



DECISION

IN THE MATTER OF an application dated March 13, 2007 by Acadian Coach Lines LP for Permission to Discontinue its Trip 10, being from St. Stephen, NB to Saint John, NB

May 28, 2007

NEW BRUNSWICK ENERGY AND UTILITIES BOARD

IN THE MATTER of an application dated March 13, 2007 by Acadian Coach Lines LP for Permission to Discontinue its Trip 10, being from St. Stephen, NB to Saint John, NB

New Brunswick Energy and Utilities Board:

Mr. Raymond Gorman, Chairman
Mr. Cyril Johnston, Vice-Chairman
Ms. Wanita McGraw, Member
Mr. Roger McKenzie, Member

Ms. Lorraine R. Légère, Secretary to the Board
Mr. D. Goss, Senior Advisor
Ms. Ellen Desmond, Board Counsel

Court Reporter:

Ms. Anne Bonang

Applicant:

Acadian Coach Lines LP

Solicitor:

Mr. John Stringer Q.C.
McInnes Cooper

Witnesses:

Manon Piché, Vice-President Marketing, Sales & Communications

DECISION

This matter arises out of an application filed by Acadian Coach Lines LP (the “Applicant”) with the New Brunswick Energy and Utilities Board (the “Board”) on March 13, 2007 requesting permission to discontinue its Trip 10, being from St. Stephen, NB to Saint John, NB, due to low ridership. Trip 10 currently leaves St. Stephen at 7:15 a.m. Monday to Thursday reaching Saint John at 8:30 a.m. Trip 12 leaving St. Stephen daily at 4:00 p.m. and reaching Saint John at 5:18 p.m. will continue as scheduled.

The Board granted the order requested at the hearing and an oral decision was given. The Applicant was advised that a written decision would follow.

The Applicant provided an Affidavit of Publication verifying that it had complied with the Board Order regarding notice of the hearing to the public. While the hearing was held in Sackville, N.B. it should be noted that the Board in its published notice proposed participation in writing, by conference telephone, or by appearing in person. In the later case, the Board requested that persons requiring transportation so advise it. The Board did not hear from any persons indicating that they were in

opposition to the requested discontinuance of Trip 10, nor did any persons register as intervenors.

Mr. J.K. Holmes, President of HMS Transportation based in St. Andrews, New Brunswick, attended the hearing in support of the application.

Prior to the hearing, the Applicant provided a report relating to Trip 10 which contained ridership information. The Board considered the pre-filed evidence, the oral evidence of Manon Piché, the Vice-President of Marketing, Sales and Communications for Group Orleans Express as well as the comments from Mr. Holmes.

The New Brunswick Board of Commissioners of Public Utilities (“PUB”) conducted a concurrent hearing with the Nova Scotia Utilities and Review Board on October 19, 2005 for the purposes of hearing an application by Acadian for routing and scheduling changes for Acadian buses within the Maritime Provinces, including a request to discontinue Trip 10. At that time, the average ridership per trip was 4.8 people between St. Stephen and Saint John and an average 5.1 people on the return trip from Saint John to St. Stephen. It was noted that there was an annual loss of \$28, 535 on this run.

In its decision dated January 18, 2006, the PUB stated at p.6

“the Board has seriously considered the proposal of cancelling the local run by HMS Limousines, but believes that the public would be best served by Acadian Lines providing a round-trip local run from St. Stephen, St. Andrews, St. George to Saint John and return in one day. We order that Acadian Lines continue to offer that service for a period of six months from the date of this decision, keeping accurate records of the ridership. We further order Acadian Lines to file a report with the Board after five months of the continuing run. If it proves more economic to simply have the run from St. Andrews, St. Stephen to Saint John provided by HMS Limousines and the return trip be made on the Saint John/Bangor run that departs 2:20 in the afternoon, then Acadian Lines is allowed to make this change”

The PUB decided that Acadian should continue to operate the service for further evaluation and change the departure time from St. Stephen from 8:15 a.m. to 7:15 a.m. The Board allowed the discontinuance of the service on Trip 10 from Saint John to Sussex at that time.

On October 2006 Acadian presented to the PUB ridership numbers for an additional twelve months. That information demonstrates that the capacity rate is much lower than it was in 2005 and 2006.

The range for Trip 10 is from 2.7% to 4.8% which is far below the capacity rate of Acadian in general.

The information presented indicated that Acadian is transporting from 2 to 5 customers on a daily basis on Trip 10. In addition, total revenues are down approximately 25% for 2006 and they are declining even further in 2007. At the same time, operational costs per kilometer have increased substantially during that period of time.

The Board notes that following the PUB's request to obtain further ridership information over longer periods of time, the Applicant has continued to run Trip 10 since October 2005. Acadian is still suffering from a lack of ridership on this trip and loses considerable money running it. The ridership has not only failed to improve but has actually suffered further decline.

Taking all of the above evidence into consideration, the Board considers it to be just and reasonable to allow the Applicant to discontinue Trip 10. In coming to this conclusion, the Board has taken into consideration all the following:

- The ridership has declined between 2005 and 2006 and has declined further in the first few months of 2007.
- No one registered as an intervenor or appeared at the hearing in opposition to the request despite appropriate advertising of the hearing.
- Acadian continues to lose significant money on Trip 10.
- Acadian continues to run a service between St. Stephen and Saint John on a daily basis.

As a result of the foregoing, the Board approves the application by Acadian Coach Lines LP to discontinue Trip 10. The Applicant had requested that the permission be effective June 1st, but the Board considers July 1, 2007 to be a more appropriate date to discontinue the service. The Board therefore grants the Applicant permission to discontinue Trip 10 as of July 1st, 2007. The Board also expects Acadian to take the appropriate measures to notify the travelling public of this discontinuance in a timely fashion.

Dated in Saint John, New Brunswick this 28th day of May 2007.

Original Signed By

Raymond Gorman, Q.C., Chairman

Original Signed By

Cyril W. Johnston, Vice-Chairman

Original Signed By

Wanita McGraw, Member

Original Signed By

Roger McKenzie, Member