

Preliminary Application Decision

Application:	X71-09
Applicant:	Greyhound Canada Transportation ULC (formerly Greyhound Canada Transportation Corp.)
Address:	877 Greyhound Way SW, Calgary, AB, T3C 3V8
Principals:	KENDRICK, Stuart J. LEACH, David S.
Current Authorization:	Passenger Transportation Licence 70414. The special authorization of Greyhound Canada Transportation ULC ("GCTU") to operate inter-city buses, and the terms and conditions of licence that were approved by the Board on July 16, 2009, can be viewed online at http://www.th.gov.bc.ca/ptb/bus.htm .
Publication:	The application was published in the <i>PT Board Bulletin</i> on May 6, 2009. Note 1: This application was originally published in the name of Greyhound Canada Transportation Corp. Since publication, the applicant's name was changed and registered with the BC Corporate Registry (August 2009). This is a name change only.
Board Considerations:	The Board may approve an application forwarded to it by the Registrar of Passenger Transportation if the Board considers, as set out in section 28(1) of the Passenger Transportation Act, that: (a) there is a public need for the service the applicant proposed to provide under any special authorization. (b) the applicant is a fit and proper person to provide that service and is capable of providing that service, and (c) the application, if granted, would promote sound economic conditions in the passenger transportation business in British Columbia.
Public Notice & Comment:	Inter-city bus licensees applying to discontinue a route point or reduce minimum route frequency must: <ul style="list-style-type: none">• send notice of the application to local governments of communities that are affected by proposed changes• post notices at terminals, depots and agents' offices, and• publish notices in community newspapers. <p>The Board accepts comments from the public with regard to these applications.</p> <p><i>Route D: Postings at Depots</i></p> <p>On May 29, 2009 Board staff received an e-mail from an individual in the Nelson area stating that the depot of Greyhound Canada Transportation ULC ("GCTU") in Nelson did not receive or post notice of the proposed changes respecting Route D.</p>

After the Board raised the matter with GCTU, Mr. Robbins, solicitor for the applicant, provided a copy of an e-mail dated June 1, 2009 from Mike Palosky to Grant Odsen, Regional Manager, BC for GCTU, stating: "All Kootenay agents have been called. Nelson said it was posted there, but went missing at some point. Greenwood and Midway said the same thing. All other agents confirmed it is posted in their locations. The posting has been faxed to Nelson, Greenwood and Midway again with confirmation of posting..." A subsequent e-mail from Mr. Odsen confirmed that the notice had been re-posted in those locations where it had gone missing.

Republication of Route B1 (Falkland)

During a preliminary review of the application, the panel asked for clarification of the impact of the proposed MRF reductions on Falkland, a route point on Route B1. The original publication had indicated that there would be no change to the service provided at Falkland. After consulting with the applicant, it was determined that the published application did not reflect the changes the applicant was applying for.

At present, service must be provided at least twice daily in each direction. Greyhound clarified that it wishes to reduce the minimum service level for Falkland so it can operate 1 trip daily northbound and 2 trips daily southbound. This represents a reduction in total weekly trip minimums from 28 to 21. To correct this publication error and to provide opportunity for further input from the public, the Board required the re-publication of Route B1 in the PT Board's *Weekly Bulletin*, the posting of the change at the Falkland GCTU depot, publication of the corrected information in newspapers in Kamloops and Vernon, and notice to the Columbia-Shuswap Regional District. These notice requirements were met. The submission period ended in the first week of October.

Public Notice for Application X71-09

Board staff confirmed, by way of a review of "Copies of Newspaper Tearsheets" and "Copies of letters and notices" provided by the applicant, that the applicant met Board requirements with respect to notification of the public. Despite the posting interruptions at some depots on Route D, the Board is satisfied that the licensee has substantively met its public notice requirements for application X71-09.

Submissions

With this application, the Board received a number of submissions from individuals, companies, organizations, local governments and elected representatives. These submissions are discussed throughout the decision with respect to the individual routes that are under consideration.

The deadline for public comments and submissions was June 17, 2009. Submissions continued to come in after the deadline. These were date stamped with the date they were received, and all submissions received by July 8, 2009 were forwarded to the applicant for review and comment. The panel decided that all comments and

submissions received between June 18 and July 8, together with those received by the deadline, would be considered in its decision.

Board Decisions: *Overview*

The Board may issue a preliminary decision on parts of the application pending a final determination on the application. We are issuing a preliminary decision on Routes N, Q, QA, S2, T and U. These are preliminary decisions only and will not become final until we issue a decision on application X71-09 *in toto*. The outcome for routes B1 and D have not yet been decided.

Should any matter arise in our review of the whole application that relates to any of the orders in this preliminary decision, we may reconsider any or all of the preliminary decisions. The applicant may act on these decisions but should be aware of this caveat. The Board will not be accepting any further submissions with respect to the routes that are the subject of the preliminary decisions.

Subject to the caveat above, the following are the Board's preliminary decisions:

- **Route N – approved as per the application.**
- **Route Q – approved as per the application.**
- **Route QA – approved as per the application.**
- **Route S2 – approved as set out in the decision (i.e. the minimum route frequency for route S1 is increased by 1 trip daily in each direction.)**
- **Route T- approved as per the application.**
- **Route U – approved as per the application.**

At least 21 days before implementing a schedule change, GCTC must publish a notice of the change and the effective date in newspapers of affected communities. Copies of such notices must be provided to the Registrar, Passenger Transportation Branch, prior to the issuance of an amended licence. The 21-day notice requirement is waived for route(s) where the elimination of ferry sailing(s) by B.C. Ferries necessitates a service reduction on an existing GCTU schedule.

Amendment: After the preliminary application decision was sent to the applicant and before publication, corrections were made to more accurately reflect GCTU's proposal respecting routes D and Q. The original version is not public. This is the official version.

Background:

Application as a whole

In this application, GCTU seeks to reduce minimum route frequency or eliminate service on eight separate routes. With two exceptions, the panel has assessed each of these routes separately based on the information provided by the applicant and by the submitters. The exceptions are for Routes Q and QA

which both involve route points of Nanaimo, Vancouver and Coquitlam. The panel has combined these two proposed route changes as they are closely inter-related.

Route B1

The submission period has not yet closed since the republication of Route B1. The panel defers making any decision on Route B1 until it has had time to assess all submissions pertaining to that route.

Route D

The Board received a significant number of submissions with respect to Route D. The submissions were provided to GCTU for review and comment. After reviewing these submissions, GCTU decided to change its original application on this route. The original application was for a weekly minimum route frequency ("MRF") of 14 trips, down from the current 28 trips per week. The applicant is now proposing to reduce the MRF to 20 on that portion of the route between Kelowna and Nelson. This would be done by providing two trips daily in each direction on Monday, Thursday and Friday, and one trip in each direction on the other days of the week on the portion of Route D between Kelowna and Nelson only. The remainder of Route D, between Nelson and the Alberta border, would be reduced to one trip daily in each direction, as per the original application.

Until the issuance of this preliminary decision, the public had not been made aware of this proposal. Before a decision is made to approve, modify or refuse the revised application, the Board wants to ensure that further public input is received. For this purpose, the Board will hold public meetings in some of the affected communities. The decision on GCTU's modified proposal on Route D will not be made until after public meetings are held.

Reasons:

- I. *Is there a public need for the service that the applicant proposes to provide under special authorization?*

In minimum route frequency reduction (MRF) applications, the Board must decide what level of service meets the public need. If the Board determines that the proposed level of MRF will meet the public need, it may grant the application. If the Board determines that the proposed level of MRF will not meet the public need, then it may refuse the application or grant the application in part in a manner that meets the public need.

The panel is dealing with each of the proposed MRF changes on a route-by-route basis with the exception of Routes Q and QA as noted in the background. The assessment of public need as it pertains to each proposed MRF reduction is discussed in the following analyses.

Route N

Vancouver – Alberta Border (at Highway 16)

Affected Route Points

Kamloops	Abbotsford
Merritt	Langley
Hope	Vancouver
Chilliwack	

The applicant seeks to reduce the minimum route frequency between **Kamloops** and **Vancouver** from 2 trips daily in each direction to 1 trip daily in each direction. This is part of a GCTU operation between Edmonton and Vancouver via the Yellowhead (Highway 5) through to Kamloops. These trips arrive and depart at Kamloops according to Greyhound published schedules 5401 westbound and 5044 eastbound¹. These arrivals and departures coincide with the Calgary and Vancouver routes that travel on the TransCanada (Highway 1) route. The Calgary – Vancouver trips are schedules 5153 westbound and 5000 eastbound. GCTU proposes to transfer passengers in each direction at Kamloops from the Edmonton trips to the Calgary trips. Thus, passengers travelling westbound from Edmonton would transfer to the Calgary – Vancouver bus in Kamloops to complete the journey to Vancouver or points en route. Passengers travelling eastbound to Edmonton from Vancouver would take the Calgary bus as far as Kamloops and then transfer to a bus bound for Edmonton. GCTU says that because the trip schedules coincide at Kamloops, the transfers would be seamless. This consolidation would save the applicant over 150,000 bus miles per year with little or no noticeable impact on service.

The Board received submissions from the City of Merritt, the District of Hope and the Thompson-Nicola Regional District. Each of these letters expressed concern or opposition to the proposed MRF reduction. Our analysis of the proposed consolidation of traffic at Kamloops indicates that actual impact on each of these communities would be minimal. Each community will continue to have reasonable service levels if this application is approved.

In addition, the Board received a letter from the Township of Langley, suggesting that GCTU examine the opportunity to provide a greater level of service in the Lower Mainland, modeled on the “QuickLink” program in Eastern Canada which connects rural towns with cities. The letter also comments on the environmental advantages of bus travel as opposed to individual vehicle traffic.

The MLA for Yale-Lillooet submitted a letter opposing the MRF reduction. This letter expressed concern for residents of Merritt and their ability to access service to Kamloops and the Lower Mainland. A review of the GCTU schedules shows that Merritt residents can access five daily trips in each direction between

¹ Note: Route N is a route that is set out in the passenger transportation licence for GCTU. Four-digit schedules are created by GCTU. Board decisions relate to the terms and conditions of licence, not the GCTU schedules. The licensing decision creates requirements that must be reflected in the scheduled operations. The GCTU schedules may be considered and discussed as guidance for understanding how services are being provided.

Merritt and Kamloops, eight daily trips from Merritt to Vancouver and nine daily trips from Vancouver to Merritt.

There were three submissions from individuals pertaining to the Route N portion of the application. One of these was a complaint about a GCTU terminal operator and was not specifically related to the application. Two were more general in nature, citing the potential of difficulty accessing medical appointments.

On the basis of the evidence at hand, the Board finds that granting the proposed reduction of service levels on Route N would enable the applicant to continue to meet the public need for inter-city bus service on that route. The proposed changes will have minimal impact on current service levels and will maintain connectivity for medical and other services at urban centers. The application with respect to Route N is granted.

Route Q via Horseshoe Bay/Departure Bay Ferry | MRF Reduction

Coquitlam / Vancouver - Nanaimo

Affected Route Points

Vancouver	Nanaimo
Coquitlam	Departure Bay Ferry Terminal
West Vancouver	Horseshoe Bay Ferry Terminal

Route QA alternative via Tsawwassen/Duke Point Ferry | Route point elimination

Coquitlam / Vancouver - Nanaimo

Affected Route Points

Coquitlam

For routes Q and QA, the applicant proposes to eliminate the route point of Coquitlam. Also, for Route Q the current Minimum Route Frequency (MRF) is 8 trips daily in each direction and a total weekly minimum of 112 for all the route points with the exception of Vancouver which is 7 and 98 respectively. The applicant is seeking to reduce minimum service levels for all route points, including Vancouver, to 6 daily trips in each direction and a total of 84 trips per week.

The Board is considering the proposal for both routes together because, in each case, the same route point is proposed for elimination, the routes have the same terminating points, and because most of the submissions were relevant to each of the routes, not one or the other. Further, route QA is an alternate to route Q.

The Board received 3 submissions for both routes. One was from an individual who rides the GCTU bus once a month from Parksville to Vancouver to attend meetings leaving on the 9:00 a.m. bus from Parksville and returning on a bus that arrives in Parksville at 3:15 p.m. The proposed route point elimination and reductions in minimum route frequency should not affect the ability of the individual to continue receiving the same service.

The City of Coquitlam expressed concern regarding the elimination of Coquitlam as a route point. Several issues were raised. One was the hardship imposed on lower income residents and students who rely on GCTU services for inter-regional travel. The other was the inadequacy of, and failure to provide the public notice of the service change. On this matter the Board, as noted above, is satisfied that the licensee has met its public notice requirements.

The Board received one submission for the above route MRF reduction as well as for those concerning routes T and U from the MLA for Nanaimo. The MLA expressed concern that the reductions in bus service are counterproductive with respect to getting people out of their cars and reducing their carbon footprint.

The applicant provided ridership data for a 12 month period ending January 31, 2009 on its schedules 5135 eastbound and its schedule 5136 westbound which it proposes to eliminate and includes the elimination of Coquitlam as a route point. On schedule 5135 and 5136 the average passenger load respectively was 5.51 and 0.32 and financially well below its breakeven RPM (revenue per mile) for B.C. and Vancouver Island. GCTU also provided ridership data for schedules 5121 eastbound and 5122 westbound which it plans to eliminate in order to implement the proposed reduction in minimum route frequency to 6 trips daily in each direction. The average passenger load for schedules 5121 and 5122 was 6.22 and 8.53 respectively. The applicant comments that the daily trip on the Nanaimo – Coquitlam route is principally used to move freight and that for future freight movement GCTU will use a 5 ton truck.

Supplemental information was received from the applicant on September 11, 2009 concerning the elimination by BC Ferries of 4 weekly sailings in each direction between Departure Bay and Horseshoe Bay. Notwithstanding these scheduling changes by BC Ferries, GCTU wishes to continue operating 6 trips daily in each direction between Nanaimo and Vancouver.

Residents of Coquitlam have public transportation options other than private vehicles to make connections with the main Vancouver GCTU bus station. For example, Translink provides extensive bus service within the area that enables access to GCTU's main depot, either directly by Translink bus or by connecting with Skytrain. Based on the above information including ridership and revenue data supplied by the applicant, the Board finds that the public need for passenger transportation would continue to be met if Coquitlam is eliminated as a route point. It also finds, for routes Q and QA, that a continuance of 6 trips in each direction with a total weekly minimum of 84 is sufficient to meet current public need.

Route S2 | Route Elimination

Coquitlam - Pemberton

Affected Route Points

Coquitlam	Whistler
Garibaldi Heights	Pemberton
Whistler Creek	

Routes S1 and S2 serve communities on the Sea-to-Sky highway corridor (including Squamish, Whistler, Pemberton and Mount Currie) and provide connections with Vancouver and Coquitlam to the south.

Route S1 is the main route. The minimum route frequency is 7 trips daily in each direction from Vancouver to Whistler. Services extend to Pemberton for 4 trips daily in each direction, and to Mount

Currie once or twice a day in each direction. For other points between these main route points, service levels tend to be comparable and slightly less.

Route S2 complements route S1 by providing service between Coquitlam and Whistler once daily in each direction. A less-than-daily service extends as far north as Pemberton. GCTU seeks to eliminate Route S2 between Coquitlam and Whistler/Pemberton.

On route S2, GCTU operates schedule 5074 daily northbound from Coquitlam to Pemberton and schedule 5085 daily southbound from Whistler to Coquitlam. The applicant notes that the buses on these schedules mostly carry freight, with average passenger counts of 5.69 on the northbound schedule and 4.98 on the southbound schedule. Revenue per passenger mile is well below break-even. These are the two trips that GCTU proposes to eliminate. The applicant proposes to replace passenger service with a five-ton truck to carry freight.

After the applicant reviewed the submissions, it proposed to increase the daily trips in each direction between Squamish and Whistler on Route S1 if the Board granted the MRF reduction sought for Route S2. The applicant stated that it would add a new northbound trip that would leave Squamish at 7:30 a.m. and arrive at Whistler at 8:20 a.m. on a daily basis. A new southbound trip would leave Whistler at 5:00 p.m. and arrive at Squamish at 6:00 p.m. daily. This, according to the applicant, would address a substantial number of the concerns expressed by submitters.

The Board received 19 submissions from individuals relative to Route S2.

Eight of these submissions make specific reference to concerns with cancellation of the GCTU 9:45 a.m. (schedule 5075) from Pemberton to Vancouver. This application does not seek to cancel that schedule.

Three of the submissions specifically mention concerns relating to the loss of the 7:30 a.m. departure from Squamish to Whistler and/or the 5:00 p.m. return of that trip. The proposal by GCTU to increase trips on Route S1 directly addresses these concerns.

Five of the submissions and a petition signed by 19 individuals expressed concerns about the loss of service specifically originating or terminating in the Coquitlam area connecting with Whistler. The panel notes that the petition contained no contact information for any of the people who signed it, and many of the names were illegible. Such a petition is given little weight. GCTU responds that the average passenger counts of approximately 5 per day in each direction do not warrant continuation of this service. The applicant states that the service level between Vancouver and Whistler is 7 times daily in each direction. As well, PCL, Snowbus and Premier Pacific offer scheduled bus service between Whistler and Vancouver. The panel notes that, while it is not as convenient for many people as a direct trip from Coquitlam, other options exist for travelers in that area. Translink buses and connections to SkyTrain provide access to the GCTU Vancouver terminal.

The remaining submissions from individuals were more general in nature, outlining concerns related to the environment, road safety and general convenience.

The Board received submissions from local governments. A letter from the Village of Pemberton suggests that if GCTU eliminates its 7:00 a.m. departure from Pemberton, the residents will have no southbound bus service options between 7:00 a.m. and 12:30 p.m. each day. The applicant submits that this is

incorrect, that the Pemberton to Whistler corridor will have GCTU bus service at 4:40 a.m. and 9:45 a.m. and a 7:08 a.m. service provided by Whistler Transit's Wave service, part of BC Transit.

The Squamish-Lillooet Regional District (SLRD) submits that any service reduction is damaging, but expresses particular concerns about the service between Squamish and Whistler. The addition of the trips outlined by GCTU to Route S1 should alleviate those concerns. The SLRD submits that it, and other communities within the SLRD, is providing a subsidy to GCTU through a service that provides residents with the opportunity to purchase tickets that are priced the same as public transit. GCTU states that this is not a subsidy program, but that the SLRD purchases blocks of "Greyhound Flex Passes" which are tickets available to the public. These tickets are sold by GCTU in books of 20 at a discount to the regular one-way fare, and must be used within 6 months of purchase. The SLRD and other communities then re-sell them as individual tickets to residents without markup. The panel notes that this type of cooperative effort should help to ensure the GCTU services are affordably priced to the public, and are therefore more likely to be viewed as a reasonable option to many travelers.

The District of Squamish submitted that the reduction in service on the Sea to Sky corridor would be burdensome on many of its residents and businesses. The proposed increase in service between Squamish and Whistler on Route S1 will alleviate some of this concern, particularly as it relates to commuters between Squamish and Whistler.

A letter from the Resort Municipality of Whistler (RMOW) stated that "Council passed a resolution that they are opposed to the proposed reduction in bus service." No specific reasons or issues were identified in the letter. The panel recognizes that any reduction in service is a concern to RMOW. We are of the view that the proposed increase in service on S1 between Squamish and Whistler will, to some extent, alleviate those concerns.

The City of Coquitlam provided a letter opposing the application with respect to Route S2. The panel notes the low ridership numbers provided by the applicant, and the range of options such as Translink in the Coquitlam area that connect to the GCTU terminal in Vancouver. While these services are not as convenient as a direct link, the balance between public need for a direct service and availability of alternative services must be considered. On balance, the ridership and the small number of submissions from residents of Coquitlam and surrounding municipalities indicates a very modest public need for the service.

The Board received a submission from Intrawest at Whistler Blackcomb, a major employer in RMOW. The company submits that the service provided currently is crucial to commuters from each of Squamish and Pemberton to RMOW and that a reduction in service would place a hardship on commuters and the companies that employ them. The panel notes that the applicant's proposed increase in service on S1 would alleviate some of these concerns, particularly with respect to the Squamish – Whistler corridor. Further, the services available between Pemberton and Whistler, with the remaining GCTU schedule and the Whistler Transit Wave system, appear to provide reasonable alternatives to commuters in that area.

The panel finds that, by increasing the MRF on Route S1 by one trip daily in each direction between Squamish and Whistler, granting the application with respect to elimination of Route S2 will continue to meet the public need for service in this corridor. The elimination of Route S2 is granted on the provision that the MRF on Route S1 is increased by one trip daily in each direction.

Route T | MRF Reduction

Victoria - Nanaimo

Affected Route Points

Victoria	Ladysmith
Duncan	Nanaimo

Between Victoria and Nanaimo, the applicant seeks to reduce the daily minimum service levels (in each direction) for the principal route points of Victoria, Duncan, Ladysmith and Nanaimo from 5 trips to 4 trips with a fifth trip on Friday and Sunday in each direction. It proposes to do this by eliminating the northbound schedules 5100 (in its entirety) and 5118 except on Friday and Sunday and southbound schedules 5101 (in its entirety) and 5117 except on Friday and Sunday. No changes or reductions are proposed for route points with a minimum service frequency of 3 trips daily in each direction.

A submission from the local MLA for Nanaimo, as noted above in Routes Q and QA, outlined concern about reducing bus service that does not encourage a reduced use of personal vehicles which increases our carbon footprint.

The Board also received 5 submissions from individuals. One was from a senior resident in Parksville who expresses the need to address the dependence on public transport by increased numbers of seniors who need to keep in touch with their care giving families on the Island. Two of the 3 submissions from Victoria relate to dependence on the bus service to keep in contact with family, the hardship the cuts will mean on their ability to travel but do not indicate any level of usage. The other submission was a Victoria resident who uses the bus to commute to his work in Port Mellon, B.C. on the Sunshine Coast every 4 days via the B.C. Ferry in Nanaimo. It is not made clear how the proposed reductions in minimum route frequency will specifically impact this person's travel. One submission from an undisclosed location makes a general statement that further reductions in service will increase the inconvenience that already exists.

The applicant reports that for the 12 months ending January 31, 2009 the southbound schedule 5101 and 5117 operated significantly below its current breakeven RPM for Vancouver Island on both routes. It reports the northbound schedule 5100 also operated below its breakeven RPM for Vancouver Island. It also reports that, while the northbound schedule 5118 has a higher RPM and an average daily passenger load of 20.46, the figures are misleading. The traffic is only heavy on 2 days of the week (Fridays and Sundays) and much lighter on the remaining days.

The applicant noted that there are alternative transportation options on this route. For example, B.C. Transit has introduced a new Cowichan Valley commuter rapid bus service between Duncan and Victoria, and between Shawnigan Lake and Victoria. These services run Monday to Friday each week with 3 southbound trips in the early morning and 3 northbound trips in the late afternoon. As well, Islandlink Bus Services provides a "connector bus" service.

With the availability of additional public transit and private commercial transportation options, the Board finds that granting the proposed changes to Route T will maintain a reasonable level of service that meets the public need.

Route U | MRF Reduction

Nanaimo – Campbell River

Affected Route Points

Nanaimo	Buckley Bay
Nanoose	Union Bay
Craig's Crossing	Royston
Parksville	Courtenay
French Creek	Merville
Qualicum Beach	Black Creek
Home Lake Road	Oyster River
Bowser	Campbell River
Fanny Bay	

Between Nanaimo and Campbell River, the applicant seeks to reduce the daily minimum service levels (in each direction) for the principal route points of Nanaimo, Parksville, Courtenay and Campbell River from 3 trips to 2 trips. All of the other smaller route stops on this route would be reduced from 2 to 1 flag/drop ("fd") daily. In order to achieve this GCTU proposes to eliminate in their entirety the northbound schedules 5100 (Monday-Saturday) and 5104 (Sunday) and the 5118 daily except on Friday and Sunday. It also proposes to eliminate the southbound schedule 5117 daily except on Friday and Sunday.

If the Board approves a reduction for Route T and U, GCTU indicates that it will extend northbound service on schedule 5102 beyond Nanaimo to Campbell River (and further to Port Hardy) on a daily basis. This schedule currently arrives daily in Nanaimo at 09:35 from Victoria.

A submission from the local MLA for Nanaimo as noted above concerning Routes Q, QA and T was received.

Eleven submissions came from individuals which included residents in Campbell River (2), Nanaimo(2), Courtenay (1), Qualicum Beach(1), Victoria (1), Edmonton, Alberta(1), Parksville(1). Two (2) emails came from undisclosed locations.

Two of the submissions, from people who use the bus for educational purposes, had issues with the dropping of afternoon or late evening trips between Nanaimo and Courtenay and with the loss of a late evening trip to commute between Nanaimo and Campbell River. One senior from Parksville expressed concerns about reduced service between Victoria and Parksville. A service her daughter, who lives in Victoria, uses to visit her periodically for a week or two at a time to help with business, shopping, etc. The remainder of the submissions offered general views or concerns related to increased hardship for low income and elderly residents who depend on bus service to maintain connections with relatives. They also referred to the need for improved bus, plane and train connections to encourage the reduced use of private vehicles.

The applicant reports that for the 12 months ending January 31, 2009 the Northbound schedules 5100, 5104 and 5118 had average passenger loads of 18.52, 20.24 and 11.99 respectively. It reports schedules 5100 and 5104 had RPMs that are close to breakeven for Vancouver Island and that 5118 operated about 38% below the breakeven point. GCTU is proposing, however, to maintain the northbound late schedule of 5118 on Friday and Sunday as these are heavier load days. It reports the Southbound schedule 5117 operated below its breakeven RPM for Vancouver Island with average daily passenger loads of 9.30.

The Board notes that services may be available by operators with a connector bus exclusion from requiring special authorization of the Board to operate an inter-city bus. It also recognizes the daily B.C. Transit services between Nanaimo and Qualicum Beach including Parksville and its provision of daily services between Courtenay and Campbell River. The latter service connects the Campbell River Transit System and the Comox Valley Transit System at Oyster River. The public has a range of alternative transportation options available to it on this corridor and GCTU's plan to extend on a daily basis its northbound service on schedule 5102 beyond Nanaimo to Campbell River will help to maintain and complement services and connectivity north of Nanaimo on the corridor. The Board, however, encourages GCTU to consult with the affected major communities north of Nanaimo on the best and optimal way to start up and schedule this extension of 5102 recognizing the needs of residents. Given the small number of submissions expressing actual details of usage, detailed concerns or other relevant evidence of the impact of this reduction in MRF, the Board finds that residents will not be impacted in any compelling manner by approving the changes requested and that service will be maintained at a level to meet public need.

II. *Is the applicant a fit and proper person to provide that service and is the applicant capable of providing that service?*

In dealing with an application for MRF reduction, the Board is likely to apply the logic that a licensee seeking a reduction is a fit and proper person to provide the service proposed unless there is compelling evidence to the contrary.

In this instance, the applicant has been providing service throughout the province over a large network of routes. There is no compelling evidence to suggest that the applicant is not a fit and proper person to provide the service. The applicant seeks to reduce or eliminate aspects of the existing service, and there is no evidence that the applicant would be incapable of providing the service proposed in this application. We find that the applicant is a fit and proper person to provide the service and is capable of providing the service.

III. *Would the application, if granted, promote sound economic conditions in the passenger transportation business in British Columbia?*

The Board must consider the promotion of sound economic conditions in the passenger transportation business in British Columbia. This includes, but is not limited to, the financial health of the applicant seeking a reduction in MRF. This could include the overall financial health of the applicant or the financial health of specific routes.

The panel finds that the applicant has put forward substantive evidence with respect to the financial performance of the routes on which it seeks to amend the MRF in this application. In each case, the panel has examined the potential impact of the proposed reductions and what that impact might be on

the financial condition of the applicant. On balance, the granting of the application as outlined in this decision will promote sound economic conditions in the passenger transportation business in British Columbia.

Activation: *Direction to the Applicant:*

At least 21 days before implementing schedule changes, GCTU must publish notice of the change and the effective date in newspapers of affected communities. Copies of such notices must be provided to the Registrar, Passenger Transportation before an amended licence may be obtained. The 21-day notice requirement is waived for route(s) where the elimination of ferry sailing(s) by B.C. Ferries necessitates a service reduction on an existing GCTU schedule.

A Passenger Transportation Licence must be issued by the Registrar of Passenger Transportation under section 29 or renewed under section 34 of the Passenger Transportation Act before the special authorization approved in this decision may be exercised.

Direction to the Registrar of Passenger Transportation:

The Registrar may amend the GCTU licence to incorporate the changes in inter-city bus routes and minimum route frequencies as set out in the terms and conditions below. This includes the elimination of route S2 and changes to route S1. An amended licence may only be issued after GCTU has given the Registrar copies of newspaper notices that were published in affected communities. The newspaper notices must meet the requirements set out under "Direction to the Applicant."

Special Authorization:

Inter-City Bus (ICB)

Terms & Conditions:

The following terms and conditions relate only to routes that are affected by this preliminary application decision. That is, they do not represent all the terms and conditions respecting the special authorization passenger transportation licence for Greyhound Canada Transportation ULC.

Route Number: N

Terminating Point 1: Alberta Border & Highway 16

Terminating Point 2: City of Vancouver

Authorized Route:	Route Points	Daily Minimum (each direction)	Total Weekly Minimum
	Alberta Border & Highway 16	n/a	n/a
	Mount Robson	1 fd	21 fd
	Tete Jaune Cache Junction	1 fd	14 fd
	Village of Valemount	2	28
	Blue River	2	28
	Avola Junction	2 fd	28 fd
	Vavenby ²	1	14
	Clearwater	2	28
	Little Fort	2	28
	Barriere	2	28
	City of Kamloops	1	14
	City of Merritt	0	7
	District of Hope	0	7
	Agassiz	alt	alt
	District of Mission	alt	alt
	District of Maple Ridge	alt	alt
	City of Chilliwack	1	14
	City of Abbotsford	0	7
	City or Township of Langley	0	7
	City of Surrey	alt	alt
	District of Delta	alt	alt
	City of Richmond	alt	alt
	City of Coquitlam	0	14
	City of Vancouver	1	14

Abbreviations:

"fd" means "flag" (where the vehicle will stop on signal to pick up a passenger) or "drop" (where the vehicle will stop on signal to drop off a passenger on board), or both.

"alt" means "alternate" route point that is not located directly enroute between other route points authorized by the Board; service may be provided to one or more alternate route points at the option and frequency of the licence holder on the condition that all minimum route frequencies approved or set by the Board are maintained.

"n/a" means "not applicable"

² 1 daily "intown" trip into Vavenby (each direction)

Route Number: Q (via Horseshoe Bay/Departure Bay Ferry)

Terminating Point 1: City of Vancouver

Terminating Point 2: City of Nanaimo

Authorized Route:	Route Points	Daily Minimum (each direction)	Total Weekly Minimum
	City of Vancouver	6	84
	City of West Vancouver	6	84
	Horseshoe Bay Ferry Terminal	6	84
	Departure Bay Ferry Terminal	6	84
	City of Nanaimo	6	84

Route Number: QA (Alternate via Tsawwassen/Duke Point Ferry)

Terminating Point 1: City of Vancouver

Terminating Point 2: City of Nanaimo

Authorized Route:	Route Points	Daily Minimum (each direction)	Total Weekly Minimum
	City of Vancouver	alt	alt
	City of Richmond	alt	alt
	Tsawwassen Ferry Terminal	alt	alt
	Duke Point Ferry Terminal	alt	alt
	City of Nanaimo	alt	alt

Abbreviations:

"alt" means "alternate" route point that is not located directly enroute between other route points authorized by the Board; service may be provided to one or more alternate route points at the option and frequency of the licence holder on the condition that all minimum route frequencies approved or set by the Board are maintained.

Route Number: S1

Terminating Point 1: City of Vancouver

Terminating Point 2: Mount Currie³

Authorized Route:	Route Points	Daily Minimum (each direction)	Total Weekly Minimum
	City of Vancouver	7	98
	City of West Vancouver	6	91
	Horseshoe Bay	0	49 fd
	Sunset Beach	5 fd	84 fd
	Village of Lions Bay	5	70
	Furry Creek	5 fd	84 fd
	Brittania Beach	5	77
	District of Squamish	7	105
	Dentville	1 fd	28 fd
	Garibaldi Highlands	8	112
	Brackendale	7 fd	98 fd
	Pinecrest/Black Tusk	7	98
	Resort Municipality of Whistler:		
	o Function Junction	7 fd	105 fd
	o Twin Lakes	7 fd	105 fd
	o Whistler Creek	6	98
	o Whistler Village	8	112
	Alpine Meadows	3 fd	49 fd
	Emerald Estates	0	28
	Village of Pemberton	4	56
	Mount Currie	1 + 1 oc	14 + 7 oc

Note: Route S2 is excluded from the terms and condition of licence.

³ Route S1: Some trips may terminate at Whistler Village or the Village of Pemberton instead of Mt. Currie.

Route Number: T
 Terminating Point 1: City of Victoria
 Terminating Point 2: City of Nanaimo

Authorized Route:	Route Points	Daily Minimum (each direction)	Total Weekly Minimum
	City of Victoria	4	60
	City of Langford	3 fd	42 fd
	Goldstream	3 fd	42 fd
	Malahat Lookout	3 fd	42 fd
	Mill Bay	3	54
	Cobble Hill	3 fd	42 fd
	Cowichan Bay	3 fd	42 fd
	City of Duncan	4	60
	District of North Cowichan	3	42
	Saltair	3 fd	42 fd
	Town of Ladysmith	4	60
	Cassidy	3	42
	City of Nanaimo	4	60

Emergency Routing: When the Malahat portion of the Trans Canada Highway cannot be used, vehicles may be operated from the City of Victoria to the District of Saanich to the District of Central Saanich and, after crossing the Finlayson Arm by the Mill Bay Ferry, reconnect with the regular route at Mill Bay.

Alternate Routing: The route points set out above do not preclude the licence holder from, on any portion of Highway 1 that is situated on Vancouver Island, making scheduled time stops or conveying passengers who hail or flag the motor vehicle from the street.

Abbreviations:

"fd" means "flag" (where the vehicle will stop on signal to pick up a passenger) or "drop" (where the vehicle will stop on signal to drop off a passenger on board), or both.

Route Number: U
 Terminating Point 1: City of Nanaimo
 Terminating Point 2: District of Campbell River

Authorized Route:	Route Points	Daily Minimum (each direction)	Total Weekly Minimum
	City of Nanaimo	2	32
	Nanoose	1 fd	18 fd
	Craig's Crossing	1 fd	18 fd
	City of Parksville	2	32
	French Creek	1 fd	18 fd
	Town of Qualicum Beach	1 fd	18 fd
	Home Lake Road	1 fd	18 fd
	Bowser	1 fd	18 fd
	Fanny Bay	1 fd	18 fd
	Buckley Bay	1 fd	18 fd
	Union Bay	1 fd	18 fd
	Cumberland	alt	alt
	Royston	1 fd	18 fd
	City of Courtenay	2	32
	Merville	1 fd	18 fd
	Black Creek	1 fd	18 fd
	Oyster River	1 fd	18 fd
	District of Campbell River	2	32

Abbreviations:

"fd" means "flag" (where the vehicle will stop on signal to pick up a passenger) or "drop" (where the vehicle will stop on signal to drop off a passenger on board), or both.

"alt" means "alternate" route point that is not located directly enroute between other route points authorized by the Board; service may be provided to one or more alternate route points at the option and frequency of the licence holder on the condition that all minimum route frequencies approved or set by the Board are maintained.

Board Panel Chair: Dennis Day

Panel Member: William Bell

Panel Members Concurring

Original Determination Date: October 6, 2009

Amended Decision Date: October 7, 2009