



DECISION

**IN THE MATTER OF an application by Acadian
Coach Lines LP for approval of changes to rates of
passenger fares for its inter-city scheduled services
within the Province of New Brunswick.**

June 8, 2010

IN THE MATTER OF an application by Acadian Coach Lines LP for approval of changes to rates of passenger fares for its inter-city scheduled services within the Province of New Brunswick.

New Brunswick Energy and Utilities Board:

Mr. Cyril Johnston, Vice-Chairman
Mr. Yvon Normandeau, Member
Mr. Robert Radford Q.C., Member

Ms. Lorraine R. Légère, Secretary to the Board
Mr. David Keenan, Advisor

Nova Scotia Utility and Review Board:

Mr. Roland Deveau, Member

Also present from Nova Scotia:

Ms. Anne Bonang, Court Reporter
Ms. Natalie Aisthorpe, Director, NS Motor Carrier Division

Applicant:

Acadian Coach Lines LP

Solicitor:

Mr. John Stringer Q.C.
McInnes Cooper

Witnesses:

Ms. Denise Sirois, Product Director, Intercity Passenger Services
Acadian Bus Group.

Ms. Nancy MacRae, Accounting Manager
Acadian / Orléans Express, Maritimes

DECISION

This matter arises out of an application filed by Acadian Coach Lines LP (the “Applicant” or “Acadian”) on April 9, 2010 for changes to the tariff of passenger fares on its inter-city scheduled services. The New Brunswick Energy and Utilities Board (the “Board”) held a concurrent hearing with the Nova Scotia Utility and Review Board (“NSUARB”) which was represented by NSUARB Member Roland A. Deveau. The matter was heard in Amherst, Nova Scotia on June 8, 2010.

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 holding of a concurrent hearing was approved by the Honourable Denis Landry, New Brunswick Minister of Transportation, pursuant to Section 2 (4.1) of the *Motor Carrier Act* and amendments thereto. By letter, dated April 30, 2010, Minister Landry stated that he was satisfied that the Board would make adequate provisions for any interested party to be heard in person, or by toll-free telephone conference call, which were advertised in advance.

The Applicant provided an Affidavit of Publication verifying that it had complied with the Board Order regarding notice of the hearing to the public. The Applicant informed the Board that the Notice of Hearing posted on the Applicant's website had been inadvertently removed due to a programming error. The error was rectified within 24 hours.

Prior to the hearing, the Applicant filed financial documents including Balance Sheets, Income Statements, and other financial information. The Applicant also provided a PowerPoint presentation detailing the marked decline in passengers experienced in 2009, as well as its proposed schedule of passenger fares by customer type (adult, student, Club 60, and child). At the request of the Applicant, portions of the financial information were determined to be confidential and a redacted version of this information was prepared for the public hearing, as per the Board's June 2008 tariff decision.

There were no intervenors present at the hearing. The Board did receive one letter in opposition to the proposed fare increases from the St. Thomas University Students' Union.

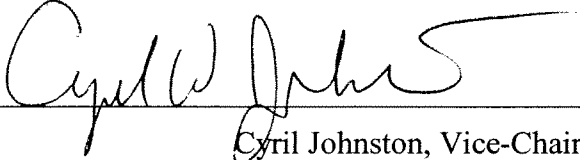
The Board considered the pre-filed evidence as well as the oral evidence of Denise Sirois, Product Director, Intercity Passenger Services for the Acadian Bus Group, and of Nancy MacRae, the Accounting Manager for the Acadian Bus Group.

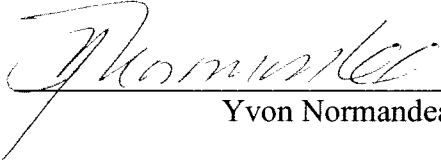
The Applicant requested an average 2.0% increase, before taxes. The proposed fare schedule would see adult passenger fares increase between 1.3% and 3.1% for one-way fares, and between 0.4% and 4.0% for round-trip fares. All passenger classes would see similar fare increases, except passengers under 6 years of age, who would continue to be charged a \$5 flat fare for one-way travel, and ride free on round-trip passages.

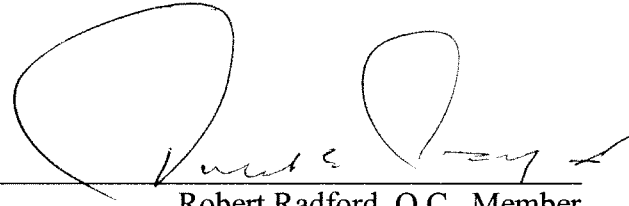
The Applicant noted that its combined fuel expense for 2010 is projected to be \$250,000 higher than for 2009. The projected 2010 passenger revenues (NB and NS combined), even after an average 2% fare increase, would still be more than \$450,000 lower than for 2009.

The Board is satisfied that the tariff applied for is just and reasonable and approves the tariff changes effective Monday June 14, 2010. The approved zone of distance fares are attached at Schedule "A".

Dated at the City of Saint John, New Brunswick this 8th day of June, 2010.


Cyril Johnston, Vice-Chairman


Yvon Normandeau, Member


Robert Radford, Q.C., Member

Schedule "A"

Acadian Coach Lines – Zones of Distance Fares

Zones of distance		Retail price	Price per Kilometre	
Zones	Distance in KMs	2010	2010	
1	1	24.9	\$8.00	\$0.33
2	25	49.9	\$12.00	\$0.25
3	50	74.9	\$14.00	\$0.19
4	75	99.9	\$20.00	\$0.20
5	100	124.9	\$25.00	\$0.20
6	125	149.9	\$29.00	\$0.20
7	150	174.9	\$33.00	\$0.19
8	175	199.9	\$38.00	\$0.19
9	200	224.9	\$41.00	\$0.19
10	225	249.9	\$45.00	\$0.18
11	250	274.9	\$48.00	\$0.18
12	275	299.9	\$52.00	\$0.18
13	300	349.9	\$57.00	\$0.17
14	350	399.9	\$62.00	\$0.16
15	400	449.9	\$67.00	\$0.15
16	450	499.9	\$71.00	\$0.15
17	500	549.9	\$76.00	\$0.14
18	550	599.9	\$80.00	\$0.14
19	600	649.9	\$85.00	\$0.13
20	650	699.9	\$89.00	\$0.13
21	700	749.9	\$93.00	\$0.13
22	750	799.9	\$96.00	\$0.12
23	800	849.9	\$98.00	\$0.12
24	850	899.9	\$100.00	\$0.11
25	900	949.9	\$102.00	\$0.11
26	950	999.9	\$104.00	\$0.11
27	1000	1049.9	\$106.00	\$0.10
28	1050	1099.9	\$108.00	\$0.10
29	1100	1149.9	\$110.00	\$0.10
30	1150	1199.9	\$110.00	\$0.09
31	1200	1249.9	\$110.00	\$0.09
32	1250	1299.9	\$110.00	\$0.09