



Rural Ride-Hailing Feasibility Study

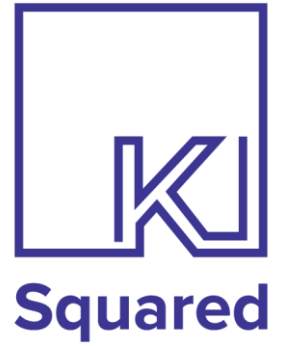
Final Report

26 July 2024

Prepared By: K I Squared Advisory Inc.

Prepared For: Community Futures Central Kootenay





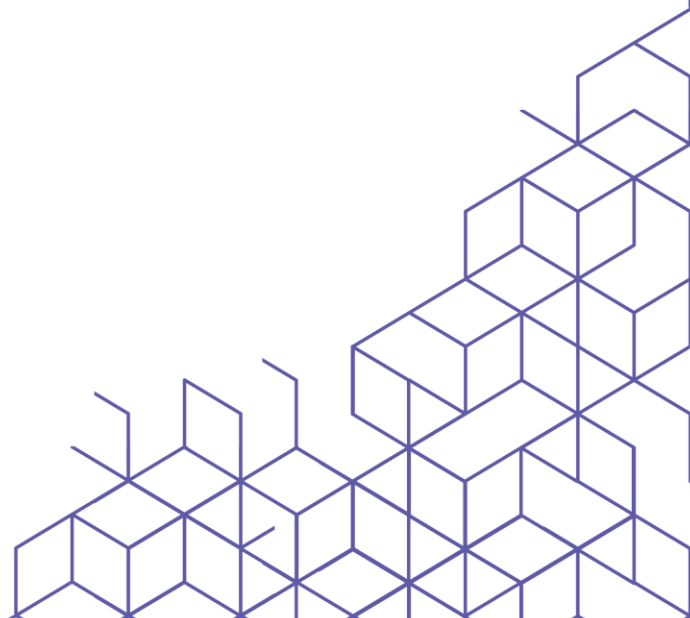
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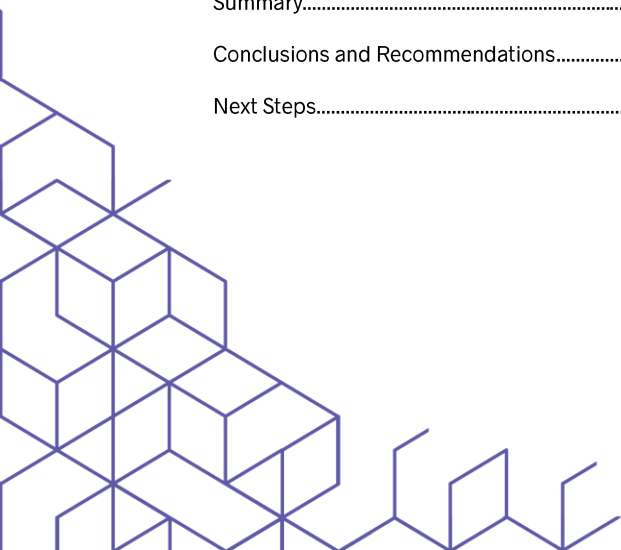
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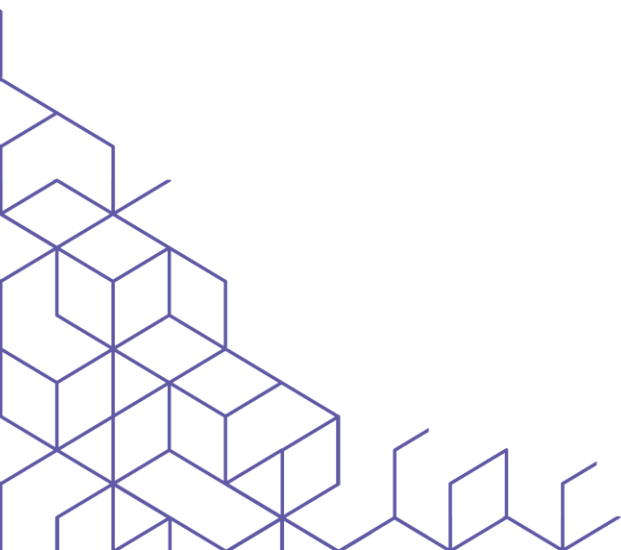
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1 Introduction

Background

KI Squared Advisory Inc (“K I Squared”, “us”, “the Project team”) was commissioned by Community Futures Central Kootenay (“Community Futures”, “they”, “the client”) to review the feasibility of rural ride-hailing in the Central Kootenay region (“the Study”).

This report summarises the work completed which included a desktop study based on existing data sources and reports supplemented with interviews with relevant bodies and organizations.

Ride-hailing and Shared Mobility

Ride-hailing is part of a suite of transportation modes that complement traditional auto owner drivers and transit passengers and is generally referred to as Shared Mobility. Table 1 provides a range of shared mobility types.



TABLE 1 SHARED MOBILITY TYPES

Type	Definition	Trip Type	Examples (May 2024)
Ride-hailing	Service which allows passengers to hire a personal driver through an app to transport them between locations of their choice.	Short one-way trips	Uber Lyft Uride Coastal Rides
Taxi	Service which allows passengers to hire a personal driver on the street, through the phone or (in some instances) through an app to transport them between locations of their choice.	Short one-way trips	Glacier Cabs (Nelson) Castlegar Taxis (Castlegar)
On-demand transit Microtransit Demand responsive transit	Privately or publicly operated, technology-enabled transit service that typically uses multi-passenger/pooled shuttles or vans to provide on-demand or fixed-schedule services with either dynamic or fixed routing.	Short, regular trips (commuting)	Zunga bus on-demand pilot (Powell River)
Car sharing (company)	Cars are available for shared use by individuals from a pool of cars - can be from fixed locations i.e. the car has a 'home' that it must be returned to (e.g. Kootenay Car Cooperative) or allow point-to-point trips (e.g. EVO).	Pricing generally allows for wide range of trip types, from short local trips to longer inter-regional ones	Kootenay Car Cooperative Modo (Vancouver, Victoria, Kelowna and Nanaimo) EVO (Vancouver and Victoria)
Car sharing (individual)	Cars are available for shared use by individuals from other individuals (peer-to-peer).	Longer distance leisure trips	Turo
Shared micromobility	Bikes/ebikes/eScooters are available for shared use by individuals from a pool of company vehicles.	Short trips in urban areas	Mobi (Vancouver) Lime (Richmond) Dropbike (Kelowna)
Ridesharing/carpooling	Service connects drivers who are already driving from A to B with passengers heading in the same direction.	Longer distance, pre-planned trips	Kootenay Rideshare Poparide ridesharing.com

The table highlights the large variety of shared mobility types. This is an evolving area where multiple private firms and organizations are entering (and exiting) the market. The focus of this study is on ride-hailing although references to other shared mobility types are included for further discussion. For reference, the Legislative Assembly has recently completed a review of Passenger Directed Vehicles (PDV) which includes vehicles for hire (taxis and ride-hailing) that operate under a company licence¹.

Mobility As A service (MaaS) is also mentioned in the context of shared mobility. MaaS integrates various transportation modes into a single digital platform and it allows travelers to plan and manage their journeys seamlessly. This generally combines the shared mobility types indicated above with public transit. However, the complexities of linking the various apps and technologies across the various shared mobility types means its implementation has been limited.

Report Structure

Following this introduction, this report includes the following:

- Chapter 2 describes the study area and presents the current transportation providers (transit, taxis, car sharing and ride sharing)
- Chapter 3 summarises ride hailing in BC, including specific reference to the recently published Legislative Assembly's Passenger Directed Vehicles report
- Chapter 4 describes the main issues and challenges of ride-hailing in rural areas
- Chapter 5 presents alternatives to rural ride-hailing
- Chapter 6 includes a summary, recommendations and next steps

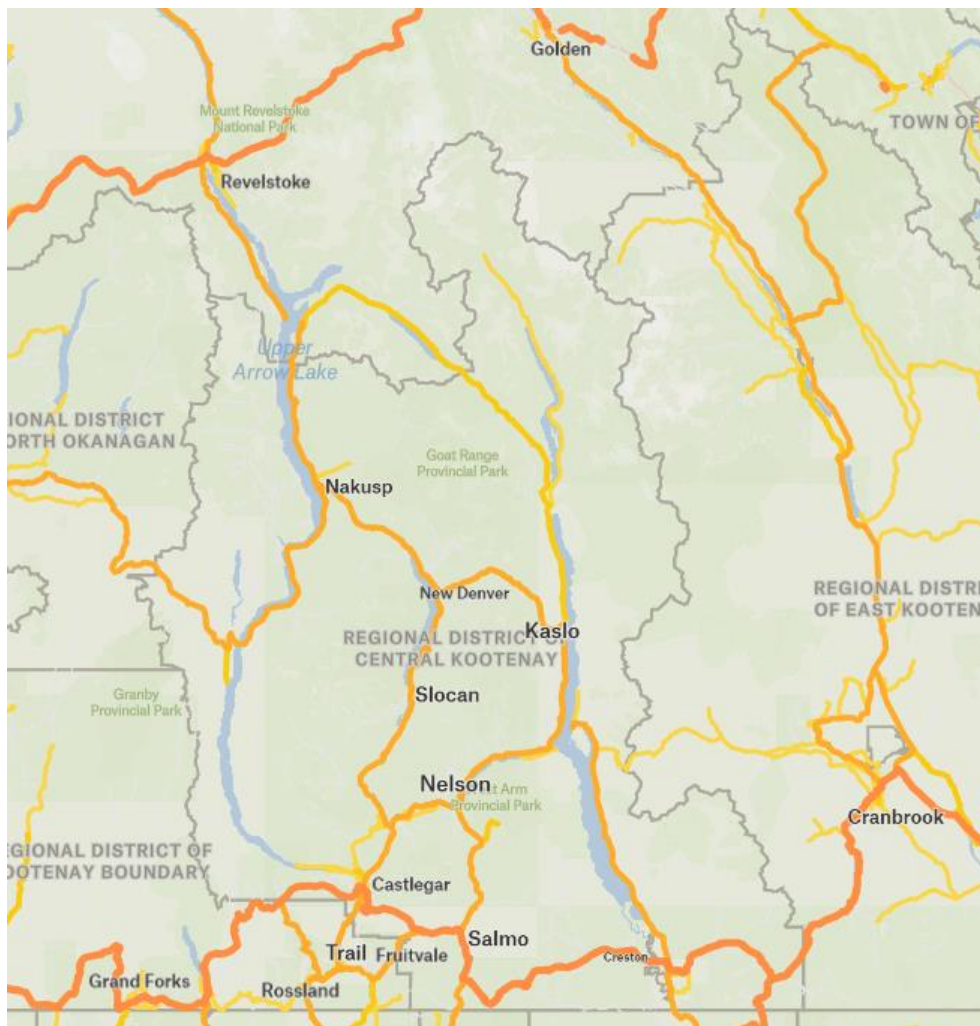
¹ [SC-PDV-Report_42-5_2024-05-08.pdf \(leg.bc.ca\)](#)

2 Study Area

Overview

The study area is shown in Figure 1 and includes the Central Kootenay Regional District and adjacent communities (e.g. Trail, Rossland, Cranbrook and Grand Forks) which could be included in a ride-hailing scheme as travel patterns are not necessarily defined by regional district borders. The region extends from Arrow Lakes country in the west to the Regional District of East Kootenay to the east, and from the United States border in the south to Nakusp in the north.

FIGURE 1 CENTRAL KOOTENAY REGIONAL DISTRICT AND STUDY AREA



There are numerous transportation challenges in the region. These include:

- Loss of Greyhound services having an impact on inter-regional travel opportunities
- Ageing population and impact on mobility and access to health services
- Seasonality of travel demand with summer tourists and reduced demand the rest of the year
- Lack of alternatives to the car for commuter trips between the various towns

Road Network and Distances

Two lane highways wind through the valleys that link communities in a mountainous region. It is also important to identify the distance between the various towns and cities as the longer the distance, the more challenging it might be to provide a ride-hailing service as the vehicle will need to travel to pick up customers and return to its area of origin once the customer has been dropped off (known as ‘dead mileage’ or ‘dead heading’).

Table 2 shows the travel times between the towns and villages identified in the figure above.

TABLE 2 STUDY AREA TRAVEL TIMES

	Castlegar	Creston	Kaslo	Nakusp	Nelson	New Denver	Salmo	Silverton	Slocan	Trail	Rosland	Fruitvale	Grand Forks	Cranbrook
Castlegar		1:33:00	1:25:30	1:49:30	0:33:45	1:15:00	0:31:30	1:11:15	0:51:45	0:22:30	0:27:00	0:33:45	1:12:45	2:52:30
Creston	1:33:00		1:34:30	3:16:30	1:33:00	2:42:00	1:02:15	2:38:15	2:18:45	1:32:15	1:39:00	1:20:15	2:40:30	1:18:45
Kaslo	1:25:30	1:34:30		1:09:00	0:52:30	0:34:30	1:22:30	0:38:15	0:58:30	1:43:30	1:48:45	1:42:00	2:34:30	2:53:15
Nakusp	1:49:30	3:16:30	1:09:00		1:49:30	0:34:30	2:15:00	0:38:15	0:58:30	2:07:30	2:12:45	2:18:00	2:58:30	4:36:00
Nelson	0:33:45	1:33:00	0:52:30	1:49:30		1:15:00	0:30:45	1:11:15	0:51:45	0:51:45	0:57:00	0:49:30	1:42:00	2:52:30
New Denver	1:15:00	2:42:00	0:34:30	0:34:30	1:15:00		1:40:30	0:03:45	0:24:00	1:33:00	1:38:15	1:43:30	2:24:00	4:01:30
Salmo	0:31:30	1:02:15	1:22:30	2:15:00	0:30:45	1:40:30		1:36:45	1:17:15	0:48:45	0:37:30	0:19:30	1:39:00	2:21:45
Silverton	1:11:15	2:38:15	0:38:15	0:38:15	1:11:15	0:03:45	1:36:45		0:21:00	1:30:00	1:35:15	1:39:45	2:20:15	3:57:45
Slocan	0:51:45	2:18:45	0:58:30	0:58:30	0:51:45	0:24:00	1:17:15	0:21:00		1:09:45	1:15:00	1:20:15	2:00:45	3:38:15
Trail	0:22:30	1:32:15	1:43:30	2:07:30	0:51:45	1:33:00	0:48:45	1:30:00	1:09:45		0:06:45	0:12:00	1:19:30	2:51:45
Rosland	0:27:00	1:39:00	1:48:45	2:12:45	0:57:00	1:38:15	0:37:30	1:35:15	1:15:00	0:06:45		0:18:00	1:11:15	2:58:30
Fruitvale	0:33:45	1:20:15	1:42:00	2:18:00	0:49:30	1:43:30	0:19:30	1:39:45	1:20:15	0:12:00	0:18:00		1:42:00	2:39:45
Grand Forks	1:12:45	2:40:30	2:34:30	2:58:30	1:42:00	2:24:00	1:39:00	2:20:15	2:00:45	1:19:30	1:11:15	1:42:00		4:00:00
Cranbrook	2:52:30	1:18:45	2:53:15	4:36:00	2:52:30	4:01:30	2:21:45	3:57:45	3:38:15	2:51:45	2:58:30	2:39:45	4:00:00	

Source: Travel times based on Google distance and assuming 80 kph speed. Pink shows trips less than 15 minutes.

Table 2 highlights the long travel times between most towns and cities in the study area. The only locations relatively close to each other are Trail, Rosland and Fruitvale located in the Kootenay Boundary Regional District.

Figure 2 is included to provide further geographic context of the relative size of the study area with Metro Vancouver (where numerous ride-hailing companies operating and much higher population density) superimposed on the Central Kootenay Region.

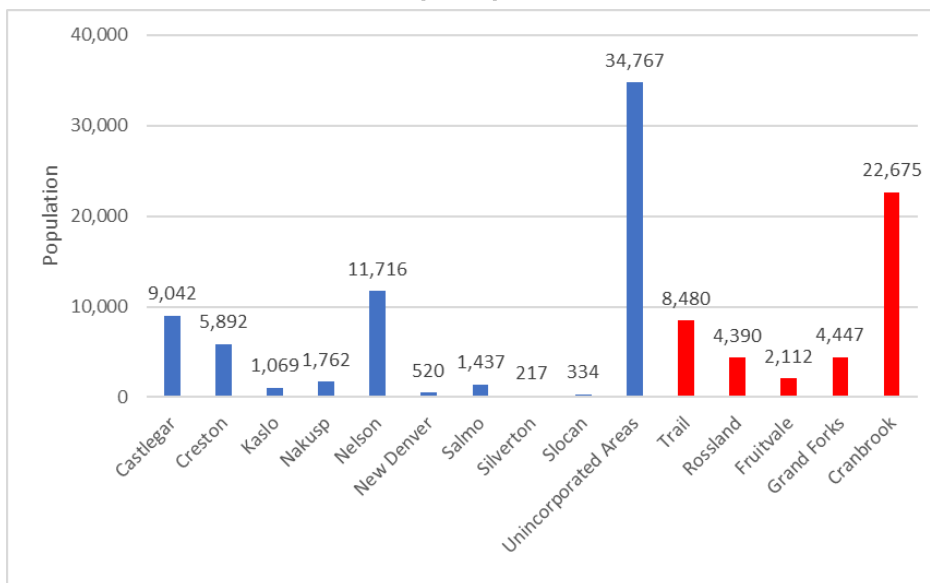
FIGURE 2 CENTRAL KOOTENAY REGIONAL DISTRICT AND METRO VANCOUVER COMPARISON



Population

Central Kootenay Regional District had a population of 67,000 in 2023 and Figure 3 shows the population distribution in the district. It highlights the considerable proportion of population in rural areas (Unincorporated Areas) compared to the towns and cities with over half of the district population located in these unincorporated areas. The figure also includes the population of the towns included in Table 2 outside the district.

FIGURE 3 STUDY AREA POPULATION (2023)



Source: BC Government. Blue represents Central Kootenay Regional District locations.

Current Transportation Providers

BC Transit

BC Transit provides transit services across the region as shown in Figure 4 with a focus on the main towns at Nelson (Kootenay Zone) and Castlegar/Trail (Columbia Zone).

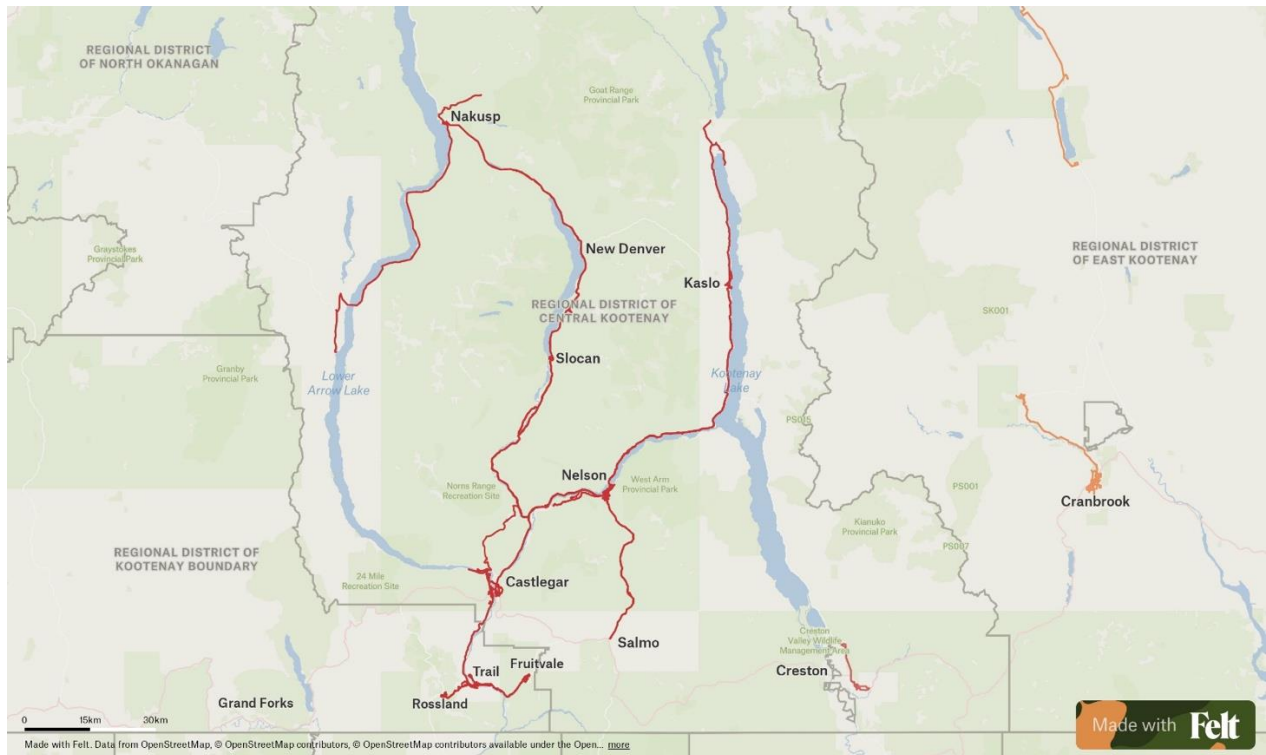
FIGURE 4 BC TRANSIT BUS NETWORK



SOURCE: [Schedules and Maps \(bctransit.com\)](https://www.bctransit.com)

Figure 5 shows the same information in a geographical (rather than a diagrammatic format) and this highlights the large distance between the various population centers highlighted earlier in this section.

FIGURE 5 BC TRANSIT SERVICES



SOURCE: BC TRANSIT GTFS FILES

While the network coverage appears comprehensive and links the main population centers, services can be infrequent, and this is exacerbated by reduced (or no service) in the evening and weekends. For example, the main inter-urban services (98 Columbia Connector and 99 Kootenay Connector) provide 7 services per direction per weekday and 3 services on Saturday with no service after 6PM or Sundays. Anecdotal evidence also that service can be unreliable, and services cancelled at short notice due to driver shortages.

Taxis

Table 5 shows the taxi companies in the study area. The companies operate in the main towns but there is limited public information available on vehicle fleet and the type of service provided but the fleet sizes are small.

TABLE 5 TAXI COMPANIES

Company	Location	Note	Website
Glacier Cabs	Nelson		www.glaciercabs.ca
Castlegar Taxi	Castlegar	Part of Creston Cab Co.	www.castlegartaxi.ca
Creston Cabs	Creston	Part of Creston Cab Co.	www.crestoncabs.ca
Trail Taxi	Trail	Part of Creston Cab Co.	www.trailtaxi.ca
Key City Cabs	Cranbrook		www.keycitycabscanbrook.ca
Star Taxi	Cranbrook		www.startaxicranbrook.ca

SOURCE: PROJECT TEAM RESEARCH

Kootenay Carshare Cooperative

The Kootenay Carshare Cooperative (KCC) (formerly the Nelson Carshare Cooperative) is a not-for-profit association legally incorporated to provide carsharing in the Kootenays. It offers cars, trucks and vans and operates in five branches throughout the Kootenays in Kaslo, Castlegar, Nelson, Revelstoke and Fairmont Hot Springs.

KCC was founded in 2001 and has grown to 325 individual and business members sharing over 20 vehicles with majority of vehicles in Nelson. Their operating model is to pick and drop off vehicles in designated areas.

Their car fleet is aging and the cost to repair and/or replace their vehicle fleet has become cost prohibitive without grants or donations. As a result, they have developed the new peer-to-peer program (Air Carshare) designed to reach every community in the Kootenays by offering revenue for people to share their car.

TABLE 6 AIR CARSHARE COST

Component	Cost
Distance	\$0.29/km – \$0.40/km 100% to Host
Time	\$3.15/hour – \$3.28/hour (first 8 hours) 40% to Host
Fuel costs	Host pays
Insurance costs	Host pays

SOURCE: [How Does It Work? » Kootenay Car Share \(carsharecoop.ca\)](#)

Kootenay Rideshare

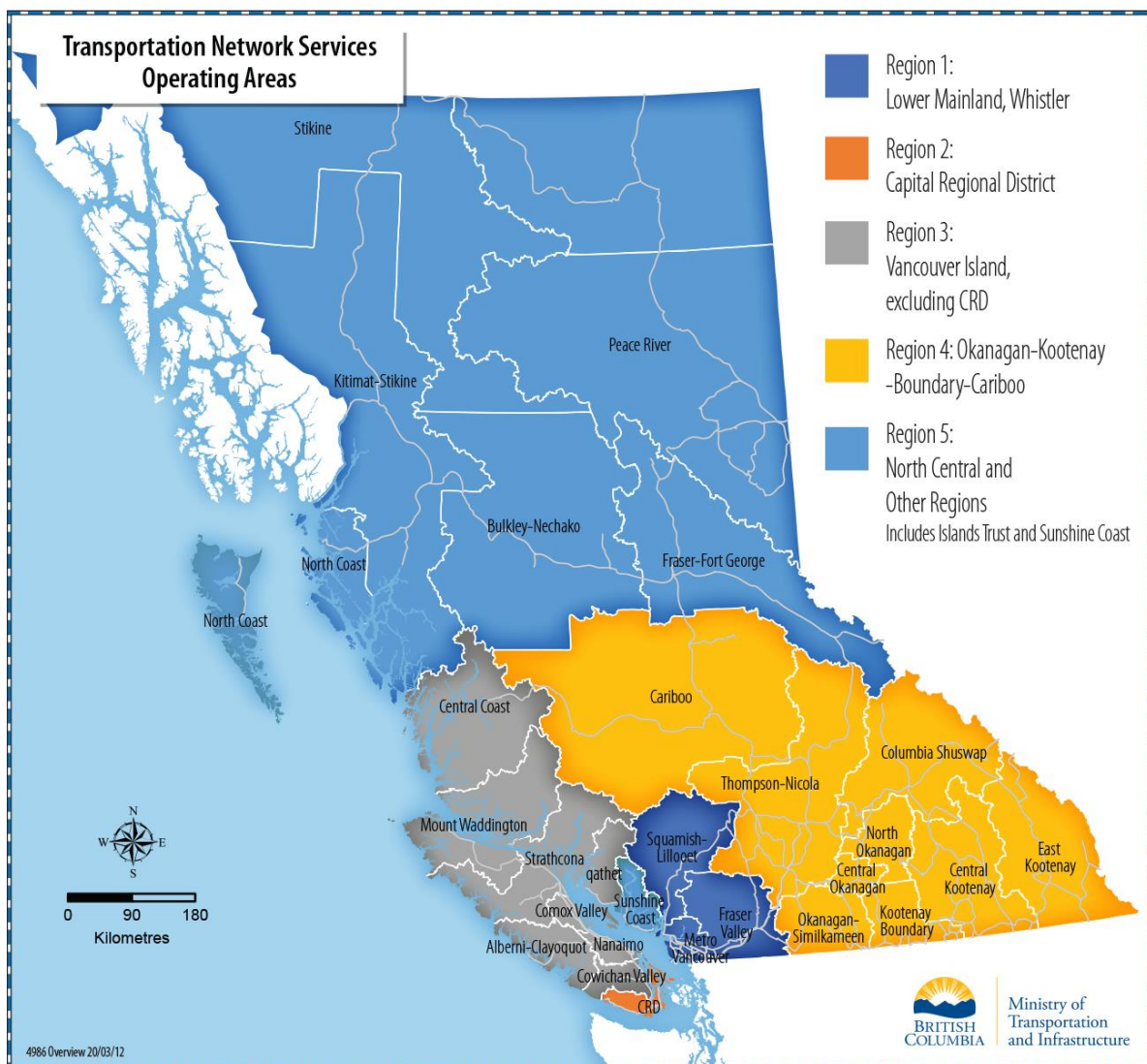
Kootenay Rideshare is not-for-profit, online ride share program operating across the Kootenay region. It matches drivers doing a specific trip with passengers looking for a ride for that trip. All their trip matching is done via their website and it operates much like an online classified section with rides offered/requested listed by order of posting.

3 Ride-hailing in BC

Background

The first ride-hailing licences were approved in the province by the Passenger Transportation Board in December 2019 and ride-hailing companies can now apply to the Passenger Transportation Board (PTB) for a Transportation Network Service (TNS) licence at any time. The application specifies in which region the company wishes to operate and the regions are shown in Figure 6.

FIGURE 6 TRANSPORTATION NETWORK SERVICES OPERATING AREAS



SOURCE: [Passenger Transportation Registry – Province of British Columbia \(gov.bc.ca\)](https://www.gov.bc.ca/ptb/)

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In addition to the provincial TNS licence, TNS companies may need to acquire a municipal business licence depending on their region of operation. Municipalities have authority to set business licence requirements and issue business licences.

Table 7 provides the current list (May 2024) of approved ride-hail companies in Region 4 where Central Kootenay is located. Region 4 also includes Kelowna (Central Okanagan) and Kamloops (Thompson-Nicola).

TABLE 7 REGION 4 APPROVED RIDE-HAIL COMPANIES (AS OF MAY 6TH 2024)

Company	Status	Website
Kabu	Not operating. Richmond based.	KABU Ride - Just another WordPress site
Ripe Rides	Not operating and company does not appear to exist.	Ripe Rides
Safe Ride Sharing	Kelowna-based. Not operating.	SAFE Ride Sharing BC's community-driven ride-sharing app
Tappcar	Not operating. Winnipeg based.	Home TappCar
Uber	Operating in Vancouver, Victoria and Kelowna	Ride with Uber Request Rides 24/7 Official Uber Site
Uride	Operating in Kamloops, Kelowna, Lake Country, Penticton, Summerland, Nanaimo and Prince George	Uride Local Ridesharing Services

SOURCE: [Passenger Transportation Registry - Province of British Columbia \(gov.bc.ca\)](#)

As part of their TNS licence requirements, the ride-hailing company is responsible for ensuring drivers and vehicles meet PTB requirements as set out in the PTB regulations. These include:

- Class 1, Class 2 or Class 4 commercial driver's licence issued in B.C.
- Police record check
- Vehicle that meets all requirements and has passed a vehicle inspection
- Commercial driving record, commonly known as an (N) print or National Safety Code abstract

Passenger Directed Vehicles Report

The Legislative Assembly completed in May 2024 a review of Passenger Directed Vehicles (PDV) in BC which includes vehicles for hire (taxis and ride-hailing) that operate under a company licence².

The report presented 34 recommendations to ensure effective regulation that works for drivers, companies and passengers and improve service provision. It covered the following areas:

- Operator licensing
- Supply of Passenger Directed Vehicles
- Passenger and driver safety
- Accessibility
- Employment in the industry
- Public transportation, traffic congestion and the environment
- Transportation in small, rural and remote communities
- Data

The report discussed the viability of commercial passenger transportation businesses in low density areas. The report highlighted the following challenges:

- Greater distances
- Lower ridership
- Wide disparities in service wait times
- Increased deadheading
- Varying levels of competition
- Unique geography, density patterns and size of BC.

The report's specific recommendations for small, rural and remote communities include:

Recommendation 4

“Explore how to better support the viability of smaller local TNS companies, including those operating in small, rural, and remote communities, including consideration for developing an alternative framework for these companies.”

Recommendation 30

“Take a holistic approach to improve transportation connectivity within and between communities in small, rural, and remote areas that recognizes their unique needs and includes viable passenger directed vehicle options in conjunction with other transportation modes”

² [SC-PDV-Report_42-5_2024-05-08.pdf \(leg.bc.ca\)](#)

4 Rural Ride-Hailing Issues and Challenges

Introduction

This chapter summarises the main issues and challenges of rural ride-hailing. It builds on material and analysis presented in Chapters 2 and 3 and is also informed by interviews with the following companies/organizations:

- Coastal Rides
- Kootenay Car Cooperative
- Poparide
- Uride

The interviews helped the project team ensure that the issues and challenges identified were based on 'real world' experiences.

Issues and Challenges

Operator Licensing

To operate a ride hailing service you need approval from the Passenger Transportation Board (PTB). The Board expects an applicant to demonstrate they are "capable" through:

- Awareness and knowledge of their responsibilities and obligations (especially safety obligations),
- Résumés for key personnel which outline training and experience needed to run the proposed business,
- Business plan indicating the financial viability of the proposed business, and
- Financial information (36-month cash flow projections, balance sheets, and income statements)

The fact that there are 17 ride-hailing companies approved across BC and 6 in Region 4 (May 2024) suggests that the process does not appear to be too onerous or a major barrier to entry into the market. Clearly larger firms will have more resources and experience to expedite this process.

Technology

There are numerous firms offering ready-to-use apps^{3,4} for potential companies to use. Continued expansion of cell coverage, particularly in rural areas, means this issue will only occur in remote locations and cell coverage 'dead zones' but operators indicated this is not a major issue.

³ [ATOM | Use cases | Ride-hailing software \(atommobility.com\)](#)

⁴ [Ride-Hailing & Sharing Software | White-Label Apps | Marketplace Support \(motiontools.com\)](#)

Population Density and Geography

Population density and geography impact potential demand (small population will limit potential market) and supply (reduced driver pool available). Furthermore, the large distances between towns (see Table 2) means there is potential for high deadheading which impacts the bottom line for any potential operator.

Uride noted that they find it difficult to operate in cities with a population of under 40,000 due to a lack of critical mass of riders and drivers. Note that Coastal Rides operate in the Sunshine Coast (population of 32,000) and operated for some time on Texada Island (population of just over 1,000). Table 8 compares the density of BC jurisdictions with current ride-hailing services for reference.

TABLE 8 REGIONAL DISTRICT POPULATION DENSITY AND RIDE-HAILING

Regional District	Population Density (per km²)	Ride-hailing Provider
Metro Vancouver	1,023	Uber, Lyft
Capital (Victoria)	196	Uber
Central Okanagan (Kelowna)	85	Uber, Uride
Thompson-Nicola (Kamloops)	4	Uride
Comox Valley	46	Coastal Rides, Uride
Sunshine Coast	9	Coastal Rides
Central Kootenay	3	-

Another consideration is the seasonality of the local tourism industry. This potentially means that a company might need to cross subsidize trips in the off season to provide year-round service and this is unlikely to be financially sustainable in the long-term.

Driver and Vehicle Requirements

Chapter 3 identified the driver and vehicle requirements for a ride-hailing company to be allowed to operate. These include:

- Class 1, Class 2 or Class 4 commercial driver's licence issued in B.C.
- Police record check
- Vehicle that meets all requirements and has passed a vehicle inspection
- Commercial driving record, commonly known as an (N) print or National Safety Code abstract

These requirements, on an already low population, can make it a challenge to expand the pool of potential ride-hailing drivers. Uride indicated that they sometimes provide financial support to meet these requirements as it expands driver pool and ensures a good service is provided which in turn drives demand. Uride is backed by venture capital and are expanding aggressively across Canada.

Taxi Competition

The taxi lobby is generally quite powerful and one of the reasons it took ride-hailing so long to become legal in BC. The introduction of ride-hailing in a rural community will present a challenge to local taxis and might be a challenge to sustain two competing transportation companies due to the small size of the market.

5 Rural Ride-Hailing Alternatives

Introduction

The previous chapter highlighted the issues and challenges with ride-hailing in rural areas. This chapter presents a summary of rural ride-hailing alternatives to the more 'traditional' model of a commercial ride-hailing company entering a city or region.

Carsharing

Modo and Evo offer car sharing services in various cities across BC. Chapter 2 highlighted the Kootenay Carshare Cooperative (KCC) which offers carsharing in five branches across the Kootenays with a focus on Nelson. However, their car fleet is aging and cost to repair and/or replace their vehicle fleet is growing and they are working on a new peer-to-peer program (Air Carshare) by offering revenue for people to share their car.

Ridesharing

Ridesharing services effectively link up drivers with passengers for a specific trip on a specific time and date. It is offered by not for profit (Kootenay Rideshare⁵) and commercial companies (Poparide⁶).

Current legislation prohibits carpooling as a profit-making enterprise and drivers are only permitted to recover their actual operating costs (currently capped at 18 cents/km). In discussion with Poparide, they have found that the minimum practical distance for trips is just over 50km, otherwise drivers do not bother to post trip availability (i.e. about \$10 per seat). They also noted that their 'sweet spot' was trips between 50km-100km for regular, high traffic commuter routes and their most popular route in Canada is between Squamish and Vancouver (65km) where they have rides leaving every 15 minutes on a typical weekday. Through our discussion, their CEO said he could see potential for commuter/regularly travelled trips between Trail to Nelson (70km) with Nelson to Castlegar (45km) being a more borderline case.

Other Regional Initiatives

The 2023 Regional Ground Transportation Study⁷ identified issues and opportunities related to rural inter-city passenger transportation in the Southern Interior of BC. Following the release of the study, the Regional Transportation Enhancement (RTE) Funding Program⁸ was launched by the Economic Trust of the Southern Interior (ETSI-BC).

The ETSI-BC RTE Funding Program provides non-repayable grants to enhance transportation plans, partnerships, technology, service communication, and seasonal connections between

⁵ [Kootenay Rideshare \(ride-share.org\)](http://ride-share.org)

⁶ [Poparide - Carpool for the Planet](#)

⁷ [Regional Ground Transportation Study > Economic Trust of the Southern Interior \(etsi-bc.ca\)](#)

⁸ [Regional Transportation Enhancement Funding Awarded to 21 Recipients > Economic Trust of the Southern Interior \(etsi-bc.ca\)](#)

communities in the Southern Interior of BC.

There are three streams under the RTE Program:

- RTE 1 - Planning & Partnership Development (this study falls under this stream)
- RTE 2 - Technology & Service Communication
- RTE 3 - Seasonal Service Delivery/Expansion

Relevant projects to ride-hailing and shared mobility include:

- Air Carshare Communication Enhancement Project (Kootenay Car Cooperative)
- Supporting the Ride Share Economy in BC (Kootenay Rocky Tourism)
- Planning for Future Transportation Partnership Options & Services (Tourism Fernie Society)
- Local Tourism Shuttle App & E-Commerce Development (Tourism Fernie Society)
- GPS Vehicle Tracking and Consumer App (Tourism Golden Association)

Ride-Hailing Subsidies

Innisfil, Ontario

The Town of Innisfil is an hour north of Toronto in Simcoe County with a population of 36,500. Innisfil had been searching for a solution to their public transit needs for some time. They were looking to provide affordable and reliable transportation to their community, with a large geographical area with a small but rapidly growing population.

They reviewed the potential for a traditional transit system but the limited population density, relatively large Town size and costs made it a challenge. The Town reached out to Uber and decided to develop a transit system that offered residents a transportation option accessed through the Uber app. Innisfil Transit⁹ was introduced in May 2017. When you travel anywhere within Innisfil, you save \$4 off the standard Uber rate and travel to/from specific locations enjoy discounted fares. Figure 7 shows the fares charged in Innisfil.

⁹ [Transit - Town of Innisfil](#)

FIGURE 7 INNISFIL FARES



SOURCE: [Fares and Routes – Town of Innisfil](#)

The Town has introduced two programs to reduce travel costs. These include:

- The Fair Transit Program provides a 50% discount on all rides to eligible low-income passengers.
- A new pilot program providing 100 residents travel discounts in the form of subsidized Uber vouchers. Each voucher is valid for up to 30 eligible rides per month during the eight-month pilot period (February to September 2024). Riders pay the first \$6 per eligible trip, and the voucher will cover additional charges up to \$15 maximum per trip.

The costs of operation are considerable. Data from 2021 indicates that 63,000 rides were provided by Innisfil Transit via Uber at a subsidy per trip of \$11.58 for \$730,000.

Prince Edward County, Ontario

Prince Edward County is a county in southern Ontario on Lake Ontario's northeastern shore located near Kingston with a population of 25,000.

Since the summer of 2022, Uride has been operating ride-hailing services in the county through pilot programs to improve transportation options for residents and visitors. The pilot program includes a wage subsidy to be paid from the Municipal Accommodations Tax (MAT) and provides Uride exemptions from the taxi bylaw. The subsidy helps to close the gap between fares earned and living wage paid.

There are currently eight vehicles operated by taxi companies licensed under the municipal bylaw and a maximum of five Uride drivers on shift at any time – representing 38 per cent of the vehicle capacity. Taxis operate seven days a week year-round while Uride operated the same from May to October but just three or four days a week from November to April.

The funding subsidy was \$50,000 in 2022 and \$30,00 funding for the summer of 2024 was recently approved following an original decision to stop the funding. It appears that Uride operations would not be sustainable in the absence of the funding subsidy.

6 Summary, Recommendations & Next Steps

Summary

Ride-hailing is part of a suite of transportation options that complement traditional auto owner drivers and transit passengers and is generally referred to as *Shared Mobility*. Shared mobility covers wide range of types (taxis, ride-hailing, ridesharing, car sharing) and is an evolving area where multiple private firms and organizations are entering (and exiting) the market.

There are shared mobility providers in Central Kootenay and these include:

- BC Transit: bus route network across the region. However, services generally offer low frequency, particularly in evenings and weekends (if they operate at all)
- Taxis: companies located in major towns (Nelson, Castlegar, Creston, Trail and Cranbrook) but limited vehicles available and relatively expensive to use
- Car sharing: Kootenay Carshare Cooperative (KCC) offers cars, trucks and vans for sharing in five branches across the region (Kaslo, Castlegar, Nelson, Revelstoke and Fairmont Hot Springs). Their car fleet is aging and the cost to repair and/or replace their vehicle fleet has become cost prohibitive without grants or donations. They are looking to develop and expand a new peer-to-peer program (Air Carshare) by offering revenue for people to share their own car.
- Ridesharing: Kootenay Rideshare offers an online ride share program operating across the Kootenay region matching drivers doing a specific trip with passengers looking for a ride for that trip.

Ride-hailing legislation was approved by the provincial government in 2019 and since then firms started operations across the province with licenses administered across 5 regions. There are no ride-hailing firms currently operating in the Central Kootenay region and this is likely as result of the viability of commercial passenger transportation businesses in low density rural areas resulting from:

- Greater distances
- Lower ridership
- Wide disparities in service wait times
- Increased deadheading
- Varying levels of competition
- Unique geography and density patterns

The challenges of ride-hailing in rural areas identified above suggest it will be challenging to make ride-hailing a self-sustaining solution for the region. Furthermore, it is very unlikely that large ride-hailing companies (Uber and Lyft) would expand into a small, rural market. This is illustrated by experience in other jurisdictions where subsidies are required (Innisfill/Uber and Prince Edward County/Uride in Ontario). This is reinforced by Uride's comment that a minimum population of 40,000 is generally their 'rule of thumb' to consider new locations (Cranbrook has a population of 23k, Nelson 11k and Trail/Rossland/Castlegar 21k).

Conclusions and Recommendations

1. It will be challenging to operate ride-hailing on a self-sustaining basis in the region and a subsidy or grant would be needed to get an operator on board. This is likely to be with one of the smaller ride-hailing firms and unlikely that Uber or Lyft would be interested.
2. Review the potential to publicise and/or integrate the current providers (BC Transit, taxis, Kootenay Car Cooperative). This could range from relatively 'simple' (marketing/publicity) to more complex such as website/platform.
3. Support Kootenay Car Cooperative in their operating model shift. Sharing cars owned by the cooperative is expensive and they are looking for alternatives to their car ownership model and moving to letting individuals share their own vehicles (Air Carshare).
4. Ensure communication and coordination with the various Regional Transportation Enhancement (RTE) Funding Program projects as there is potential overlap between them e.g. Air Carshare Communication Enhancement Project (Kootenay Car Cooperative), Supporting the Ride Share Economy in BC (Kootenay Rocky Tourism), Planning for Future Transportation Partnership Options & Services (Tourism Fernie Society) and Local Tourism Shuttle App & E-Commerce Development (Tourism Fernie Society).
5. Ridesharing is an alternative to ride-hailing and this could be developed in tandem with current ridesharing providers. Poparide have indicated their interest in principle, and they are currently involved with Kootenay Rocky Tourism in a grant funded project as part of the Regional Transportation Enhancement (RTE) Funding Program.

Next Steps

Table 9 presents potential next steps related to the recommendations above.

TABLE 9 NEXT STEPS

#	Recommendation	Next Step
1	Ride-hailing potential	Contact Uride (already licensed in Region 4) and Coastal Rides (operating in the Sunshine Coast) to understand their interest and indicative grant/subsidy requirements to operate in the region.
2	Shared mobility marketing/integration	Review potential measures to improve exposure of current shared mobility operators.
3	Kootenay Car Cooperative	Discuss with KCC potential measures to support their transition to peer-to-peer car sharing business model (Air Carshare).
4	Regional Transportation Enhancement (RTE) Funding Program projects coordination	Liaise to understand findings and status of the various projects to explore key lessons learnt and cross-project opportunities.
5	Ridesharing potential	Coordinate with Poparide on the status of their RTE project (Supporting the Ride Share Economy in BC with Kootenay Rocky Tourism) and discuss potential for further application elsewhere in the Kootenays. This could include what support they may want from government, community and non-profit organizations.

Document Control

Version	Date of Issue	Comments	Author	Review
1.0	7-June-2024	Draft Report	DGD	ID
2.0	26-July-2024	Final Report	DGD	ID

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