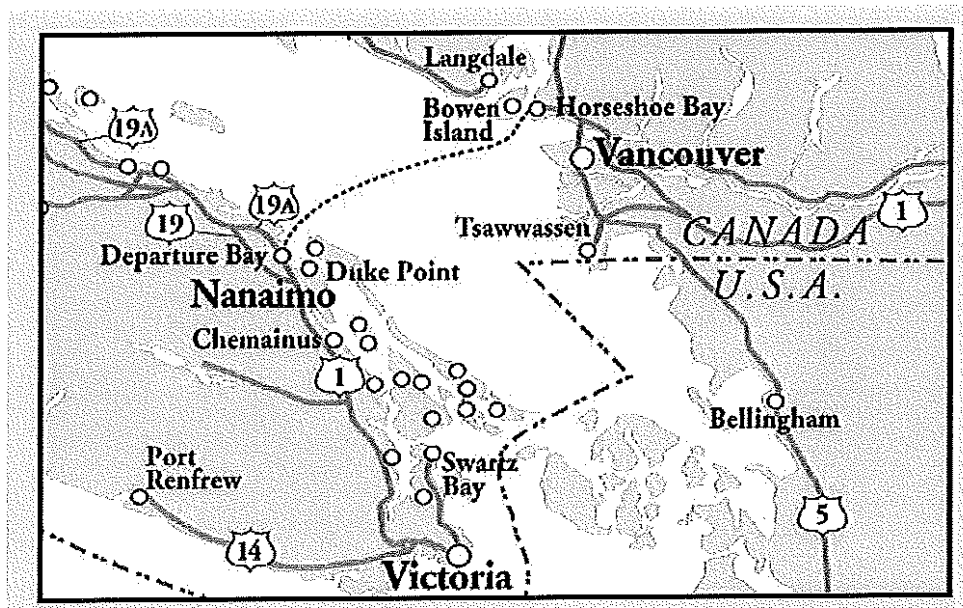
Distance	24 nautical miles
Crossing Time	1 hour and 35 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Spirit of BC (SoBC), Spirit of Vancouver Island (SoVI)	Queen of New Westminster	Coastal Celebration
<i>Silhouette</i>			
<i>Passenger Capacity (Max.)</i>	2052	1303	1571
<i>Vehicle Capacity (Official)</i>	470	286	370
<i>Crew size</i>	48	29	33

Terminal	Tsawwassen	Swartz Bay
<i>Location</i>	Delta	North Saanich
<i>Holding Capacity</i>	2,240 AEQ	1,160 AEQ
<i>Short Term Parking</i>	160 car spaces	173 car spaces
<i>Long Term Parking</i>	826 car spaces plus 34 drop-off	532 car spaces plus 32 drop-off
<i>Docks</i>	5	5

ROUTE 2 – HORSESHOE BAY TO NANAIMO



OVERVIEW

Route 2 is the main connector for the Trans Canada highway between Horseshoe Bay on the Lower Mainland and Departure Bay in Nanaimo, Vancouver Island.



CORE SERVICE LEVELS

Total Number of Round Trips to be Delivered per Contract year on the Major Routes (aggregate of Round Trips on Routes 1, 2, 3 and 30)		12,294
Minimum Number of Round Trips to be Delivered per Contract Year		2,723
Minimum Number of Round Trips per Day	Peak	10 (9 on Saturday), (7-9 Tuesday & Wednesday)
	Off Peak	7
Minimum Hours of Operation	Peak	11
	Off Peak	10

ROUTE AND SERVICE DESCRIPTION

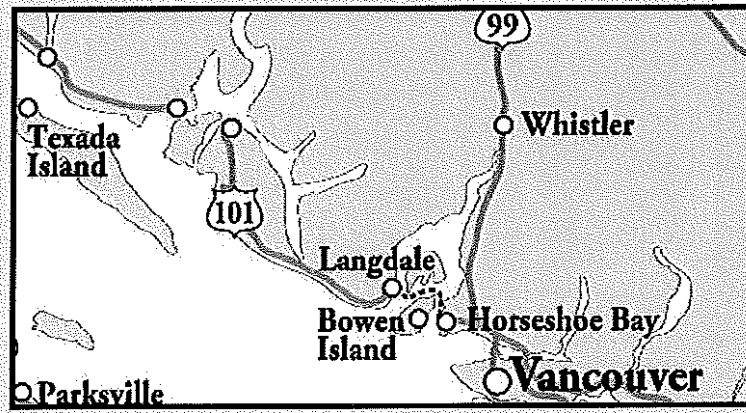
Distance	32 nautical miles
Crossing Time	1 hour and 35 minutes

VESSEL AND TERMINAL DESCRIPTION

Vessel	Queen of Coquitlam Queen of Cowichan Queen of Oak Bay	Coastal Renaissance
<i>Silhouette</i>		
<i>Passenger Capacity (Max.)</i>	1460	1571
<i>Vehicle Capacity (Official)</i>	362	370
<i>Crew size</i>	34	33

Terminal	Horseshoe Bay	Departure Bay
<i>Location</i>	West Vancouver	Nanaimo
<i>Holding Capacity</i>	1,600 AEQ	963 AEQ
<i>Short Term Parking</i>	140 car spaces	181 car spaces, 47 in drop-off
<i>Long Term Parking</i>	462 car spaces plus 15 drop-off	204 car spaces
<i>Docks</i>	3	3

ROUTE 3 – HORSESHOE BAY TO LANGDALE



OVERVIEW

Route 3 serves the Sunshine Coast connecting the Horseshoe Bay and Langdale terminals.



CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year on the Major Routes (aggregate of Round Trips on Routes 1, 2, 3 and 30)		12,294
Minimum Number of Round Trips to be Delivered per Contract Year		2,985
Minimum Number of Round Trips per Day	Peak	8 (7 on Tuesday & Wednesday, 9 on Friday & Sunday, and 8 on Sunday of Labour Day weekend)
	Off Peak	7
Minimum Hours of Operation	Peak	12
	Off Peak	12

ROUTE AND SERVICE DESCRIPTION

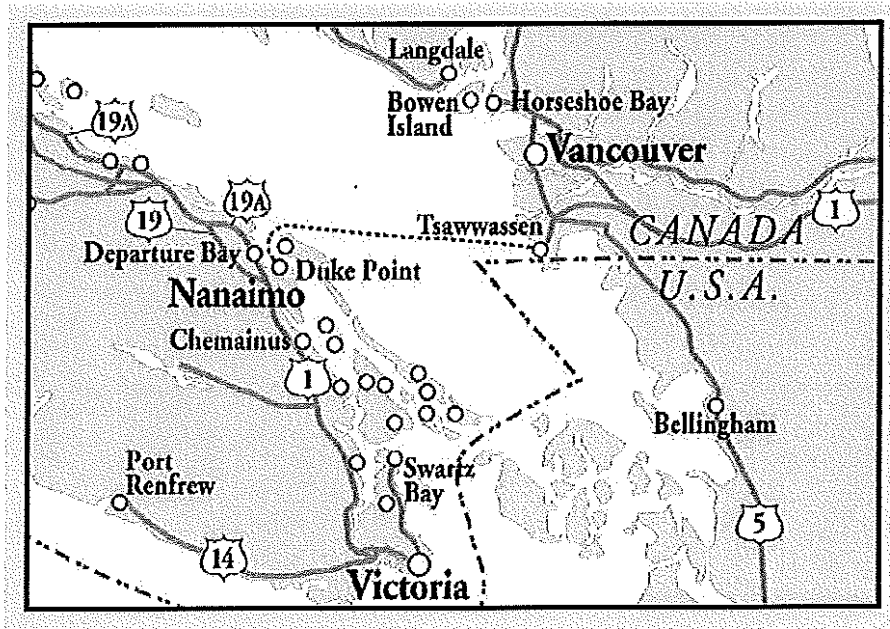
Distance	10 nautical miles
Crossing Time	40 minutes

VESSEL AND TERMINAL DESCRIPTION

Vessel	Queen of Surrey	Queen of Coquitlam
<i>Silhouette</i>		
<i>Passenger Capacity (Max.)</i>	1,460	1,460
<i>Vehicle Capacity (Official)</i>	362	362
<i>Crew size</i>	34	34

Terminal	Horseshoe Bay	Langdale
<i>Location</i>	West Vancouver	Sunshine Coast
<i>Holding Capacity</i>	1,600 AEQ	926 AEQ
<i>Short Term Parking</i>	140 car spaces	61 car spaces
<i>Long Term Parking</i>	462 car spaces plus 15 drop-off	282 car spaces
<i>Docks</i>	3	2

ROUTE 30 – TSAWWASSEN TO NANAIMO



OVERVIEW

Route 30 links Tsawwassen on the Lower Mainland, and Duke Point in Nanaimo on Vancouver Island.



CORE SERVICE LEVELS

Total Number of Round Trips to be Delivered per Contract year on the Major Routes (aggregate of Round Trips on Routes 1, 2, 3 and 30)		12,294
Minimum Number of Round Trips to be Delivered per Contract Year		2,379
Minimum Number of Round Trips per Day	Peak	7
	Off Peak	7 (5 on Saturday & Sunday)
Minimum Hours of Operation	Peak	12
	Off Peak	12 (10 Saturday & Sunday)

ROUTE AND SERVICE DESCRIPTION

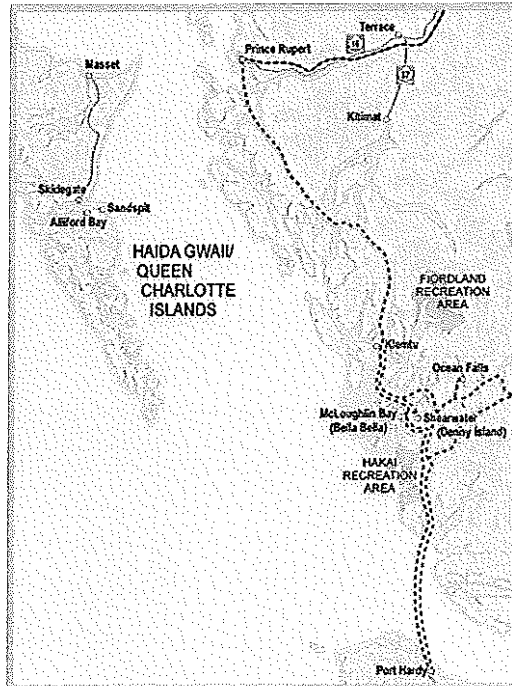
Distance	37 nautical miles
Crossing Time	2 hours

VESSEL AND TERMINAL DESCRIPTION

Vessel	Queen of Alberni	Coastal Inspiration
<i>Silhouette</i>		
<i>Passenger Capacity (Max.)</i>	1,171	1,571
<i>Vehicle Capacity (Official)</i>	295	370
<i>Crew size</i>	29	33

Terminal	Tsawwassen	Duke Point
<i>Location</i>	Delta	Nanaimo
<i>Holding Capacity</i>	2,240 AEQ	975 AEQ
<i>Short Term Parking</i>	160 car spaces	78 car spaces
<i>Long Term Parking</i>	826 car spaces plus 34 drop-off	187 car spaces
<i>Docks</i>	5	1

ROUTE 10 – PORT HARDY TO PRINCE RUPERT



OVERVIEW

Summer Route 10 service (Inside Passage) connects Prince Rupert and Port Hardy on the northern tip of Vancouver Island. The season starts in mid-May and continues to the end of September.

Winter Route 10 service connects Prince Rupert, Bella Bella, Klenmtu, Ocean Falls, Shearwater and Port Hardy. The season starts in mid-September and continues to mid-June.

CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		122
Minimum Number of Round Trips per Week	Peak	3.5*
	Off Peak	1.5^
Hours of Operation	Peak	Varies
	Off Peak	Varies




* ALTERNATING DAILY SERVICE BETWEEN PORT HARDY AND PRINCE RUPERT, COMMENCING ON OR BEFORE MAY 18TH AND ENDING ON OR AFTER SEPTEMBER 30TH. ONE STOP IN EACH DIRECTION AT McLOUGHLIN BAY AND KLEMTU EVERY TWO WEEKS, COMMENCING ON OR AFTER JUNE 7TH AND ENDING ON OR BEFORE SEPTEMBER 13TH.

^ COMMENCING ON OR AFTER OCTOBER 1ST UNTIL ON OR BEFORE MAY 17TH, WEEKLY ROUND TRIP SERVICE BETWEEN PRINCE RUPERT AND PORT HARDY PLUS MID-WEEK SERVICE IN ALTERNATING WEEKS FOR NOT LESS THAN 3 ROUND TRIPS IN EACH TWO WEEK PERIOD. NORTHBOUND BIWEEKLY SERVICE AND SOUTHBOUND BIWEEKLY SERVICE AS FOLLOWS: McLOUGHLIN BAY – 3 TIMES EACH DIRECTION; KLEMTU – 2 TIMES EACH DIRECTION; SHEARWATER – ONCE EACH DIRECTION; OCEAN FALLS – ONCE EACH DIRECTION.

ROUTE AND SERVICE DESCRIPTION

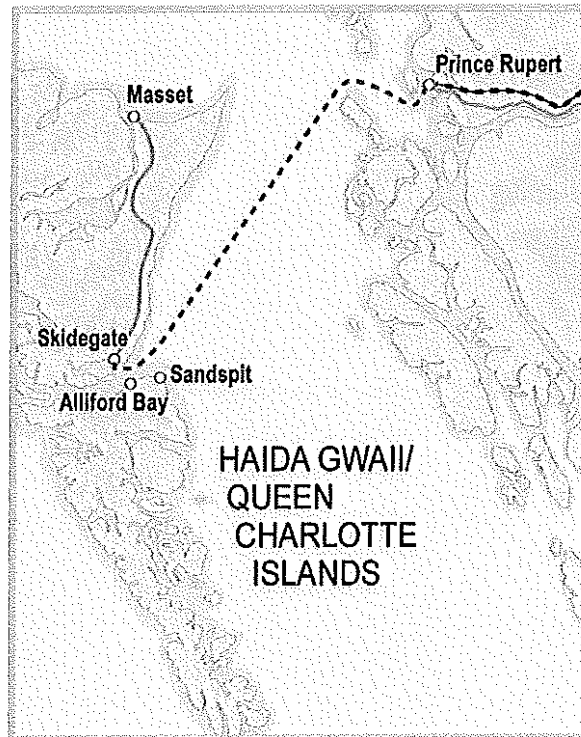
Distance	273 nautical miles
Crossing Time	15-21 hours depending on number of stops

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Northern Adventure	Northern Expedition	Nimpkish
<i>Silhouette</i>			
<i>Passenger Capacity (Max.)</i>	600	600	120
<i>Vehicle Capacity (Official)</i>	101	130	16
<i>Crew Size</i>	40	38	5

Terminal	Bear Cove	Prince Rupert
<i>Location</i>	10 km from Port Hardy	Prince Rupert
<i>Holding Capacity</i>	163 AEQ	181 AEQ
<i>Parking</i>	98	47
<i>Docks</i>	1	1

ROUTE 11 – HAIDA GWAII ISLANDS TO PRINCE RUPERT



OVERVIEW

Route 11 connects the Haida Gwaii Islands with Prince Rupert and the Mainland.

CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		191
Minimum Number of Round Trips per Week	Peak	4-6 (varies by week)*
	Off Peak	3 [^]
Hours of Operation	Peak	Varies
	Off Peak	Varies



* ON OR BEFORE JULY 1ST UNTIL ON OR AFTER LABOUR DAY, SIX ROUND TRIPS PER WEEK BETWEEN SKIDEGATE AND PRINCE RUPERT.

[^] ON OR AFTER LABOUR DAY UNTIL ON OR BEFORE JULY 1ST, A MINIMUM OF THREE ROUND TRIPS PER WEEK BETWEEN SKIDEGATE AND PRINCE RUPERT.

ROUTE AND SERVICE DESCRIPTION

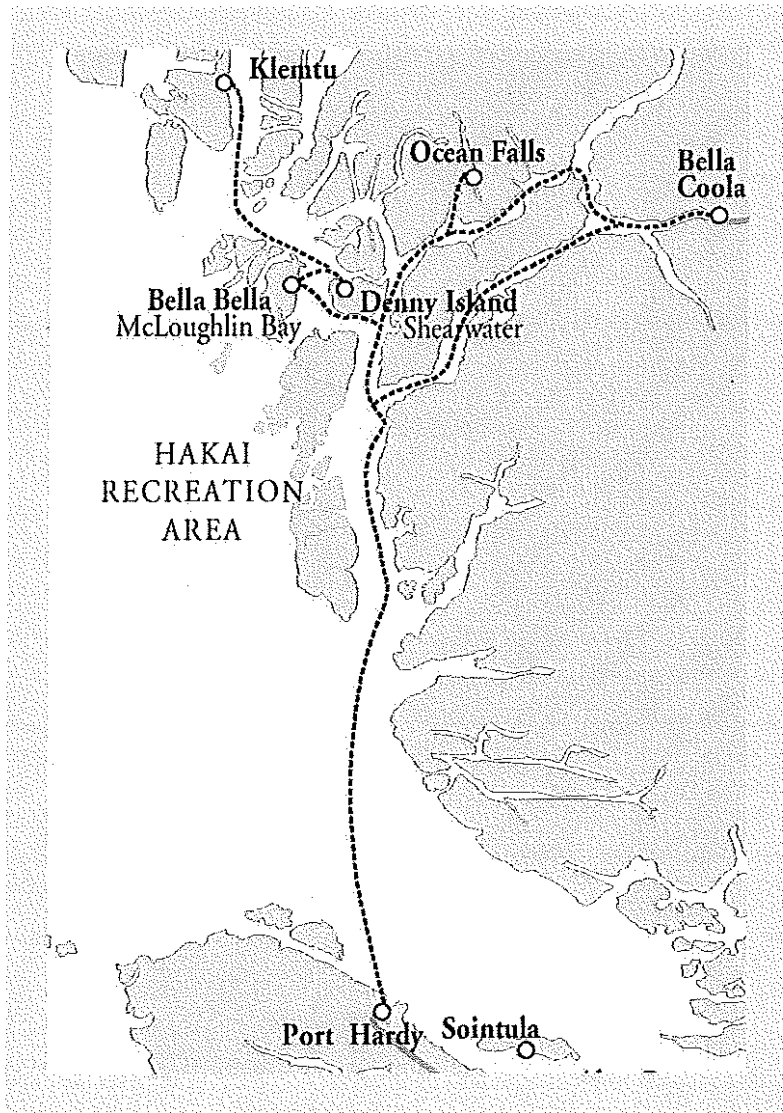
Distance	93 nautical miles
Crossing Time	7 hours

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Northern Adventure	Northern Expedition
<i>Silhouette</i>		
<i>Passenger Capacity (Max.)</i>	600	600
<i>Vehicle Capacity (Official)</i>	101	130
<i>Crew Size</i>	40	38

Terminal	Skidegate	Prince Rupert
<i>Location</i>	Graham Island	Prince Rupert
<i>Holding Capacity</i>	167 AEQ	181 AEQ
<i>Parking</i>	No	47
<i>Docks</i>	1	1

ROUTE 40 – DISCOVERY COAST PASSAGE (PORT HARDY TO MID-COAST)



OVERVIEW

Route 40 service connects Port Hardy on the northern tip of Vancouver Island with Bella Bella, Klemtu, Ocean Falls, Shearwater and Bella Coola. The season starts in mid-June and continues to early to mid September.

CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		39
Minimum Number of Round Trips per Week	Peak	3*
	Off Peak	None
Hours of Operation	Peak	Varies
	Off Peak	None

* THREE ROUND TRIPS PER WEEK COMMENCING ON OR ABOUT 12 WEEKS BEFORE LABOUR DAY AND ENDING 1 WEEK AFTER LABOUR DAY, WITH A MINIMUM NUMBER OF SCHEDULED STOPS EACH WEEK AS FOLLOWS:


	# OF STOPS PER WEEK
PORT HARDY	3
MCLOUGHLIN BAY	4
SHEARWATER	4
BELLA COOLA	3
OCEAN FALLS	2
KLEMTU	1

DIRECT SERVICE BETWEEN PORT HARDY AND BELLA COOLA A MINIMUM OF ONCE PER WEEK IN EACH DIRECTION.

ROUTE AND SERVICE DESCRIPTION

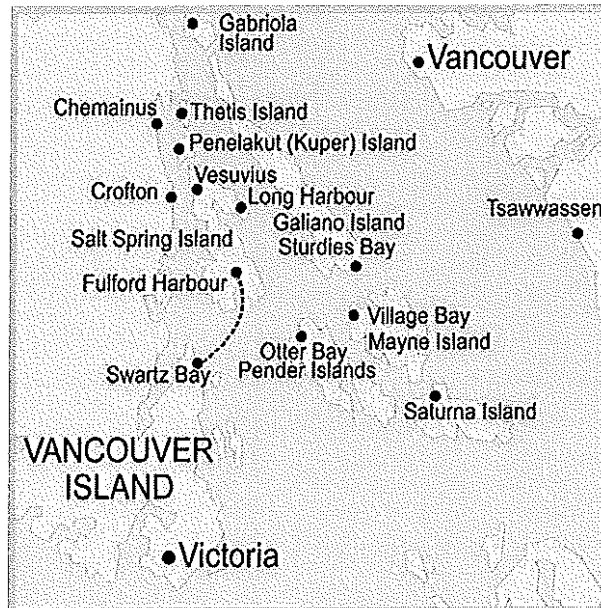
Distance	Approximately 450 nautical miles for complete round trip at all stops
Crossing Time	Varies depending on routing. Direct trip Port Hardy to Bella Coola is 13 hours. Port Hardy to Bella Coola with two stops is 21 hours.

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Queen of Chilliwack
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	381
<i>Vehicle Capacity (Official)</i>	115
<i>Crew Size</i>	19

Terminal	McLough- lin Bay	Klemtu Village	Klemtu	Shear- water	Ocean Falls	Bear Cove	Bella Coola
<i>Location</i>	3 km from Bella Bella	1 km from village	2 km from village	Shearwater	Ocean Falls	10 km from Port Hardy	4 km from Bella Coola
<i>Holding Capacity / Parking</i>	Ample parking but no formal compound	Very limited	7 short term / 30 AEQ	Ample parking but no formal compound	Ample parking but no formal compound	163 / 98 AEQ	Lease arranged in town
<i>Docks</i>	1	1	1	1	1	1	1

ROUTE 4 – SWARTZ BAY TO FULFORD HARBOUR



OVERVIEW

Route 4 connects Salt Spring Island (via Fulford Harbour) with Swartz Bay. The route can also serve as a connection to the Lower Mainland from Salt Spring by combining travel on Route 4 and Route 1 (Swartz Bay – Tsawwassen).


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		2,880
Minimum Number of Round Trips per Day	Peak	7 (6 on Sunday, 8 on Saturday)
	Off Peak	7 (6 on Sunday)
Minimum Hours of Operation	Peak	11
	Off Peak	11

ROUTE AND SERVICE DESCRIPTION

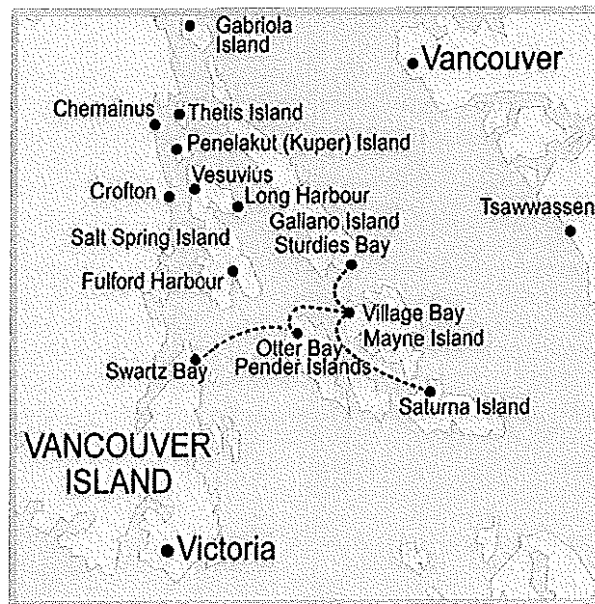
Distance	5 nautical miles
Crossing Time	35 minutes

VESSEL AND TERMINAL DESCRIPTION

Vessel	Skeena Queen
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	441
<i>Vehicle Capacity (Official)</i>	100
<i>Crew Size</i>	9

Terminal	Fulford Harbour	Swartz Bay
<i>Location</i>	Salt Spring Island	North Saanich
<i>Holding Capacity</i>	53AEQ	1,160 AEQ
<i>Short Term Parking</i>	8	173 car spaces
<i>Long Term Parking</i>	None	532 car spaces plus 32 drop-off
<i>Docks</i>	One operational / One tie-up	5

ROUTE 5 – SWARTZ BAY TO GULF ISLANDS



OVERVIEW

Route 5 (which includes Route 5A) connects Pender, Saturna, Mayne and Galiano Islands to Swartz Bay on Vancouver Island. Connections in Swartz Bay with Route 1 (Swartz Bay – Tsawwassen) allows travel to the Lower Mainland.

CORE SERVICE LEVELS



Number of Round Trips to be Delivered per Contract Year		3,491
Minimum Number of Round Trips departing from Swartz Bay per day*	Peak	Route 5: 5 (4 on Sun & Holiday Mon) Route 5A: 5 (4 on Saturday)
	Off Peak	Route 5: 6 (7 on Friday, 4 on Saturday & Sunday, 5 on holiday Monday) Route 5A: 4 (5 on holiday Monday)
Minimum Hours of Operation	Peak	Route 5: 12-14 (varies daily) Route 5A: 12-14 (varies daily)
	Off Peak	Route 5: 12 -14 (varies daily) Route 5A: 13 -14 (varies daily)

* Service will go to Pender, Mayne, Galiano and Saturna daily. Each sailing may go to one or more of these ports.

ROUTE AND SERVICE DESCRIPTION

Distance	Depends on destination. Nautical miles from Swartz Bay: Pender (7.5), Mayne (11), Galiano (14), Saturna (16)
Crossing Time	Depends on routing. Direct Swartz Bay to Pender is 40 minutes. Swartz Bay to Galiano with two stops is 2 hours.

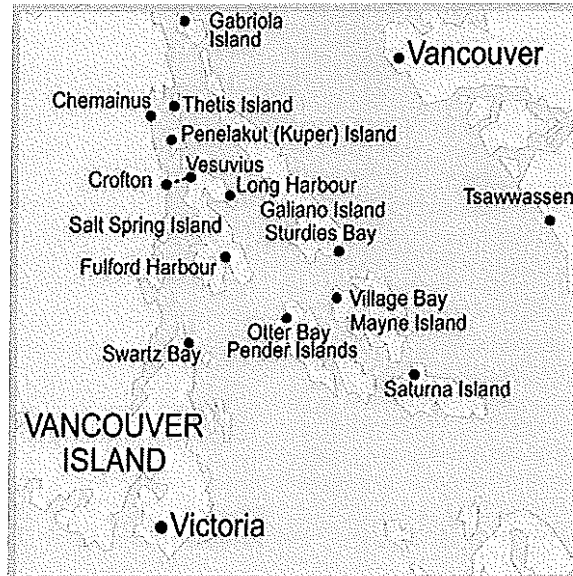
VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Queen of Cumberland*	Mayne Queen*
<i>Silhouette</i>		
<i>Passenger Capacity (Max.)</i>	450	392
<i>Vehicle Capacity (Official)</i>	127	70
<i>Crew Size</i>	12	8

* Both vessels based at Swartz Bay

Terminal	Sturdies Bay	Village Bay	Otter Bay	Lyall Harbour	Swartz Bay
<i>Location</i>	Galiano Isl.	Mayne Isl.	Pender Isl.	Saturna Isl.	North Saanich
<i>Holding Capacity Short Term Parking</i>	90 AEQ	160AEQ	110 AEQ	None	1,160AEQ
<i>Long Term Parking</i>	None	18 car spaces	30 car spaces	None	173 car spaces plus 32 drop-off
<i>Docks</i>	None	None	None	None	532 car spaces
	1	2	1	1	5

ROUTE 6 – CROFTON TO VESUVIUS BAY



OVERVIEW

Route 6 connects Salt Spring Island (via Vesuvius Bay) with Crofton on Vancouver Island.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		5,046
Minimum Number of Round Trips per Day	Peak	13 (12 on Sunday)
	Off Peak	13 (12 on Sunday)
Minimum Hours of Operation	Peak	12
	Off Peak	12

ROUTE AND SERVICE DESCRIPTION

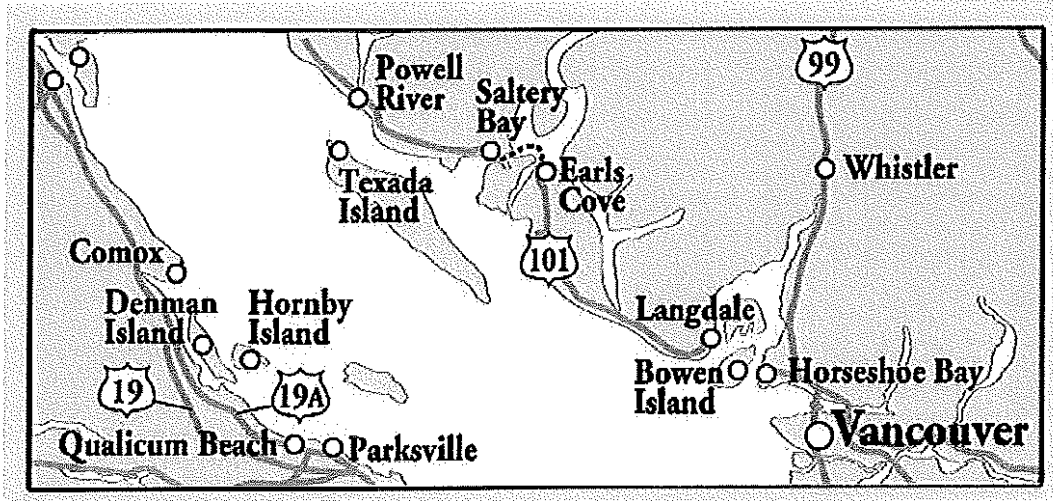
Distance	2.8 nautical miles
Crossing Time	20 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Howe Sound Queen
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	292
<i>Vehicle Capacity (Official)</i>	70
<i>Crew Size</i>	8

Terminal	Crofton	Vesuvius
<i>Location</i>	Vancouver Island	Salt Spring Island
<i>Holding Capacity</i>	18 AEQ on trestle	60 AEQ
<i>Parking</i>	None	5 car spaces
<i>Docks</i>	1	1

ROUTE 7 – EARLS COVE TO SALTERY BAY



OVERVIEW

Route 7 connects the Powell River area with the Sechelt Peninsula and the Lower Mainland via Route 3 (Langdale - Horseshoe Bay).

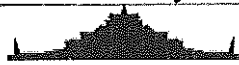
CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		2,878
Minimum Number of Round Trips per Day	Peak	7
	Off Peak	7 (6 on Sunday)
Minimum Hours of Operation	Peak	12
	Off Peak	12 (11 on Sunday)

ROUTE AND SERVICE DESCRIPTION

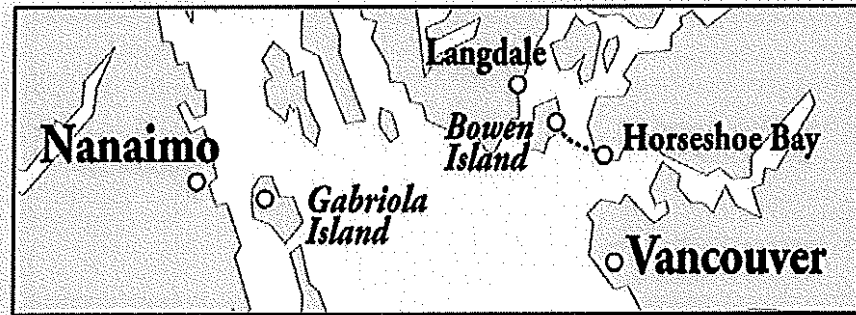
Distance	9.5 nautical miles
Crossing Time	50 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Island Sky
Silhouette	
Passenger Capacity (maximum)	450
Vehicle Capacity (official)	125
Crew Size	12

Terminal	Earls Cove	Saltery Bay
<i>Location</i>	Jervis Inlet, Southern Sunshine Coast	Jervis Inlet, Northern Sunshine Coast
<i>Holding Capacity</i>	62 AEQ	182 AEQ
<i>Parking</i>	9 car spaces	58 car spaces
<i>Docks</i>	2	2

ROUTE 8 – HORSESHOE BAY TO BOWEN ISLAND (SNUG COVE)



OVERVIEW

Route 8 connects Bowen Island with Horseshoe Bay on the Lower Mainland.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		5,569
Minimum Number of Round Trips per Day	Peak	14.5 (14 on Sunday and statutory holidays, 13.5 on Saturdays)
	Off Peak	14.5 (14 on Sunday and statutory holidays, 13.5 on Saturdays)
Minimum Hours of Operation	Peak	14 (13 on Sunday)
	Off Peak	14 (13 on Sunday)

ROUTE AND SERVICE DESCRIPTION

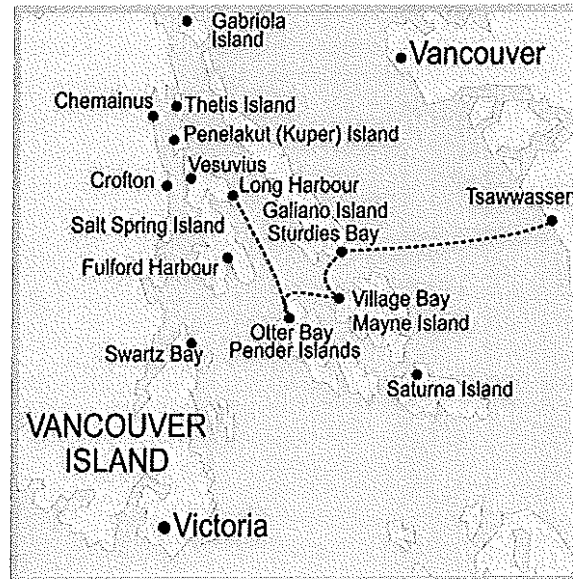
Distance	3 nautical miles
Crossing Time	20 minutes

VESSEL AND TERMINAL DESCRIPTION

Vessel	Queen of Capilano
<i>Silhouette</i>	
Passenger Capacity (Max.)	445
Vehicle Capacity (Official)	85
Crew Size	12

Terminal	Snug Cove	Horseshoe Bay
<i>Location</i>	Bowen Island	West Vancouver
<i>Holding Capacity</i>	None (queue on road right-of-way)	1,600 AEQ
<i>Short Term Parking</i>	None	140 car spaces
<i>Long Term Parking</i>	None	462 car spaces plus 15 drop-off
<i>Docks</i>	1	3

ROUTE 9 – TSAWWASSEN TO SOUTHERN GULF ISLANDS



OVERVIEW

Route 9 (which includes Route 9A) connects Salt Spring Island (via Long Harbour) with Tsawwassen on the Lower Mainland. Connections are also made with Galiano, Mayne and Pender Islands. Transfers from Saturna Island at Mayne allow Saturna residents to travel to the Lower Mainland without going through Swartz Bay.

In the summer period there is a supplementary service with the Bowen Queen that sails between Tsawwassen and the Southern Gulf Islands five days a week.

CORE SERVICE LEVELS



Number of Round Trips to be Delivered per Contract Year		830
Minimum Number of round trips departing from Long Harbour (Rte 9) or Tsawwassen (Rte 9a) per day*	Peak Off Peak	Route 9 & 9A: 4 Route 9: 2
Minimum Hours of Operation	Peak Off Peak	Route 9: 7-9 (varies daily) Route 9A: 3-4 (varies daily) Route 9: 7-10 (varies daily) Route 9A: None

* Service from Tsawwassen or Long Harbour will go to Pender, Mayne and Galiano daily. Each sailing may go to one or more of these ports.

ROUTE AND SERVICE DESCRIPTION

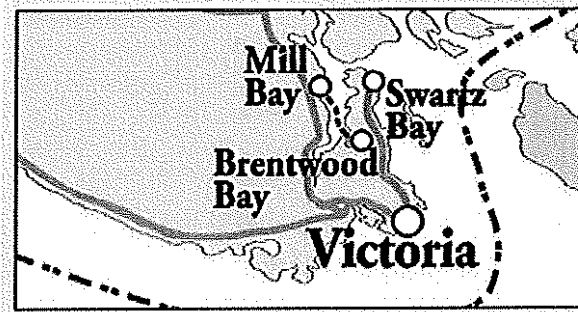
Distance	Depends on destination. Nautical miles from Tsawwassen: Long Harbour (18), Pender (18), Mayne (14), Galiano (11)
Crossing Time	Depends on routing. Direct Galiano to Tsawwassen is 50 minutes. Long Harbour to Tsawwassen with 3 stops is 3 hours.

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Queen of Nanaimo	Bowen Queen
<i>Silhouette</i>		
<i>Passenger Capacity (Max.)</i>	973	390
<i>Vehicle Capacity (Official)</i>	192	70
<i>Crew Size</i>	27	10

Terminal	Sturdies Bay	Village Bay	Otter Bay	Long Harbour	Tsawwassen
<i>Location</i>	Galiano Isl.	Mayne Isl.	Pender Isl.	Salt Spring Isl.	Delta
<i>Holding Capacity</i>	90 AEQ	160AEQ	110 AEQ	105AEQ	2,240 AEQ
<i>Short Term Parking</i>	None	18 car spaces	30 car spaces	15 car spaces	160 car spaces
<i>Long Term Parking</i>	None	None	None	None	826 car spaces plus 34 drop-off
<i>Docks</i>	1	2	1	1	5

ROUTE 12 – MILL BAY TO BRENTWOOD BAY



OVERVIEW

Route 12 connects Vancouver Island from Brentwood Bay on the Saanich Peninsula to Mill Bay.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		3,215
Minimum Number of Round Trips per Day	Peak	8 (7 on Sunday)
	Off Peak	8 (7 on Sunday)
Minimum Hours of Operation	Peak	9 (8 on Sunday)
	Off Peak	9 (8 on Sunday)

ROUTE AND SERVICE DESCRIPTION

Distance	3 nautical miles
Crossing Time	25 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Klitsa
Silhouette	
Passenger Capacity (Max.)	146
Vehicle Capacity (Official)	22
Crew Size	4

Terminal

Location
Holding Capacity
Parking
Docks

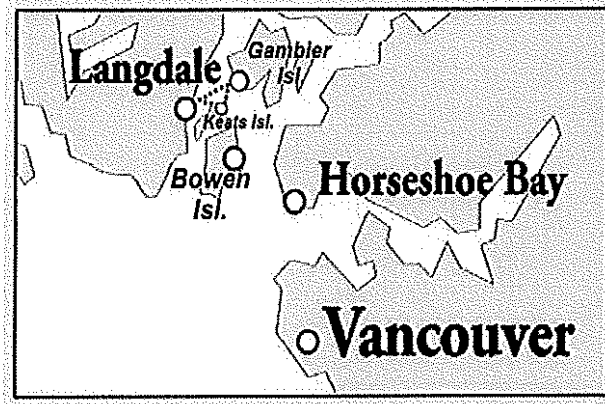
Brentwood Bay

Brentwood Bay
22 AEQ on trestle
No
1

Mill Bay

Mill Bay
28 queue on road
No
1

ROUTE 13 – LANGDALE - KEATS - GAMBIER ISLAND



OVERVIEW

Route 13 provides passenger only service between Gambier Island, Keats Island, and Langdale on the Mainland. This route connects to the Lower Mainland via Route 3 (Langdale to Horseshoe Bay).

CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		4,065
Minimum Number of Round Trips per Day[^]	Peak	9 (11 on Sunday & holiday Mondays)
	Off Peak	10 (12 on Sunday & holiday Mondays)
Minimum Hours of Operation	Peak	10
	Off Peak	10

[^]Some Round Trips are on-demand only.

ROUTE AND SERVICE DESCRIPTION

Distance	7.1 nautical miles for a round trip to all ports
Crossing Time	40 minutes for a round trip to all ports

VESSEL AND TERMINAL DESCRIPTIONS

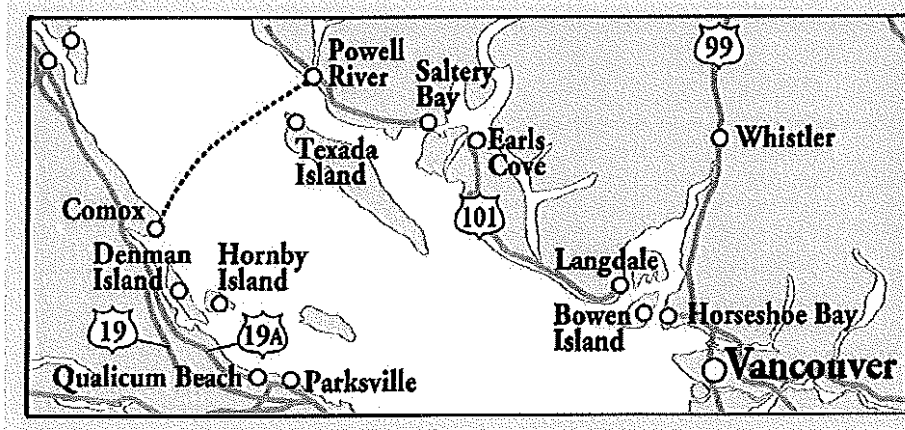
Vessel	Service is provided by a third party service provider under contract to BC Ferries
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	
<i>Vehicle Capacity (Official)</i>	
<i>Crew Size</i>	
<i>Onboard Services</i>	

* Passenger Only

Terminal	Keats Landing	New Brighton	Langdale
<i>Location</i>	Keats Island	Gambier Island	Sunshine Coast
<i>Holding Capacity</i>	N/A*	N/A*	926 AEQ
<i>Short Term Parking</i>	None	None	61 car spaces
<i>Long Term Parking</i>	None	None	282 car spaces
<i>Docks</i>	1	1	2

* Passenger Only service

ROUTE 17 – COMOX (LITTLE RIVER) TO POWELL RIVER (WESTVIEW)



OVERVIEW

Route 17 connects the Powell River area with the Comox/Courtenay area on Vancouver Island.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		1,460
Minimum Number of Round Trips per Day	Peak	4
	Off Peak	4
Minimum Hours of Operation	Peak	12
	Off Peak	12

ROUTE AND SERVICE DESCRIPTION

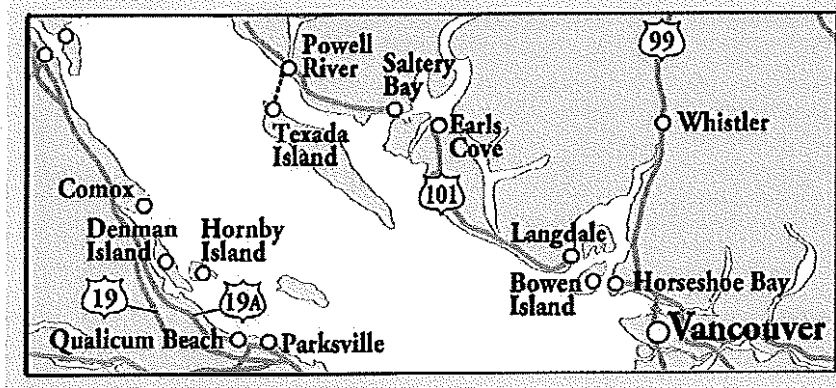
Distance	17 nautical miles
Crossing Time	1 hour 15 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Queen of Burnaby
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	879
<i>Vehicle Capacity (Official)</i>	192
<i>Crew Size</i>	25

Terminal	Little River	Westview
<i>Location</i>	Comox	Powell River
<i>Holding Capacity</i>	156 AEQ	151 AEQ
<i>Parking</i>	186 car spaces	None
<i>Docks</i>	1	1

ROUTE 18 – POWELL RIVER (WESTVIEW) TO TEXADA ISLAND (BLUBBER BAY)



OVERVIEW

Route 18 connects Texada Island with Powell River.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		3,648
Minimum Number of Round Trips per Day	Peak	9
	Off Peak	9
Minimum Hours of Operation	Peak	13
	Off Peak	13

ROUTE AND SERVICE DESCRIPTION

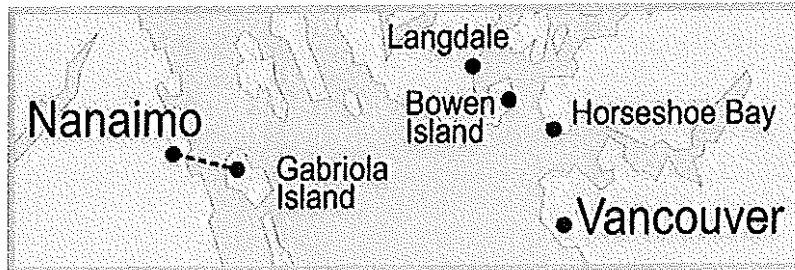
Distance	4.7 nautical miles
Crossing Time	35 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	North Island Princess
Silhouette	
Passenger Capacity (Max.)	143
Vehicle Capacity (Official)	49
Crew Size	7

Terminal	Westview	Blubber Bay
<i>Location</i>	Powell River	Texada Island
<i>Holding Capacity</i>	151 AEQ	45 AEQ (on road)
<i>Parking</i>	None	None
<i>Docks</i>	1	1

ROUTE 19 – NANAIMO HARBOUR TO GABRIOLA ISLAND (DESCANSO BAY)



OVERVIEW

Route 19 connects Gabriola Island with Nanaimo.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		5,732
Minimum Number of Round Trips per Day	Peak	15 (14 on Wednesday & Sunday)
	Off Peak	15 (14 on Wednesday & Sunday)
Minimum Hours of Operation	Peak	14
	Off Peak	14

ROUTE AND SERVICE DESCRIPTION

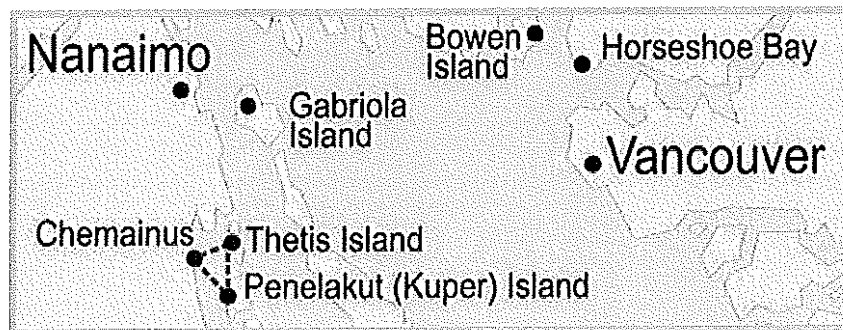
Distance	2.8 nautical miles
Crossing Time	20 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Quinsam
Silhouette	
Passenger Capacity (Max.)	392
Vehicle Capacity (Official)	70
Crew Size	8

Terminal	Nanaimo Harbour	Descanso Bay
<i>Location</i>	Vancouver Island	Gabriola Island
<i>Holding Capacity</i>	74 AEQ	75 AEQ (on road)
<i>Parking</i>	16 car spaces	35 car spaces
<i>Docks</i>	1	1

ROUTE 20 – CHEMAINUS – THETIS ISLAND – PENELAKUT ISLAND



OVERVIEW

Route 20 connects Thetis Island and Penelakut Island with Chemainus on Vancouver Island.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		4,380
Minimum Number of Round Trips departing from Chemainus per Day	Peak	11 (10 on Sunday & 12 on Friday)
	Off Peak	11 (10 on Sunday & 12 on Friday)
Minimum Hours of Operation	Peak	12 - 15
	Off Peak	12 - 15

ROUTE AND SERVICE DESCRIPTION

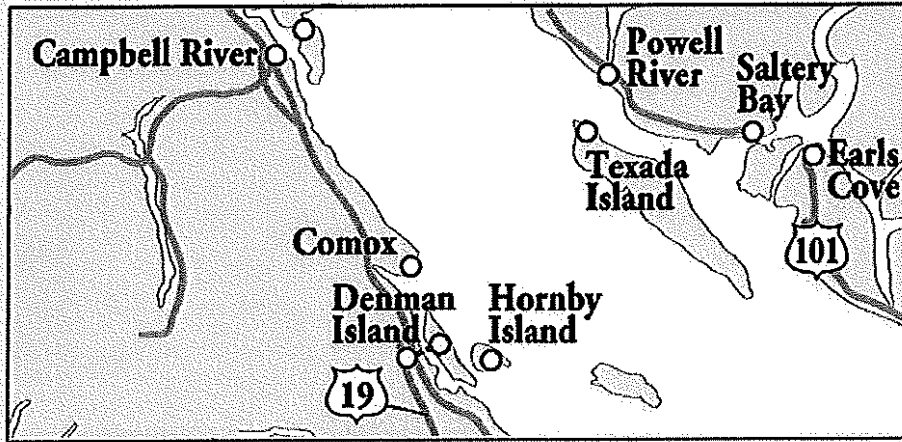
Distance	8.5 nautical miles for a round trip to all ports
Crossing Time	55 minutes for a round trip to all ports

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Kuper
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	263
<i>Vehicle Capacity (Official)</i>	32
<i>Crew Size</i>	6

Terminal	Chemainus	Thetis	Penelakut
<i>Location</i>	Vancouver Island	Thetis Island	Penelakut Island
<i>Holding Capacity</i>	35 AEQ	None (queue on road right-of-way)	None (queue on road right-of-way)
<i>Parking</i>	17 car spaces	None	None
<i>Docks</i>	1	1	1

ROUTE 21 – BUCKLEY BAY TO DENMAN ISLAND (DENMAN WEST)



OVERVIEW

Route 21 connects Denman Island with Buckley Bay, 20 km south of Comox/Courtenay area on Vancouver Island. Route 21 is also used to access Vancouver Island from Hornby Island.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		6,149
Minimum Number of Round Trips per Day	Peak	16 (15 on Sunday)
	Off Peak	16 (15 on Sunday)
Minimum Hours of Operation	Peak	15
	Off Peak	15

ROUTE AND SERVICE DESCRIPTION

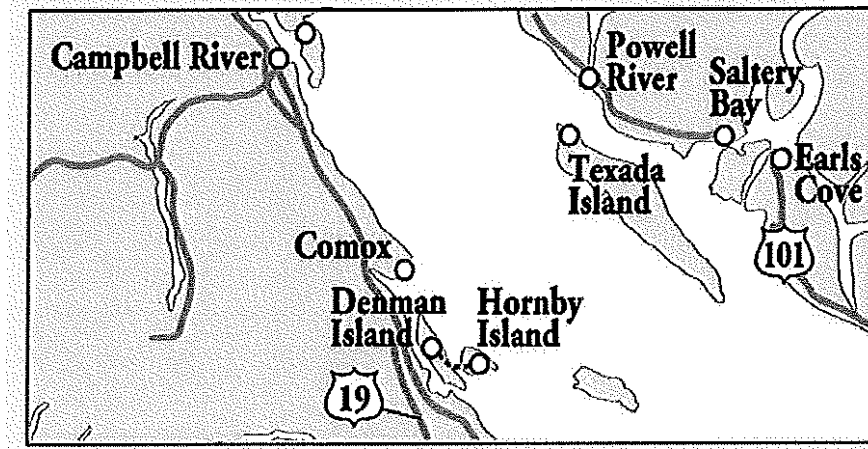
Distance	1.2 nautical miles
Crossing Time	10 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Quinitsa
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	294
<i>Vehicle Capacity (Official)</i>	50
<i>Crew Size</i>	6

Terminal	Buckley Bay	Denman West
<i>Location</i>	Vancouver Island	Denman Island
<i>Holding Capacity</i>	60 AEQ	6 AEQ plus 46 on road
<i>Parking</i>	12 car spaces	9 car spaces
<i>Docks</i>	1	1

ROUTE 22 – DENMAN ISLAND (GRAVELLY BAY) TO HORNBY ISLAND (SHINGLE SPIT)



OVERVIEW

Route 22 connects Hornby Island and Denman Island.

CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		4,482
Minimum Number of Round Trips per Day	Peak	11 (10 on Sunday & 14 on Friday)
	Off Peak	11 (10 on Sunday & 14 on Friday)
Minimum Hours of Operation	Peak	9 (13 on Friday)
	Off Peak	9 (13 on Friday)

ROUTE AND SERVICE DESCRIPTION

Distance	1.2 nautical miles
Crossing Time	10 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel
Silhouette

Kahloke

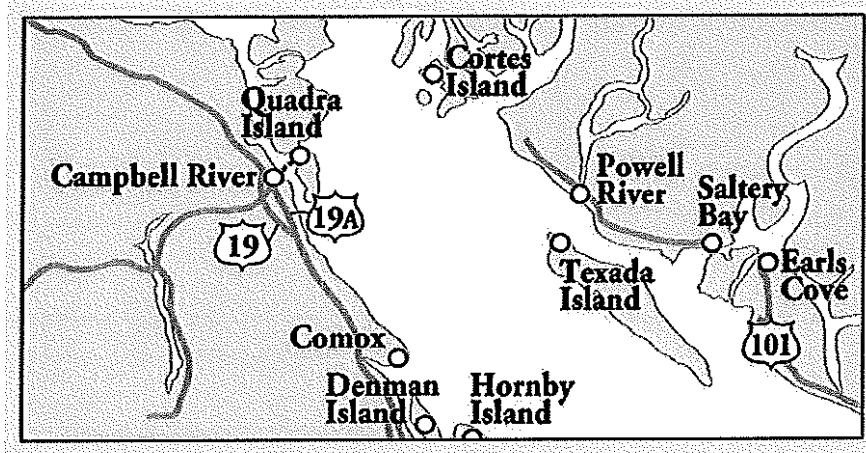


Passenger Capacity (Max.)
Vehicle Capacity (Official)
Crew Size

194
30
6

Terminal	Gravelly Bay	Shingle Spit
<i>Location</i>	Denman Island (East)	Hornby Island
<i>Holding Capacity</i>	20 AEQ	20 AEQ (on road)
<i>Parking</i>	None	None
<i>Docks</i>	1	1

ROUTE 23 – CAMPBELL RIVER TO QUADRA ISLAND (QUATHIASKI COVE)



OVERVIEW

Route 23 connects Quadra Island and Campbell River.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		6,253
Minimum Number of Round Trips per Day	Peak	16 (15 on Sunday, 17 on Friday & Saturday)
	Off Peak	16 (15 on Sunday, 17 on Friday & Saturday)
Minimum Hours of Operation	Peak	14 (15 on Friday & Saturday)
	Off Peak	14 (15 on Friday & Saturday)

ROUTE AND SERVICE DESCRIPTION

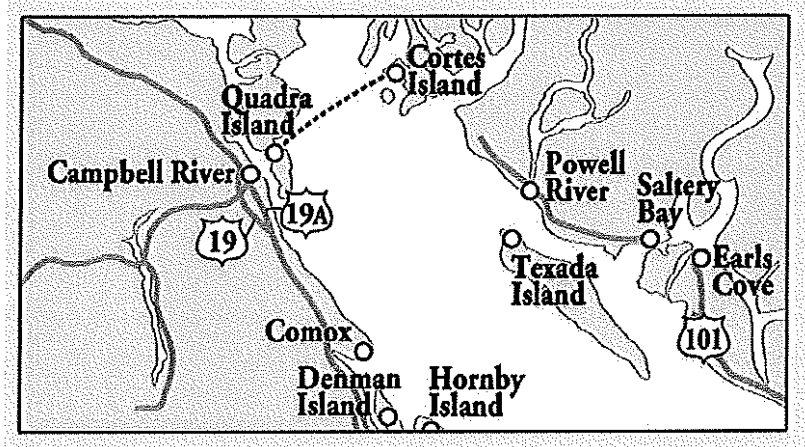
Distance	1.8 nautical miles
Crossing Time	10 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Powell River Queen
Silhouette	
Passenger Capacity (Max.)	392
Vehicle Capacity (Official)	70
Crew Size	8

Terminal	Campbell River	Quathiaski Cove
<i>Location</i>	Vancouver Island	Quadra Island
<i>Holding Capacity</i>	Inside: 129 AEQ/Outside 33 AEQ	129 AEQ
<i>Parking</i>	None	75 car spaces (at Federal Wharf)
<i>Docks</i>	1	1

ROUTE 24 – QUADRA ISLAND (HERIOT BAY) TO CORTES ISLAND (WHALETOWN)



OVERVIEW

Route 24 connects Cortes Island with Quadra Island.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		2,134
Minimum Number of Round Trips per Day	Peak	5 (4 on Sunday)
	Off Peak	5 (4 on Sunday)
Minimum Hours of Operation	Peak	8 (6 on Sunday)
	Off Peak	8 (6 on Sunday)

ROUTE AND SERVICE DESCRIPTION

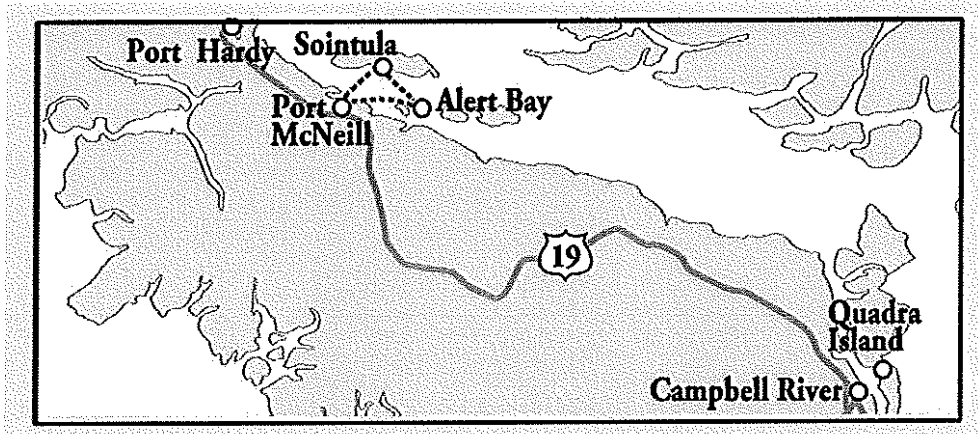
Distance	6.2 nautical miles
Crossing Time	45 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Tachek
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	144
<i>Vehicle Capacity (Official)</i>	30
<i>Crew Size</i>	6

Terminal	Heriot Bay	Whaletown
<i>Location</i>	Quadra Island	Cortes Island
<i>Holding Capacity</i>	20 AEQ holding lane on road right of way	18 AEQ queue on road right of way
<i>Parking</i>	None	None
<i>Docks</i>	1	1

ROUTE 25 – VANCOUVER ISLAND (PORT MCNEILL) – MALCOLM ISLAND (SOINTULA) - CORMORANT ISLAND (ALERT BAY)



OVERVIEW

Route 25 connects Alert Bay on Cormorant Island and Sointula on Malcolm Island with Port McNeill on Vancouver Island.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		3,961
Minimum Number of Round Trips departing from Port McNeill per Day	Peak	10 (9 on Sunday)
	Off Peak	10 (9 on Sunday)
Minimum Hours of Operation	Peak	11 (10 on Sunday)
	Off Peak	11 (10 on Sunday)

ROUTE AND SERVICE DESCRIPTION

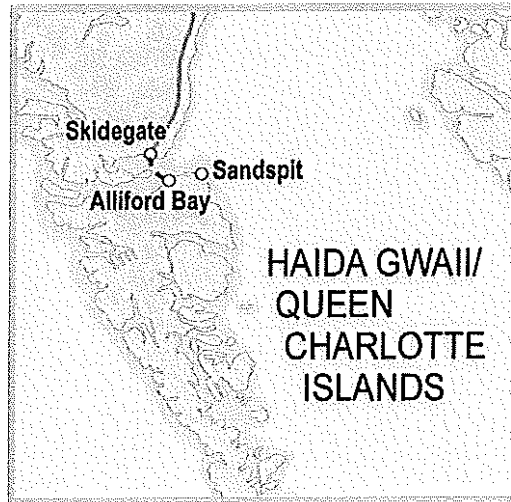
Distance	19.5 nautical miles for a round trip to all ports
Crossing Time	2 hours for a round trip to all ports

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Quadra Queen II
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	144
<i>Vehicle Capacity (Official)</i>	30
<i>Crew Size</i>	6

Terminal	Port McNeill	Sointula	Alert Bay
<i>Location</i>	Vancouver Island	Malcolm Island	Cormorant Island
<i>Holding Capacity</i>	45 AEQ	None (queue on road)	43 AEQ
<i>Parking</i>	None	None	19 car spaces
<i>Docks</i>	1	1	1

**ROUTE 26 – HAIDA GWAII ISLANDS: GRAHAM ISLAND
(SKIDEGATE) – MORESBY ISLAND (ALLIFORD BAY)**



OVERVIEW

Route 26 in the Haida Gwaii Islands connects Alliford Bay on Moresby Island (where the local airport at Sandspit is located) with Skidegate on Graham Island.


CORE SERVICE LEVELS

Number of Round Trips to be Delivered per Contract Year		4,482
Minimum Number of Round Trips per Day	Peak	11
	Off Peak	11
Minimum Hours of Operation	Peak	14
	Off Peak	14

ROUTE AND SERVICE DESCRIPTION

Distance	3.5 nautical miles
Crossing Time	20 minutes

VESSEL AND TERMINAL DESCRIPTIONS

Vessel	Kwuna
<i>Silhouette</i>	
<i>Passenger Capacity (Max.)</i>	146
<i>Vehicle Capacity (Official)</i>	26
<i>Crew Size</i>	4

Terminal	Skidegate	Alliford Bay
<i>Location</i>	Graham Island	Moresby Island
<i>Holding Capacity</i>	167 AEQ	None (queue on road)
<i>Parking</i>	None	None
<i>Dock</i>	1	1

PERFORMANCE TERM 3 AGREEMENT

**PERFORMANCE TERM 3 AGREEMENT
SCHEDULE "3"**

PERFORMANCE TERM 3 AGREEMENT

COASTAL FERRY SERVICES CONTRACT

Schedule "B" Appendix 1

Ferry Transportation Fee – Performance Term 3 Contract Years

Part 1 – Contract Year 2012/2013

Ferry Transportation Fee Table – Contract Year 2012/2013

1	2	3	4	5
Route #	Route	Maximum Annual Ferry Transportation Fee (\$)	Number of Round Trips to be Delivered per Contract Year to Meet Core Service Levels	Ferry Transportation Fee per Round Trip (\$)
3	Horseshoe Bay/Langdale	2,300,000	2,985	770.52
	Route Group Total	\$2,300,000		
10	Bear Cove/Prince Rupert	28,485,631	122	233,488.78
11	Prince Rupert/Skidegate	23,587,668	191	123,495.65
40	Discovery Coast	5,341,983	39	136,973.91
	Northern Route Group Total (2012/13)	\$57,415,282		
4	Swartz Bay/Saltspring	2,619,162	2,880	909.43
5	Swartz Bay/Outer Gulf Islands	16,338,380	3,491	4,680.14
6	Crofton/Saltspring	2,619,161	5,046	519.06
7	Saltery Bay/Earls Cove	10,839,077	2,878	3,766.18
8	Horseshoe Bay/Bowen Island	5,504,374	5,569	988.40
9	Tsawwassen/Gulf Islands	9,571,346	830	11,531.74
12	Brentwood/Mill Bay	1,303,362	3,215	405.40
13	Langdale/Gambier/Keats	297,389	4,065	73.16
17	Comox/Powell River	7,503,773	1,460	5,139.57
18	Powell River/Texada	4,186,213	3,648	1,147.54
19	Nanaimo Harbour/Gabriola	2,774,885	5,732	484.10
20	Chemainus/Thetis/Penelakut	4,119,817	4,380	940.60
21	Buckley Bay/Denman	3,956,712	6,149	643.47
22	Denman/Hornby	3,309,862	4,482	738.48
23	Campbell River/Quadra	2,948,482	6,253	471.53
24	Quadra/Cortes	2,607,539	2,134	1,221.90
25	Port McNeill/ Alert Bay/Sointula	4,237,053	3,961	1,069.69
26	Skidegate/Alliford Bay	4,121,397	4,482	919.54
	Minor Route Group Total	\$88,857,986		
	Annual Total (2012/13)	\$148,573,268		

1. The parties acknowledge the following two agreements made between the parties:
 - (a) the agreement entitled "2012/13 Ferry Transportation Fee Adjustment Agreement" and dated for reference the 31st day of March, 2012; and
 - (b) the agreement entitled "2012/13 Ferry Transportation Fee (Appendix 1) Agreement" and dated for reference the 1st day of April 2012.

PERFORMANCE TERM 3 AGREEMENT

**Schedule "B" Appendix 1
Ferry Transportation Fee – Performance Term 3 Contract Years**

Part 2 – Contract Year 2013/2014

Ferry Transportation Fee Table - Contract Year 2013/2014

1	2	3	4	5
Route #	Route	Maximum Annual Ferry Transportation Fee (\$)	Number of Round Trips to be Delivered per Contract Year to Meet Core Service Levels	Ferry Transportation Fee per Round Trip (\$)
10	Bear Cove/Prince Rupert	27,401,912	122	224,605.84
11	Prince Rupert/Skidegate	22,690,290	191	118,797.33
40	Discovery Coast	5,298,537	39	135,859.91
	Northern Route Group Total (2013/14)	\$55,390,739		
4	Swartz Bay/Saltspring	2,398,154	2,880	832.69
5	Swartz Bay/Outer Gulf Islands	14,959,728	3,491	4,285.23
6	Crofton/Saltspring	2,398,153	5,046	475.26
7	Saltery Bay/Earls Cove	9,924,463	2,878	3,448.39
8	Horseshoe Bay/Bowen Island	5,039,908	5,569	904.99
9	Tsawwassen/Gulf Islands	8,763,704	830	10,558.68
12	Brentwood/Mill Bay	1,193,383	3,215	371.19
13	Langdale/Gambier/Keats	272,295	4,065	66.99
17	Comox/Powell River	6,870,596	1,460	4,705.89
18	Powell River/Texada	3,832,976	3,648	1,050.71
19	Nanaimo Harbour/Gabriola	2,540,737	5,732	443.25
20	Chemainus/Thetis/Penelakut	3,772,182	4,380	861.23
21	Buckley Bay/Denman	3,622,840	6,149	589.18
22	Denman/Hornby	3,030,572	4,482	676.17
23	Campbell River/Quadra	2,699,686	6,253	431.74
24	Quadra/Cortes	2,387,512	2,134	1,118.80
25	Port McNeill/ Alert Bay/Sointula	3,879,526	3,961	979.43
26	Skidegate/Alliford Bay	3,773,629	4,482	841.95
	Minor Route Group Total	\$81,360,044		
	Annual Total (2013/14)	\$136,750,783		

PERFORMANCE TERM 3 AGREEMENT

**Schedule "B" Appendix 1
Ferry Transportation Fee – Performance Term 3 Contract Years**

Part 3 – Contract Year 2014/2015

Ferry Transportation Fee Table - Contract Year 2014/2015

1	2	3	4	5
Route #	Route	Maximum Annual Ferry Transportation Fee (\$)	Number of Round Trips to be Delivered per Contract Year to Meet Core Service Levels	Ferry Transportation Fee per Round Trip (\$)
10	Bear Cove/Prince Rupert	27,269,733	122	223,522.40
11	Prince Rupert/Skidegate	22,580,838	191	118,224.28
40	Discovery Coast	4,993,238	39	128,031.73
	Northern Route Group Total (2014/15)	\$54,843,809		
4	Swartz Bay/Saltspring	2,386,586	2,880	828.68
5	Swartz Bay/Outer Gulf Islands	14,887,567	3,491	4,264.56
6	Crofton/Saltspring	2,386,585	5,046	472.97
7	Saltery Bay/Earls Cove	9,876,590	2,878	3,431.75
8	Horseshoe Bay/Bowen Island	5,015,597	5,569	900.63
9	Tsawwassen/Gulf Islands	8,721,430	830	10,507.75
12	Brentwood/Mill Bay	1,187,626	3,215	369.40
13	Langdale/Gambier/Keats	270,981	4,065	66.66
17	Comox/Powell River	6,837,454	1,460	4,683.19
18	Powell River/Texada	3,814,486	3,648	1,045.64
19	Nanaimo Harbour/Gabriola	2,528,481	5,732	441.12
20	Chemainus/Thetis/Penelakut	3,753,986	4,380	857.07
21	Buckley Bay/Denman	3,605,364	6,149	586.33
22	Denman/Hornby	3,015,953	4,482	672.90
23	Campbell River/Quadra	2,686,663	6,253	429.66
24	Quadra/Cortes	2,375,995	2,134	1,113.40
25	Port McNeill/ Alert Bay/Sointula	3,860,812	3,961	974.71
26	Skidegate/Alliford Bay	3,755,426	4,482	837.89
	Minor Route Group Total	\$80,967,586		
	Annual Total (2014/15)	\$135,811,395		

PERFORMANCE TERM 3 AGREEMENT

**Schedule "B" Appendix 1
Ferry Transportation Fee – Performance Term 3 Contract Years**

Part 4 – Contract Year 2015/2016

Ferry Transportation Fee Table - Contract Year 2015/2016

1	2	3	4	5
Route #	Route	Maximum Annual Ferry Transportation Fee (\$)	Number of Round Trips to be Delivered per Contract Year to Meet Core Service Levels	Ferry Transportation Fee per Round Trip (\$)
10	Bear Cove/Prince Rupert	27,158,426	122	222,610.05
11	Prince Rupert/Skidegate	22,488,670	191	117,741.73
40	Discovery Coast	4,788,775	39	122,789.11
	Northern Route Group Total (2015/16)	\$54,435,871		
4	Swartz Bay/Saltspring	2,376,845	2,880	825.29
5	Swartz Bay/Outer Gulf Islands	14,826,800	3,491	4,247.15
6	Crofton/Saltspring	2,376,844	5,046	471.04
7	Saltery Bay/Earls Cove	9,836,277	2,878	3,417.75
8	Horseshoe Bay/Bowen Island	4,995,125	5,569	896.95
9	Tsawwassen/Gulf Islands	8,685,832	830	10,464.86
12	Brentwood/Mill Bay	1,182,779	3,215	367.89
13	Langdale/Gambier/Keats	269,875	4,065	66.39
17	Comox/Powell River	6,809,546	1,460	4,664.07
18	Powell River/Texada	3,798,917	3,648	1,041.37
19	Nanaimo Harbour/Gabriola	2,518,161	5,732	439.32
20	Chemainus/Thetis/Penelakut	3,738,664	4,380	853.58
21	Buckley Bay/Denman	3,590,648	6,149	583.94
22	Denman/Hornby	3,003,643	4,482	670.16
23	Campbell River/Quadra	2,675,697	6,253	427.91
24	Quadra/Cortes	2,366,297	2,134	1,108.86
25	Port McNeill/ Alert Bay/Sointula	3,845,053	3,961	970.73
26	Skidegate/Allford Bay	3,740,098	4,482	834.47
	Minor Route Group Total	\$80,637,100		
	Annual Total (2015/16)	\$135,072,971		