

SAVINGS ACCRUING TO B C FERRIES FROM THE INCREASED TRAFFIC ON  
ROUTE 17 (COMOX/POWELL RIVER) CREATED BY HIGHWAY 100

The Comox ferry currently loses \$11 million before the government subsidies kick in. Fiscal 2015 revenues were \$12 million and operating expenses \$16 million. Also in fiscal 2015 the Comox ferry carried 142K vehicles and 342 K passengers. It currently sails only eight times a day, four each way.

In fiscal 2013, vehicle utilization in peak season seldom exceeded 70%, was often less than 50%, and sometimes under 20%. In low season, the rate was at times well under 10% and seldom much over 50%. So there's lots of room to increase utilization, the number of sailings, and the overall capacity of Route 17.

The basis of all of the foregoing is from publications of BC Ferries and can be found in our reference library at [www.thirdcrossingsociety.com](http://www.thirdcrossingsociety.com).

In our opinion, the vast majority of traffic on this run originates from Powell River's population of 20K. When Highway 100 is built, we calculate that it could serve an additional population on the Island of 75K to 150K. The extra revenue and operating expenses this would create are summarized below. Depreciation and interest are fixed in the appropriate term.

	<b>Population</b>	<b>Index</b>	<b>Revenue</b>	<b>Operating Expenses</b>
Powell River (current)	20,000	100	\$12 M	\$16 M
Island - low	75,000	375	45 M	20 M
Island - high	150,000	750	90 M	25 M

Our argument is that revenues will increase materially and operating expenses only nominally. The increased revenue could reach as much as \$25 million per year (\$45 million minus \$20 million) at the lower range of our estimates. \$25 million per year for ten years pegs the benefit at \$250 million. Additional traffic going the opposite way (east to west) is pegged at ½ as much or \$125 million.

With the addition of the proposed connecting highway, it's easy to imagine Comox / Powell River becoming a major route in the system instead of a drag on it.

—Third Crossing Society, 2015